



Groceries Code  
Adjudicator



# Annual Report and Accounts

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Improving  
fairness for  
suppliers

HC 1032

1 April 2024 –  
31 March 2025



# **Groceries Code Adjudicator Annual Report and Accounts**

1 April 2024 – 31 March 2025

Presented to Parliament pursuant to Section 14 and Paragraph 15 of  
Schedule 1 to the Groceries Code Adjudicator Act 2013

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# Table of Contents

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## Performance report

- 7 Overview**
- 8 Foreword**
- 12 GCA at a glance**
- 13 2024/25 highlights**
- 14 About the Groceries Code Adjudicator**
  - 15 Background**
  - 16 Purpose and activities of the GCA**
  - 19 The office of the GCA**
  - 20 Risks**
  - 21 Going concern**
- 22 Performance analysis**
  - 23 Statutory reporting requirements**
  - 23 Strategic objectives**
  - 27 Annual survey**

## Accountability report

- 36 Corporate governance report**
  - 36 Director's report**
  - 38 Statement of Accounting Officer's responsibilities**
  - 39 Governance statement**
- 46 Remuneration and staff report**
- 52 Parliamentary accountability and audit report**
- 54 The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament**

## Financial statements

- 61 Statement of Comprehensive Net Expenditure for the year ended 31 March 2025**
- 62 Statement of financial position as at 31 March 2025**
- 63 Statement of cash flows for the year ended 31 March 2025**
- 64 Statement of changes in Taxpayers' Equity**
- 65 Notes to the financial statements**

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[www.gov.uk/gca](https://www.gov.uk/gca)

[enquiries@groceriescode.gov.uk](mailto:enquiries@groceriescode.gov.uk)

**020 7215 6537**

**Report a Code-related issue  
in confidence  
[tellthegca.co.uk](mailto:tellthegca.co.uk)**

# Performance report

# Overview

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This section of the Annual Report explains the role and purpose of the Groceries Code Adjudicator (GCA). It also covers the GCA's objectives, performance and the impact and management of key risks.

The performance report opens with a foreword from the Adjudicator, Mark White.

For information on significant activities relating to past reporting periods please refer to the Annual Report and Accounts for 2023/24 and preceding years.

## Section overview

**/8**

Foreword

**/12-13**

GCA at a glance & 2024/25 highlights

**/14**

About the Groceries Code Adjudicator

**/22**

Performance analysis



# Foreword

This annual report is my first since my re-appointment in October 2024 for a further three years. I am looking forward to continuing as Adjudicator to lead the GCA's important work, which has made a real difference in improving designated retailers' (Retailers) treatment of their direct suppliers.

There is more to do in my second term. My priorities include securing further improvements in compliance with the Groceries Supply Code of Practice (Code) across the Retailers and tackling the individual Code issues that most significantly impact direct suppliers.

I am also committed to ensuring Retailers are treating suppliers fairly as the groceries sector evolves and responds to external challenges. Retailers should communicate effectively with suppliers about change projects and ensure fair negotiation of cost price changes.

The information that suppliers provide the GCA in confidence helps me to understand which issues are impacting the sector and whether Retailers may be breaching the Code. I receive that information through direct engagement with suppliers and with other stakeholders, from emails, and conversations at meetings or events I attend around the country.

When suppliers tell me about an issue with a Retailer or Retailers, I share information including guidance and links to the relevant Code paragraph(s), and the contact details of the Code Compliance Officer (CCO) for the Retailer in question. This allows the supplier to determine and take next steps as it wishes.

I may also intervene directly with the Retailer as part of my collaborative approach. When I do, I intervene in a way that does not reveal who the supplier is or the category of product it supplies. For example, I might group experiences I have heard from multiple

suppliers, directly and via trade associations, before speaking to the Retailer.

Depending on the severity and scale of the issue, this intervention may be with the CCO during our regular engagement or with senior leadership up to and including the CEO. When I intervene in this way, I expect the Retailer to investigate the issue and explain how they plan to resolve it. For example, Retailers routinely make changes to processes, introduce training or guidance for the buying teams and make payments to suppliers when they have faced unjustified losses.

I follow up regularly with Retailers until I am satisfied both that the issue is resolved and that there are effective assurance processes in place to stop the issue repeating. By intervening in this way, I have successfully changed Retailers' behaviour to ensure that they treat suppliers fairly and lawfully. I also monitor to ensure that, as they have committed to, CCOs are protecting supplier confidentiality and that Retailers





are ensuring that suppliers face no negative consequences for raising issues.

I cannot ensure that the Retailers make these changes without the information suppliers provide. I will continue to encourage suppliers to contact me (including through my anonymous platform, Tell the GCA) and highlight to suppliers my statutory obligation to maintain confidentiality. Whether suppliers speak to me or a Retailer's CCO the commitments are clear: confidentiality assured and no negative consequences.

During the reporting period, I discussed with all Retailers the importance of clear communication. I welcome the improvements in fairness and collaboration that may result as Retailers improve and invest in their systems, including to provide more accurate forecasts or improve their goods-in processes. However, Retailers need to clearly communicate such changes to suppliers, ensuring they reach the right people in each supplier and that there are advertised routes for suppliers to raise concerns or ask questions. While I have seen examples where ineffective communication has led to supplier disquiet, I have also seen some effective communication and will continue to engage to ensure this becomes more commonplace.

On 17 December 2024 the GCA applied to intervene in High Court proceedings (W Clappison Limited v Aldi Stores Limited) and its intervention was permitted on 16 June 2025.

On 20 June 2025, after the the end of the reporting period, I launched an investigation into the conduct of Amazon.com, Inc in respect of paragraph 5 of the Code: No delay in Payments.

My annual survey helps me evaluate the effectiveness of my interventions and understand suppliers' perceptions of issues affecting the sector and the Retailers' Code

compliance. I am pleased that through my 2025 survey suppliers told me that they perceived improved Code compliance and a decline in their experience of Code issues.

For the second consecutive year, fewer suppliers reported experiencing Code issues (down 3% in both 2024 and 2025), with 30% saying in 2025 that they had experienced an issue.

This improvement was largely reflected in suppliers' reporting of individual issues. For most issues, suppliers either experienced improved or broadly similar compliance, including:

- The number of suppliers reporting inadequate Retailer processes and procedures to promptly resolve invoice discrepancies falling by 4% to 17%
- The number of suppliers experiencing delays in payment falling by 3% to 11%
- The number of suppliers perceiving that a Retailer had refused to consider a CPI request or delayed its agreement or implementation to such a request falling by 2% to 14%

There were a smaller number of issues that suppliers reported as having occurred more than in the previous year, including de-listing without reasonable notice, which 15% of suppliers reported in 2025, an increase of 1% from 2024. I have discussed with all CCOs the importance of ensuring that de-listings are conducted fairly and in line with the Code. Where I have particular concerns based on an individual Retailer's survey results or on other information from suppliers, I will not hesitate to intervene.

Across all 14 Retailers, an average of 93% of suppliers told me that the Retailer either consistently or mostly complied with the Code, up from 91% in 2024. I am pleased that, despite significant pressures faced by the sector, 8 individual Retailers achieved

improved perceived overall compliance, including each of the 5 lowest scoring Retailers in 2024. Perceptions of 4 Retailers' compliance remained the same, but worsened for 2 others.

