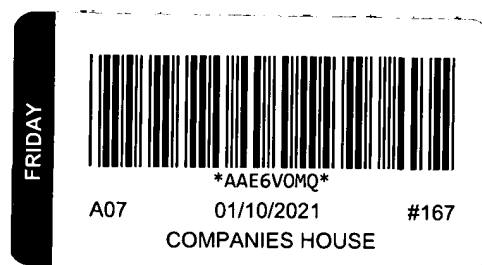


BT (RRS LP) Limited

**Annual Report and Financial Statements
for the year ended
31 March 2021**

Registered number: 4109640



Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary
Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Contents

Directors' report.....	2
Statement of Directors' Responsibilities in respect of the Directors' Report and Financial Statements.....	4
Independent Auditor's Report to the Members of BT (RRS LP) Limited.....	5
Profit and Loss Account.....	9
Balance Sheet.....	10
Statement of Changes in Equity.....	11
Notes to the Financial Statements.....	12

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Directors' report

The directors present their annual report on the affairs of BT (RRS LP) Limited (the "Company"), together with the audited financial statements for the year ended 31 March 2021. The registered number of the Company is 4109640.

Principal activities and future developments

The Company's principal activity is to act as an investment holding Company within the British Telecommunications plc group of companies, either directly or through wholly owned subsidiary companies. The directors do not anticipate any change in the Company's principal activity in the foreseeable future.

Results and dividends

The loss before taxation was £224,000 (2020: profit of £29,000). The tax credit was £43,000 (2020: £75,000) which resulted in loss for the financial year of £181,000 (2020: profit of £104,000).

The directors have not declared any interim (2020: £nil) or final dividend (2020: £nil) during the year.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

CB Ryan
AJ Gara
NR Harris (appointed on 14 Sep 2020)
LC Winnister (resigned on 14 Sep 2020)

Going concern

Notwithstanding net current liabilities of £14,913,000 as at 31 March 2021, a loss for the year then ended of £181,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors believe the Company will have sufficient funds to meet its liabilities as they fall due for that period, provided existing on-demand group loans are not called in for a period of at least 12 months from the date of approval of these financial statements.

The Directors have satisfied themselves that funding will be made available from British Telecommunications plc to enable the Company, whilst it remains a wholly owned subsidiary of British Telecommunications plc, to meet its liabilities as they fall due. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary


Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Directors' report (continued)

Going concern (continued)

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of information to the auditor

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the Company's Auditor and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's Auditor have been made aware of that information.

Political contributions

The Company made no political donations or incurred any political expenditure during the period.

Independent auditor

Pursuant to Section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Small companies' exemption

The directors' report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

The directors' report on pages 2 to 3 was approved by the Board of directors on 28 September 2021 and were signed on its behalf by



Authorised Signatory
for and on behalf of Newgate Street Secretaries Limited
Company Secretary

29 September 2021

Registered Office Address:

81 Newgate Street, London, EC1A 7AJ, United Kingdom

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Statement of Directors' Responsibilities in respect of the Directors' Report and Financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary


Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BT (RRS LP) LIMITED

Opinion

We have audited the financial statements of BT (RRS LP) Limited ("the company") for the year ended 31 March 2021 which comprise the Profit and Loss account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BT (RRS LP) LIMITED (CONTINUED)

Going concern (continued)

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the BT Group Plc’s policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BT (RRS LP) LIMITED (CONTINUED)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover this report and, accordingly, we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BT (RRS LP) LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Emily Sills

Emily Sills (Sep 29, 2021 14:48 GMT+1)

Emily Sills (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
29 September 2021

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary
Governance

Chris Ryan

Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk

Emily Sills

BT (RRS LP) Limited

Profit and loss account for the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Administrative expenses		(8)	(6)
Other operating income	5	<u>-</u>	<u>320</u>
Operating (loss)/profit		(8)	314
Interest payable and similar expenses	6	<u>(216)</u>	<u>(285)</u>
(Loss) / profit before taxation		(224)	29
Tax credit on loss	8	<u>43</u>	<u>75</u>
(Loss) / profit for the financial year		<u>(181)</u>	<u>104</u>

All results are derived from continuing operations.

There has been no other comprehensive income during either 2021 or 2020 other than as disclosed in the profit and loss account and therefore no separate statement of comprehensive income has been presented.

The accompanying notes form an integral part of financial statements.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Balance sheet as at 31 March 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Investments	10	10,280	10,280
Current assets			
Debtors	11	43	75
Creditors: amounts falling due within one year	12	<u>(14,956)</u>	<u>(14,807)</u>
Net current liabilities		<u>(14,913)</u>	<u>(14,732)</u>
Total assets less current liabilities		(4,633)	(4,452)
Net liabilities		<u>(4,633)</u>	<u>(4,452)</u>
Equity			
Called up share capital	13	-	-
Accumulated losses		<u>(4,633)</u>	<u>(4,452)</u>
Total equity		<u>(4,633)</u>	<u>(4,452)</u>

The accompanying notes form an integral part of financial statements.