Recent years have shown how quickly the circumstances faced by businesses in the groceries sector can change. The Code and the GCA exist to ensure that, no matter the challenges, direct suppliers to the Retailers can invest and grow their business without facing excessive risks or unexpected costs. As I turn my attention to the next twelve

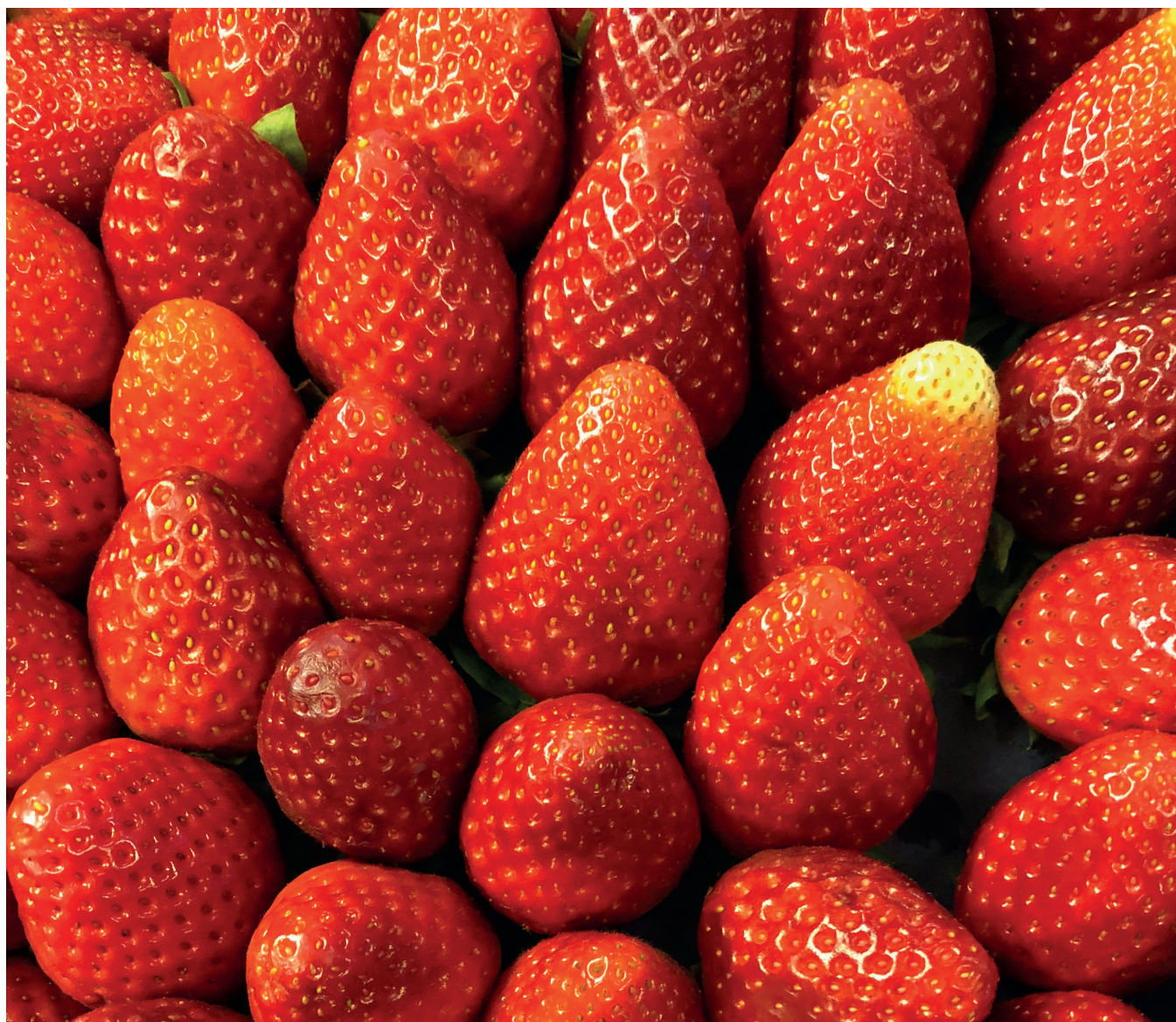
months, I look forward to engaging with Retailers, suppliers and others to tackle new issues as they arise and to build on the reduction in Code issues seen this year to ensure suppliers are treated fairly and lawfully.



**Mark White**

**Groceries Code Adjudicator and  
Accounting Officer**

**15 July 2025**



# GCA at a glance (as at 31 March 2025)

Designated  
retailers



**£2m**  
levy from  
Retailers  
per annum



**15** years of  
the Code



**14**  
arbitrations



**12**  
sector  
surveys



formal  
investigations



# 2024/25 highlights

- **Listening to and understanding the issues across the sector:** the GCA attended over **130** meetings around the UK, including in Northern Ireland and Wales.
- **Explaining the work of the GCA:** over **330** participants at the GCA's annual conference, approximately **1,500** subscribers to the Adjudicator's newsletters and over **2,500** responses to the GCA's annual survey.
- **Continuing fair treatment:** the Adjudicator was reappointed for **3** years to ensure that Retailers continue to treat their suppliers fairly and lawfully.
- **Collaboration on regulation and supply chain challenges:** engaged across government and met with other grocery sector regulators in the UK and internationally, including with the recently appointed Agricultural Supply Chain Adjudicator (ASCA).

# About the Groceries Code Adjudicator

## Background

The appointment of an adjudicator followed a 2008 report setting out the findings of the Competition Commission market investigation into the groceries sector. The Competition Commission found that while the sector was broadly competitive, some large retailers were transferring excessive risk and unexpected costs to their direct suppliers. Following the Commission's recommendation, the government introduced the Groceries (Supply Chain Practices) Market Investigation Order 2009 (the Order) which includes a requirement to comply with the Groceries Supply Code of Practice (the Code).

The Code regulates the relationship between the retailers designated as falling within the

remit of the Code (Retailers) and their direct suppliers. The Competition and Markets Authority (CMA) designates those that come under the Code. The CMA reviews the market each year, gathering information directly from relevant retailers and considering for designation any retailer which has UK annual groceries turnover of more than £1 billion (as defined by the Order). When considering retailers for designation, the CMA will have reference to the findings of the Competition Commission.

At the commencement of the Order in February 2010, there were 10 Retailers. This has since increased to the 14 Retailers listed below:

### Retailers regulated by the GCA (as at 31 March 2025)



The GCA was established on 25 June 2013 by the Groceries Code Adjudicator Act 2013 (the GCA Act). The current Adjudicator, Mark White, was appointed on 31 October 2020 and was re-appointed as Adjudicator for a further 3-year term from 31 October 2024.

The GCA is funded by a levy on the Retailers. The levy methodology is reviewed each year and requires the consent of the Secretary of State (SoS) of the department with responsibility for the GCA (currently the Department for Business and Trade (DBT)).

In July 2023, DBT published the findings of the third statutory review of the work of the GCA. The review covered the period from 1 April 2019 to 31 March 2022 and concluded that “the overwhelming view of retailers, suppliers and others is that the GCA is a highly regarded, efficient and effective regulator”. The government decided not to transfer the functions of the GCA to the CMA or another public body. DBT is, at the time of publication of this Annual Report, conducting a statutory review into the work of the GCA covering the period 1 April 2022 to 31 March 2025.

## Purpose and activities of the GCA

The GCA is the independent regulator ensuring that the Retailers treat their direct suppliers lawfully and fairly. It is responsible for monitoring and encouraging compliance with and enforcing the Code.

The GCA strives to promote a stronger groceries sector through compliance with the Code, protecting suppliers from excessive risks and unexpected costs and enabling them to invest and innovate to bring better value and choice to consumers.

The GCA takes a collaborative approach to regulating the 14 Retailers and aims to intervene when it is made aware of an issue,

ideally before a supplier has faced any detriment or incurred any costs. The GCA encourages suppliers, trade associations and other representative bodies to provide information and evidence about how the Retailers are treating their direct suppliers. The GCA treats all information that it receives confidentially and has a legal duty to preserve anonymity.

The GCA also encourages suppliers to undertake training on the Code and to follow the latest developments and GCA announcements.

At a supplier's request the GCA must arbitrate in disputes with the Retailer and may also do so following a request from a Retailer. Arbitration awards are binding and may include awarding compensation.

The Adjudicator can launch investigations where he has reasonable grounds to suspect the Code has been broken. If a breach of the Code is found, the Adjudicator can make recommendations, require Retailers to publish details of any breach and, in the most serious cases, impose a fine. The GCA power to fine a Retailer up to 1% of its UK turnover came into force on 6 April 2015. To date, the GCA has carried out two investigations, the first into Tesco in 2015 and the second into Co-op in 2018.

Under the Code, the Retailers are obliged to deal fairly and lawfully with Groceries suppliers across a range of supply chain practices. These include making payments on time; no variations to supply agreements without notice; compensation payments for forecasting errors; no charges for shrinkage or wastage; restrictions on listing fees, marketing costs and de-listing.

Suppliers protected by the Code are those directly supplying a Retailer with Groceries for retail resale in the UK, including overseas suppliers.

The GCA must effectively prioritise its activities. When considering whether to launch an investigation and other activities, the GCA applies the following four prioritisation principles, which are set out in its statutory guidance:

## GCA prioritisation principles

<b>Impact:</b>	The greater the impact of the practice raised, the more likely it is that the GCA will take action.
<b>Strategic importance:</b>	Whether the proposed action would further the GCA's statutory purposes.
<b>Risks and benefits:</b>	The likelihood of achieving an outcome that stops breaches of the Code.
<b>Resources:</b>	A decision to take action will be based on whether the GCA is satisfied the proposed action is proportionate.

The GCA must carry out its statutory functions as set out in the GCA Act, including protecting the anonymity of suppliers who provide information, if that is what they wish. The GCA has developed a modern regulatory approach, by working collaboratively with the Retailers and aiming to intervene when it is made aware of an issue. If the collaborative approach does not deliver a desired outcome, the GCA can take formal action. When Code-related issues are raised, the GCA follows the stages set out below:





## GCA three stage collaborative approach

### Stage 1: Make Retailers aware of issues reported by suppliers.

- The GCA will consider whether the issue raised falls within the scope of the Code. If so, the GCA will raise the issue with the Retailers' Code Compliance Officers (CCOs) for their own action. CCOs work for the Retailers but their reporting lines are independent of the buying teams.
- The GCA will protect the confidentiality of the suppliers when raising issues with the CCOs.

### Stage 2: Request that the CCOs investigate the issue and report back to the GCA.

- CCOs will investigate the issue and identify if any action needs to be taken within their organisation. This could include making improvements to systems and processes to reduce the risk of the issue occurring or recurring.
- Depending on the CCO's findings and action taken by the Retailer, the GCA may issue advice clarifying or interpreting the relevant provisions of the Code for the Retailer and others to follow. Where a Retailer or Retailers accept a breach of the Code has taken place and sufficient action has been taken to resolve it, the GCA may publish a case study on the GCA website.

### Stage 3: Take formal action if the practice continues.

- If the GCA continues to hear of suppliers experiencing the same issue it may publish more formal guidance and/or launch an investigation.

Through this process the GCA ensures that issues are raised with, and promptly considered by, the Retailers and that any necessary action is agreed and taken as swiftly as possible. This collaborative approach has a dual benefit. It delivers results more quickly and significantly reduces the cost of regulating the Retailers.

The GCA does not act as a complaint-handling body, nor can it advise on individual disputes where a supplier seeks a view on whether a Retailer has breached the Code. This is because the GCA may later be asked to arbitrate in the same dispute between the supplier and the Retailer or the GCA may later launch an investigation into the practice raised by the supplier. Providing a view on individual cases could compromise or appear

to compromise the GCA's impartiality later. Instead, the GCA encourages suppliers to refer to published GCA information and to approach CCOs directly because they can deal with issues quickly and, where needed, discreetly.

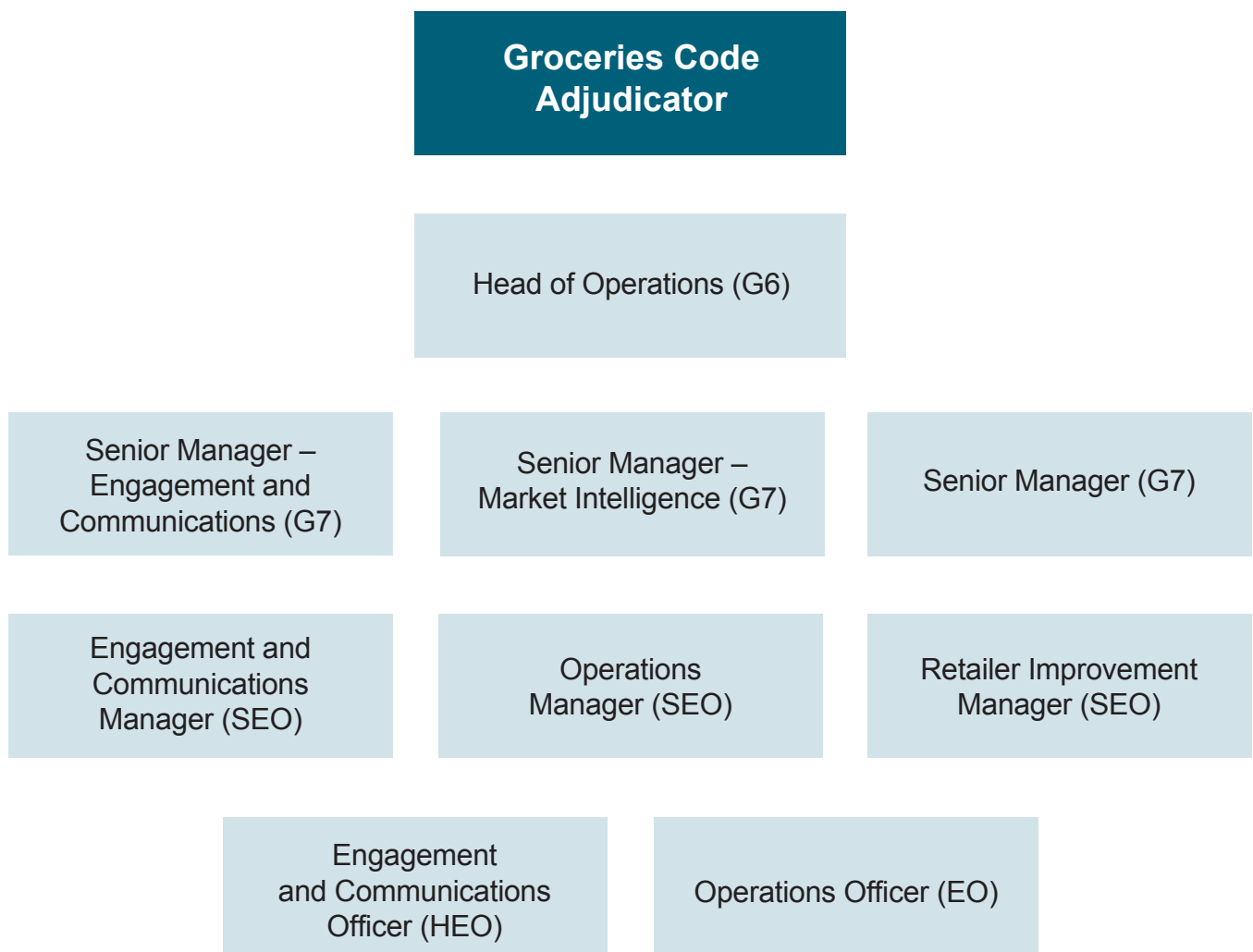
Litigation between suppliers and Retailers may raise issues of importance to the GCA. In cases where the GCA considers that court proceedings are of relevance to the regulatory regime and may affect the application of its rules generally, the GCA may apply to intervene in those proceedings and may be able to offer assistance to the court in resolving the issues in question.