The financial statements on pages 9 to 19 were approved and authorised for issue by the board of directors on 28 September 2021 and were signed on its behalf.



Christina Ryan

Director
29 September 2021

Company registered number – 4109640

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Statement of changes in equity for the year ended 31 March 2021

	Called up share capital	Accumulated losses	Total equity
	£'000	£'000	£'000
Balance at 1 April 2019	-	(4,556)	(4,556)
Profit for the financial year	-	104	104
Balance at 31 March 2020	-	(4,452)	(4,452)
Loss for the financial year	-	(181)	(181)
Balance at 31 March 2021	-	(4,633)	(4,633)

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements

1. General information

BT (RRS LP) Limited acts as an investment holding company within the BT Group plc group of companies.

The company is a private company, limited by shares, and is incorporated, registered and domiciled in the UK. The address of its registered office is 81 Newgate Street, London, EC1A 7AJ.

2. Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101), which involves the application of International Financial Reporting Standards (IFRS) with a reduced level of disclosure. The financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of the UK-adopted International Financial Reporting Standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Exemptions

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard. The following exemptions have been taken:

- The requirements of IAS 7 Cash Flow Statement and related notes.
- Disclosures in respect of capital management.
- The requirements of paragraphs 17 of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

As the consolidated financial statements of BT Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company intends to continue to apply the disclosure exemptions allowable by FRS 101 for the foreseeable future. Where required, equivalent disclosures have been given in the consolidated financial statements of BT Group plc.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary
Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

2. Basis of preparation (continued)

Exemptions (continued)

The results of British Telecommunications plc are included in the consolidated financial statements of BT Group plc which are available on the group website, www.bt.com/about or from the Company Secretary at the registered office, 81 Newgate Street, London, EC1A 7AJ.

New and amended accounting standards effective during the year

The following amended standards and interpretations were effective during the year, however, they have not had a significant impact on our financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards.
- Definition of Material (Amendments to IAS 1 and IAS 8).
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

New and amended accounting standards that have been issued but are not yet effective

The following new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the financial statements.

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16).

The replacement of Interbank Offered Rates (IBORs) with Alternative Reference Rates (ARAs) will begin from December 2021. Where floating interest bearing receivables and payables exist (currently based on IBORs) the Group will apply suitable replacement benchmark rates and account for the instruments in accordance with the amendments to IFRS 9 Financial Instruments published in 2019 (Phase 1) and 2020 (Phase 2). The adoption of these amendments and the transition to ARAs are expected to have an immaterial financial impact. The Company is preparing to move to the new benchmark rates in accordance with timelines as per Regulatory guidelines.

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Dividend income

Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Going concern

Notwithstanding net current liabilities of £14,913,000 as at 31 March 2021, a loss for the year then ended of £181,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors believe the Company will have sufficient funds to meet its liabilities as they fall due for that period, provided existing on-demand group loans are not called in for a period of at least 12 months from the date of approval of these financial statements.

The Directors have satisfied themselves that funding will be made available from British Telecommunications plc to enable the Company, whilst it remains a wholly owned subsidiary of British Telecommunications plc, to meet its liabilities as they fall due. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Dividend distribution

Dividend distributions are recognised as a liability in the year in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when they are paid; final dividends when authorised in general meetings by shareholders.

Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

3. Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Interest receivable and interest payable

Interest receivable and payable is recognised in profit or loss as it accrues, using the effective interest method. When a loan and receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Financial assets and liabilities

Financial assets and liabilities are recognised initially at fair value. They are subsequently measured either at fair value or amortised cost using the effective interest method, in accordance with the IFRS 9 category they belong to.

The effective interest rate is the rate that discounts estimated future cash payments through the expected contractual term, or the most probable expected term of the financial instrument, to the net carrying amount of the financial liability. This calculation includes all fees and points paid or received between parties to the contract.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

3. Accounting policies (continued)

Loans and receivables (Debtors)

This category mainly includes intercompany loans and other receivables. These instruments are recognised at fair value upon origination and are subsequently measured at amortised cost by the effective interest method. Short-term receivables with no stated interest rate are measured at original invoice amount unless there is any significant impact resulting from the application of an implicit interest rate.

If there is any objective evidence of impairment, the value of the asset is reviewed at each balance sheet date. An impairment loss is recognised in the income statement when the financial asset carrying amount is higher than its recoverable amount.