More information about the work of the GCA is available on [the GCA website](#).

## The office of the GCA

The GCA is a Corporation Sole and an independent regulator sponsored by DBT. The Adjudicator is supported by a small team of staff, all of whom are seconded from

public bodies. The organisational chart as at the conclusion of the reporting period is shown below.



## Risks

The GCA Audit and Risk Committee (see Governance Statement, page 39) is responsible for identifying, monitoring and mitigating issues and risks associated with the operation and administration of the office of the GCA and the exercise of the GCA's statutory functions.

The principal risks faced by the GCA during the reporting period are summarised below. The GCA continues to regularly review its risk profile.

Risk Theme/ Description	Key controls and activities to manage risks	Risk RAG rating
High staff turnover impedes the delivery of the GCA objectives.	<p>As the GCA's small size and statutory footing continue to contribute to resourcing challenges, the GCA worked to mitigate the impact and likelihood of this risk including by:</p> <ul style="list-style-type: none"> <li>Ensuring long-term planning of future recruitment needs to ensure vacancies have a long lead time</li> <li>Making use of all available recruitment options in consultation with DBT</li> <li>Planning to extend secondment agreements, well in advance of expiry, where appropriate</li> <li>Ensuring the efficient recording and accessibility of corporate knowledge and the mechanisms for staff handover</li> </ul>	Red
The GCA is misrepresented or criticised by stakeholders because of a lack of understanding of the role of the GCA.	<ul style="list-style-type: none"> <li>Ensured that appropriate briefing and communication materials were used for a range of engagements</li> <li>Briefed media publications effectively to ensure understanding of the GCA's response to issues</li> <li>Provided written information to and met with Parliamentary and government stakeholders</li> </ul>	Red



Risk Theme/ Description	Key controls and activities to manage risks	Risk RAG rating
Changes in the legal or policy environment impeded the delivery of GCA objectives.	<ul style="list-style-type: none"> <li>• Remained abreast of issues affecting the grocery sector and the Code</li> <li>• Engaged directly with government decision makers to communicate and understand emerging issues and the possible impact on the delivery of GCA objectives</li> <li>• Continued to closely manage its relationship with DBT, including through regular meetings with relevant officials and through DBT membership on the GCA Governance Board</li> <li>• Given the introduction of regulations under powers taken in the Agriculture Act 2020 and the establishment in Defra of the office of the Agricultural Supply Chain Adjudicator, engaged with Defra to ensure improved understanding of the GCA's scope and decrease the likelihood of unexpected conflict with the activity of the GCA</li> </ul>	Red
The GCA is the subject of a judicial review which leads to reputational damage and loss of trust by stakeholders.	<ul style="list-style-type: none"> <li>• Took appropriate advice to support the GCA in ensuring that any procurement of assistance with investigations or arbitrations is conducted lawfully and in line with public procurement requirements</li> <li>• Took independent legal advice regarding the GCA's exercise of certain statutory powers</li> </ul>	Amber

The GCA considers that two risks reported in 2023/24 are no longer principal risks: '*negative audit opinion from the NAO*' and '*disruption caused by failure in IT systems impede the delivery of GCA objectives*'. In each case mitigating actions have proven successful in reducing the risk to the delivery of GCA objectives.

## Going concern

The GCA will receive levy income for 2025/26 to fund its activities. On 16 June 2025 the SoS consented to a GCA levy of £2.2 million for 2025/26. Accordingly, a going concern basis for the preparation of these financial statements has been adopted as appropriate. Budget pressures are possible should investigations or arbitrations result in accruals where the GCA has not recovered its costs within the year. The GCA has set the levy at an amount estimated to provide the GCA with sufficient funds to cover these circumstances with additional support from DBT where necessary.

# Performance analysis

This section of the Annual Report reviews the GCA's performance during the 2024/25 reporting period.

## Statutory reporting requirements

The GCA's key performance indicators are set out in the GCA Act as statutory reporting requirements. The four statutory reporting requirements and the performance against these objectives are summarised in the table below.

### GCA statutory reporting requirements and performance in 2024/25

#### Disputes referred to arbitration under the Order

- The GCA accepted appointment as arbitrator in one dispute during the reporting period. That arbitration concluded within the reporting period.
- There were no ongoing arbitrations at the end of the reporting period.

#### Investigations carried out by the GCA

- The GCA launched no statutory investigations during the reporting period.

#### Cases in which the GCA has used enforcement measures

- The GCA used no formal enforcement measures during the reporting period.

#### Recommendations that the GCA has made to the CMA for changes to the Code

- The GCA has not recommended any changes to the Code to the CMA during the reporting period.

## Strategic objectives

In addition to the statutory reporting requirements, the GCA monitors its performance against four strategic objectives:

- **Objective 1:** Promoting the work of the GCA
- **Objective 2:** Providing advice and guidance
- **Objective 3:** Acting on suppliers' issues and information
- **Objective 4:** Improving the culture of Code compliance

## Objective 1: Promoting the work of the GCA

### Supplier awareness of the GCA and understanding of the Code

The 2025 GCA annual survey indicated consistent supplier awareness of the GCA and the Code.

- 83% of direct suppliers surveyed were aware of the GCA, with 70% reporting a good or fair understanding of the GCA's role and responsibilities.
- 87% of direct suppliers surveyed were aware of the Code, with 75% reporting a good or fair understanding.

### Meetings

The GCA actively engaged with stakeholders throughout 2025, including through:

- Extensive Retailer engagement: 84 meetings with Retailers to address Code-related matters
- Supplier engagement: 15 meetings with individual suppliers to discuss specific Code issues
- Industry Collaboration: 25 meetings and events with various supplier and trade association representatives. This included addressing larger events held by the Northern Irish Food and Drink Association (NIFDA) and the Country Land and Business Association (CLA)
- Government Liaison: The GCA met with MPs and ministers, including attending the UK Farm to Fork summit at 10 Downing Street in May 2024
- International cooperation: discussions on regulating the grocery sector with stakeholders from the Republic of Ireland, New Zealand and the EU

### Media engagement

The media covered the activities of the GCA, including reporting on the Adjudicator's speech at the GCA's annual conference and following an interview of the Adjudicator about the GCA annual survey results for 2024. This coverage, alongside stories where the GCA has provided a response, have helped increase penetration of the GCA's key messaging among target audiences.

### Digital communications

The GCA website is an important tool for suppliers and other stakeholders. In 2024/25, there were over 4,500 unique page views to the homepage of the GCA's website.

The GCA regularly updates its website to ensure suppliers have access to essential information. This includes the Code Confident Pack, a handbook for suppliers which contains a range of useful information and contact details.

In addition to the website, the GCA directly communicates to stakeholders using its newsletter and social media channel. Three newsletters were sent out to approximately 1500 subscribers during the reporting period. The GCA's corporate LinkedIn account surpassed 100 followers during the reporting period, including opinion-leaders able to amplify the GCA's messaging to wider stakeholders.

### GCA annual conference

The GCA held its annual conference on 1 October 2024 with hundreds of attendees including suppliers, Retailers and trade associations attending in-person and online.

The Adjudicator set out his priorities and YouGov presented on the 2024 survey results and findings from deep dive

interviews conducted with suppliers. CCOs explained how they resolve suppliers' issues while protecting confidentiality and ensuring no negative consequences. Other

representatives of the Retailers explained how they implement and communicate to ensure that suppliers understand change projects.

## Objective 2: Providing advice and guidance

In response to the results of the GCA 2024 annual survey, the GCA discussed payment practices and performance with Retailers. The GCA emphasised the importance of ensuring that suppliers are paid according to agreed terms and told Retailers to ensure payment practices are compliant with the Code.

Through meetings and visits to Retailer distribution centres the GCA has also focussed on goods-in issues and processes. At these meetings the GCA discussed related issues with Retailers, including forecasting, good faith receiving, deductions from payments to suppliers and forensic auditing.

The GCA discussed Retailer communication with suppliers, including communication around change programmes with all CCOs.

The GCA emphasised the importance of clear communication with suppliers and of appropriate CCO involvement in communications, both to advise about Code compliance and to ensure that the GCA is informed in advance of relevant projects.

The GCA has offered information via its website, which has included:

- Information on arbitrations, the levy funding policy, and the commitments to confidentiality
- Updated versions of the Code Confident Pack, featuring Retailer CCO contact details
- Updated contact details for Retailers' supplier helplines

## Objective 3: Acting on supplier issues and information

### Make Retailers aware of issues reported by suppliers

The GCA's understanding of supplier issues was informed by its annual survey, meetings with suppliers, trade associations, and other stakeholders and direct engagement including through the GCA's anonymous [Tell the GCA reporting platform](#).

For issues covered by the Code, the Adjudicator contacted the relevant Retailers' CCOs (while maintaining supplier confidentiality where necessary). The GCA also encouraged suppliers to contact the Retailers' CCOs confidentially for issue resolution.

The GCA fosters collaboration through regular progress meetings with CCOs, which took place in July and October/November 2024, and February/March 2025. The Adjudicator also met with the chair of each audit committee (or other person responsible for the Retailer's annual compliance report in accordance with the Order) and held other meetings with Retailers including visits to distribution centres, trade briefings and other ad hoc meetings.

### Request that the CCOs investigate the issue and report back to the GCA

The GCA proactively engaged with Retailers on Code issues, through regular meetings

with CCOs and specific meetings to discuss significant concerns.

Retailers reported back on issues raised by the GCA including any changes they had made to rectify an issue. This included improvements to systems and processes, communicating expected behaviour to buying teams and providing training to prevent recurrence of issues, and engaging with suppliers on planned change programmes.

During the reporting period, the GCA worked with the Retailers on issues such as late payments (including when caused by issues during the goods-in process), the provision of accurate forecasts, marketing costs, ensuring change projects are effectively communicated to suppliers, the fair negotiation of cost price increases and decreases and ensuring Retailers are not [Requiring](#)<sup>1</sup> suppliers to take certain actions. The GCA also worked with individual Retailers on other specific issues.

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## Objective 4: Improving the culture of Code compliance

### Compliance culture at Retailers

The GCA held regular meetings with CCOs and met Retailer CEOs and the chairs of Retailers' audit committees or their equivalents. The GCA used these meetings to ensure that Retailers have the right systems and culture to improve compliance performance. Discussions covered, as appropriate for each Retailer, the importance of clear communication between Retailers and suppliers and ensuring the tone from the top of Retailers strengthened norms of compliance with the Code.

The GCA analysed the Annual Compliance Reports (ACRs) from all 14 Retailers and provided feedback on themes identified across all Retailers. The number of new issues reported by suppliers in the ACRs decreased from 276 in 2022/23 to 248 in 2023/24.

### Suppliers' expectation of compliance by Retailers

The GCA took steps to raise awareness of the Code and to encourage suppliers to raise issues with both the GCA and Retailers. In frequent meetings with suppliers, the GCA explained the Code and the GCA's collaborative approach and outlined the different options available to suppliers facing challenges. These meetings, along with other communications, emphasised the GCA and CCOs' commitment to confidentiality, as well as the Retailers' commitment to safeguarding relationships with suppliers who raise concerns.

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<sup>1</sup> In section 1 (interpretation) definition of what Require means can be found.

## Annual survey

The GCA's annual survey provides a detailed picture of suppliers' perceptions of Retailer Code compliance and enables suppliers to tell the GCA confidentially about their experiences in working with the Retailers. The survey is an important element of the GCA's regulatory approach, with its findings informing the GCA's work, including prioritisation of actions by Retailers to address specific issues.

### Survey overview

The 12th survey run by the independent polling company, YouGov, was open from 13 January 2025 to 23 February 2025. To ensure consistency in benchmarking Retailer progress, the 2025 survey featured similar questions to previous surveys.