Financial liabilities at amortised cost (Creditors)

The Company initially recognises financial liabilities at the fair value net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

Investments

Investments are carried at cost less provision for impairment. Investments are tested for impairment when an event that might affect asset values has occurred. An impairment loss is recognised to the extent that the carrying amount cannot be recovered either by selling the asset or through continuing to hold the asset as measured by the discounted future cash flows from the investment.

4. Operating (loss)/profit

Operating (loss)/profit is stated after charging

	2021 £'000	2020 £'000
Auditors' remuneration for audit services	8	7

5. Other operating income

	2021 £'000	2020 £'000
Other miscellaneous income	-	320

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary
Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

6. Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest payable on loans from group undertakings	216	285

7. Directors' emoluments

The directors are employed and remunerated by British Telecommunications plc or other group companies in respect of their services to the BT group as a whole. No emoluments were paid to the directors in respect of their services to the Company for the year ended 31 March 2021 (2020: £nil).

8. Tax credit on loss

	2021 £'000	2020 £'000
Current tax:		
Current tax on (loss)/profit for the year	(43)	(75)

Reconciliation of the total tax charge

The tax in the income statement for the current year is same as (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below.

	2021 £'000	2020 £'000
(Loss) / profit before taxation	(224)	29
Tax calculated at UK standard rate of corporation tax of 19% (2020: 19%)	(43)	6
Effect of:		
Income not taxable	-	(61)
Share of partnership's losses	-	(20)
Total tax credit on loss	(43)	(75)

Factors affecting current and future tax charges

During the Chancellor's Budget on 3 March 2021, a UK corporation tax rate increase from 19% to 25%, effective from 1 April 2023 was announced. This will increase the company's future current tax charge/credit accordingly. The change in tax rate will have no effect on the deferred tax charge/credit for the year as the company has no deferred tax temporary differences at 31 March 2021.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

9. Employee information

The Company had no employees during the year ended 31 March 2021 or during the previous year.

10. Investments

	Share in Joint Venture £'000
Cost	
As at 1 April 2020	27,271
As at 31 March 2021	27,271
Provision for Impairment	
As at 1 April 2020	(16,991)
As at 31 March 2021	(16,991)
Net Book Value	
At 31 March 2021	10,280
Net Book Value	
At 31 March 2020	10,280

In the opinion of the directors, the carrying value of the investments is supported by its underlying net assets and is recoverable. Details of the Partnership are as follows:

Entity Name	Entity Activity	% of Capital Contribution	Country and registered address
Rugby Radio Station LP	Property entity	50%	St Helen's 1 Undershaft, London, EC3P 3DQ, United Kingdom

11. Debtors

	2021 £'000	2020 £'000
Debtors due within one year		
Corporation Taxes	43	75

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk



BT (RRS LP) Limited

Notes to the financial statements (continued)

12. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	(14,948)	(14,801)
Accruals	(8)	(6)
	<u>(14,956)</u>	<u>(14,807)</u>

Included in amounts owed to group undertakings is a loan from British Telecommunications plc of £14,834,000 (2020: £14,628,000) and accrued interest for the year 2021 £114,860 (2020: £173,443), which is repayable on demand, the loan attracts interest at LIBOR plus 97.5 (2020: 102.5) basis points.

13. Called up share capital

	2021 £'000	2020 £'000
Allotted, called up and fully paid: 1 (2020: 1) ordinary shares of £1 each	-	-

14. Controlling entity

The Company is a wholly owned subsidiary of British Telecommunications plc, which is the immediate controlling entity and incorporated in England & Wales. The ultimate controlling entity is BT Group plc.

The parent undertaking of the largest group of companies into which the results of the Company are consolidated is BT Group plc, a company incorporated in England & Wales. Consequently, the Company is exempt under the terms of IAS 24 "Related Party Disclosures" from disclosing details of transactions and balances with BT Group plc and fellow group subsidiaries provided such subsidiaries are wholly owned members of the group during the year ended 31 March 2021. Copies of the financial statements of BT Group plc may be obtained from The Secretary, BT Group plc, 81 Newgate Street, London EC1A 7AJ.

The parent undertaking of the smallest group of companies into which the results of the Company are consolidated is British Telecommunications plc, a company incorporated in England & Wales. Copies of the financial statements of British Telecommunications plc are available from The Secretary, British Telecommunications plc, 81 Newgate Street, London EC1A 7AJ.

Chris Ryan

E-signed 2021-09-29 11:13AM GMT+1

chris.b.ryan@bt.com

BT, Senior Manager Subsidiary

Governance



Emily Sills

E-signed 2021-09-29 02:48PM GMT+1

emily.sills@kpmg.co.uk