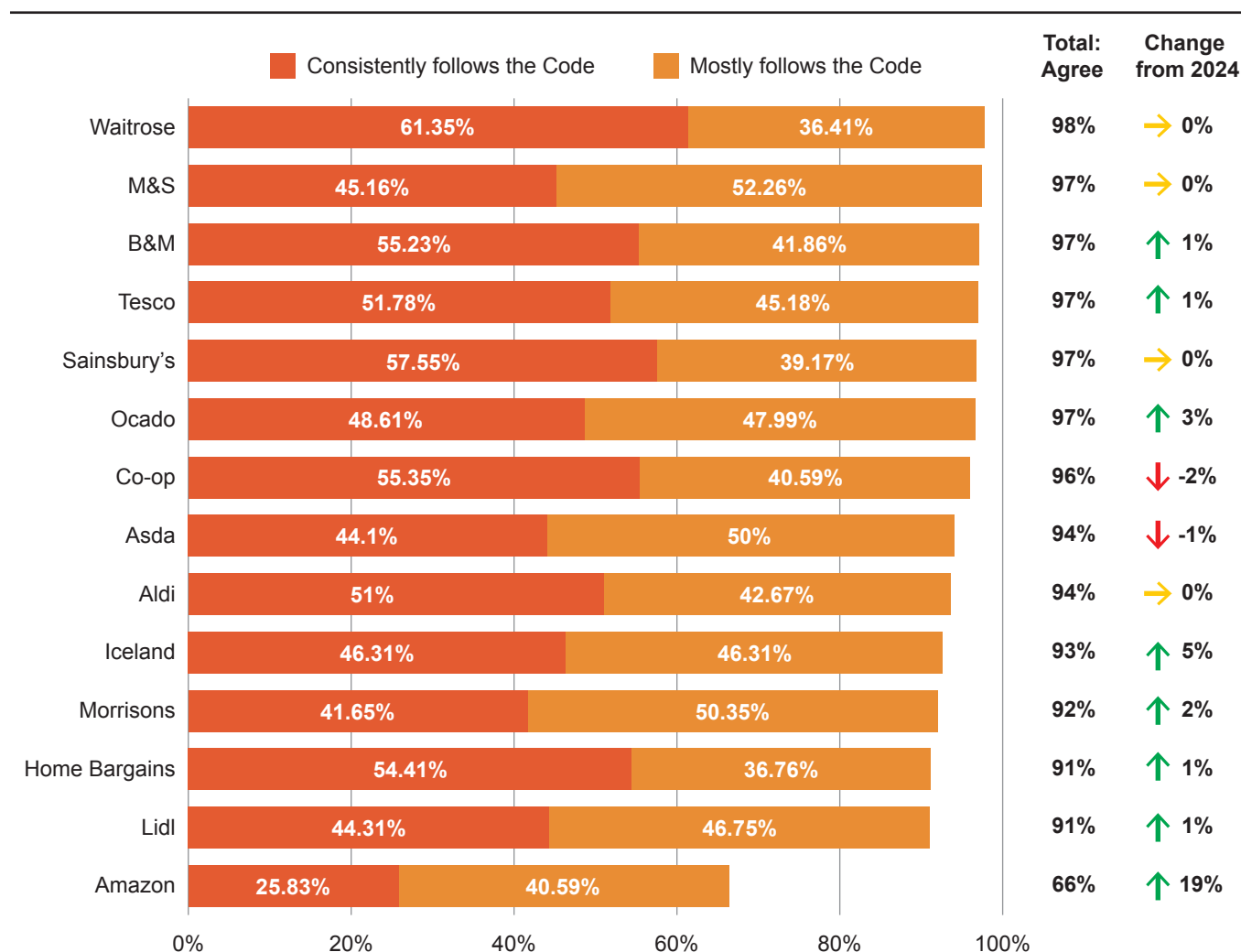
There were 2,584 respondents to the survey in 2025. This included responses from 2,384 direct suppliers, 169 indirect suppliers and 24 trade associations. The GCA promoted the survey through digital communication channels, trade press and trade associations. Retailers also supported the survey by asking their suppliers to complete it.

### Results overview

The 2025 survey results indicate that suppliers' experiences had improved compared to the previous year. The number of suppliers that reported experiencing no Code issues continued to increase from 51% in 2024 to 52% in 2025. Reporting of most individual Code issues also decreased.

## Overall assessment of Retailer Code compliance

### Suppliers with a positive perception of overall Retailer Code compliance



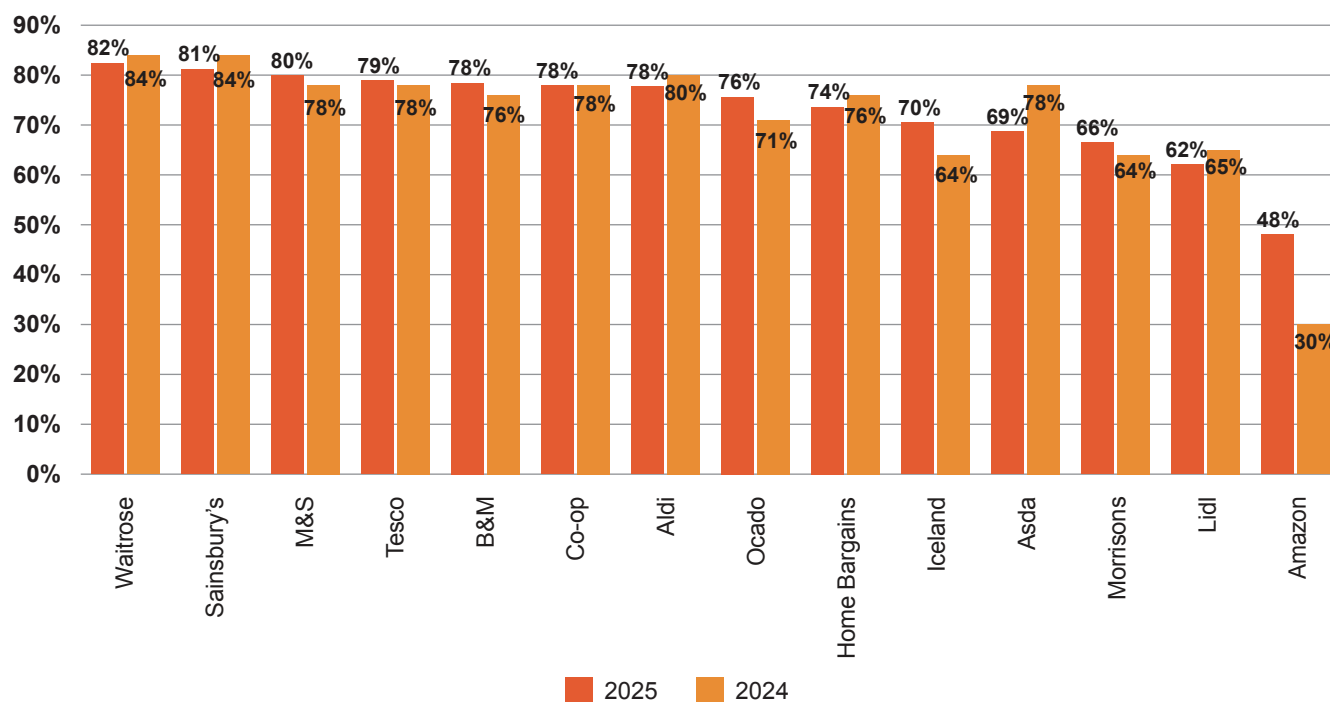
Source: GCA annual surveys 2025 and 2024

Suppliers were asked to provide an overall assessment of a Retailer's compliance with the Code. In 2025, the scores for 'mostly or consistently' complying with the Code ranged from 98% to 66% with Amazon being the only Retailer to score below 90%.<sup>2</sup> The mean score across all Retailers for overall perceived compliance was 93% which is an increase of 2% from the 2024 survey results.

<sup>2</sup> All survey findings have been rounded to the nearest whole percent.



## Suppliers that agree Retailers conduct the trading relationship fairly, in good faith and without duress

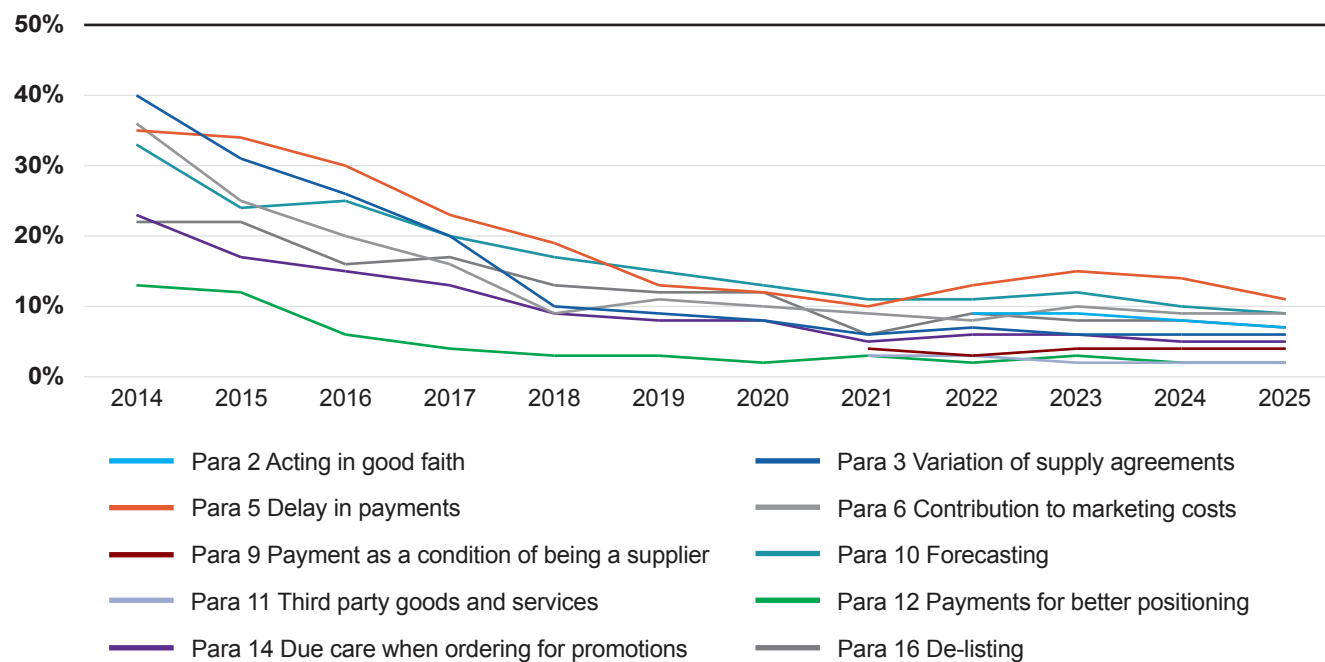


Source: GCA annual surveys 2025 and 2024

When asked whether Retailers conduct trading relationships fairly, in good faith and without duress, suppliers reported similar or improved perceptions for 8 of the 14 Retailers.

## Code Issues

## Suppliers that report an issue with these Code paragraphs 2014–2025

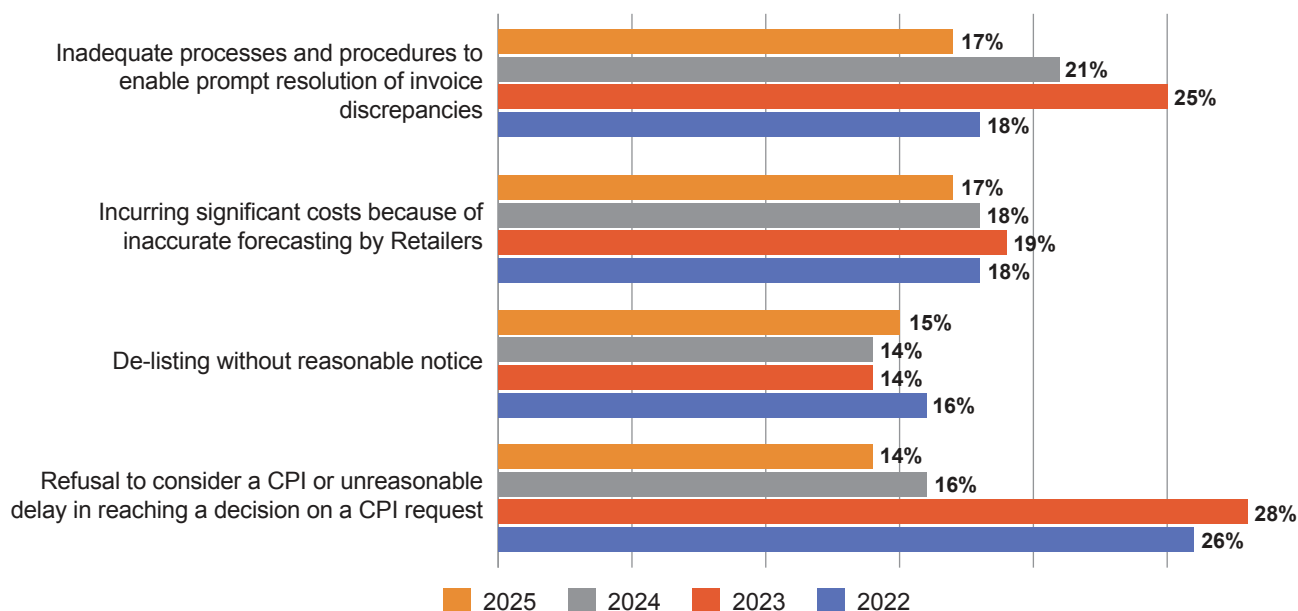


Source: GCA annual surveys 2014-2025

The number of suppliers that experienced at least one Code issue decreased from 33% to 30%. As has been the case for the past 2 years, the top three issues (as expressed in the terms of the Code) reported by suppliers were delay in payments (11%), forecasting (9%), down 3% and 1% respectively compared to 2024, and the obligation to contribute to marketing costs (9%), which remained the same as in 2024.

## Supplier Issues

### Top issues reported by suppliers in GCA annual surveys 2022–2025

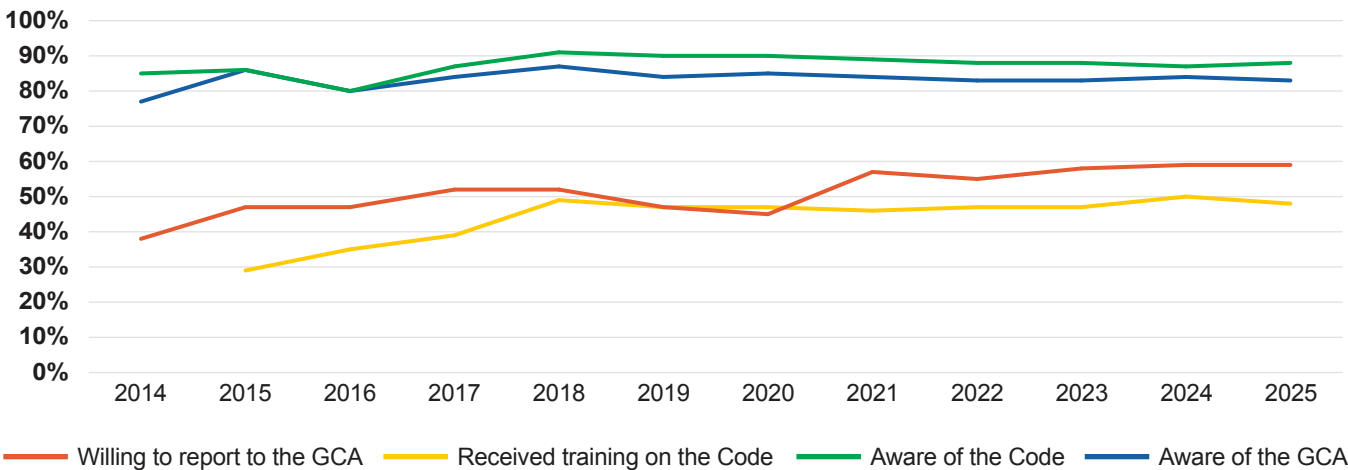


Source: GCA annual surveys 2022-2025

When asked about issues as expressed in the language commonly used in the sector, the most common issues reported were inadequate processes and procedures to enable prompt resolution of invoice discrepancies (17%) and incurring significant costs because of inaccurate forecasting by Retailers (17%), down 4% and 1% respectively compared to 2024. The third most reported issue was de-listing without reasonable notice (15%) which was up 1% compared to 2024. Refusal to consider a CPI or an unreasonable delay in reaching a decision on a CPI request decreased for the third consecutive year to 14% in 2025.

Suppliers and the Code

Supplier attitudes towards the Code and GCA 2014–2025



Source: GCA annual surveys 2014-2025

The survey also explored suppliers’ awareness and understanding of the GCA and the Code as well as willingness to report issues to the GCA and levels of Code training.

The 2025 survey results showed 48% of suppliers had received training, down 2% from 2024. As last year, micro and small suppliers are the least likely to have had training on the Code. Of those that had not, the most common reasons cited were that they did not know there was any Code training or did not know how to access it. A [list of training providers](#) of which the GCA is aware is available on the GCA website.

Willingness to report issues to the GCA remained the same as 2024 at 59%. Of the 41% of suppliers that are either unwilling to, or unsure about reporting an issue, the most cited reason remained believing the Retailer would find out and there would be consequences for their business. However, this was down from 42% in 2024 to 38% in 2025.

Code awareness in the 2025 survey results increased from 87% to 88% with GCA awareness slightly down from 84% to 83%.

The GCA has engaged with each Retailer about its survey results and will monitor implementation of Retailers' plans to address the issues raised by suppliers. YouGov will also follow up on the findings of the survey on behalf of the GCA through its deep dive interviews with suppliers in summer 2025.



**Mark White**  
**Groceries Code Adjudicator and Accounting Officer**

**15 July 2025**



# Accountability report



# Overview

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The accountability report contains three sections:

## Section overview

### **/36 Corporate governance report**

which explains the governance structures in place at the GCA and how they support the achievement of the GCA's objectives

### **/46 Remuneration and staff report**

which discloses the remuneration of the Adjudicator and presents staff numbers, costs and other employee matters during the reporting period

### **/52 Parliamentary accountability and audit report**

which presents the GCA's Parliamentary accountability disclosures and the auditor's report and opinion on the financial statements

# Corporate governance report

## Director's report

**The Groceries Code Adjudicator (GCA) is a Statutory Office and Corporation Sole and is an independent regulator sponsored by the Department for Business and Trade (DBT). I was first appointed to the role in October 2020 and was simultaneously appointed as the Accounting Officer. I was reappointed for a further three years in October 2024.**

As Accounting Officer, I am responsible for ensuring that the GCA has an appropriate governance structure and systems in place to ensure I meet my statutory obligations. I am personally responsible for safeguarding public funds for which I have charge; for ensuring propriety and regularity in the handling of public funds; and for day-to-day operations and management of the GCA as set out in [Managing Public Money](#).

## Governance structure

The GCA governance structure combines efficient decision making with accountability and transparency. As Accounting Officer, I chair the Governance Board (the Board) which is my governance body responsible for ensuring that the GCA's statutory obligations are met, that decision-making and financial management are carried out appropriately and that the office is managed effectively. Board membership also includes the GCA Head of Operations and a representative from DBT as a non-executive director. The DBT representative can look at governance through a sponsorship body lens and brings a valuable external viewpoint as well as constructive challenge to the Board.

The GCA does not remunerate the independent member of the Board.





I also chair the Audit and Risk Committee (ARC) and the Executive Committee which report to the Board. Paula Mills continued as the independent member on the ARC during the reporting period and provides external objectivity in overseeing audit and risk in line with good governance practice.

The GCA pays Paula Mills £4,000 per annum to reflect the time commitment of 7 to 8 days' work with the GCA.

I am personally responsible for promoting and safeguarding regularity, propriety, affordability, sustainability, risk and value for money as well as accounting accurately and transparently for the GCA's financial position and transactions.

Further details about the governance structure are set out in the Governance Statement, and a [summary of our governance](#) is available on the GCA website.

## Register of interests

A [register of interests of the GCA](#) is available on the GCA website. All Senior Civil Service level members of the Board were subject to disclosure rules throughout the reporting period from the date of appointment. No member of the Board has interests which are considered to give rise to any conflict.

## Personal data

There were no personal data disclosure incidents in 2024/25. Accordingly, the GCA did not refer anything to the Information Commissioner.



**Mark White**  
**Groceries Code Adjudicator and**  
**Accounting Officer**

15 July 2025

# Statement of Accounting Officer's responsibilities

Paragraph 15(1) of Schedule 1 to the Groceries Code Adjudicator Act 2013 (the GCA Act) requires the GCA to keep proper accounts and records in relation to the corporation's accounts. For each financial year the Adjudicator must prepare a statement of accounts in respect of that year detailing the resources acquired, held or disposed of during the year and the use of resources by the GCA during that year. These must be published and submitted to the Secretary of State for Business and Trade (SoS) who will be responsible for laying the accounts before Parliament.

The accounts follow the form and the basis set out in the Accounts Direction issued by the SoS. The financial statements are prepared on an accruals basis and give a true and fair view of the GCA's state of affairs at the year end and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing financial statements the GCA is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by the SoS, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards set out in the FReM have been followed, and disclose and explain any material departures in the financial statements

- Prepare the financial statements on a going concern basis

The Principal Accounting Officer for DBT has designated me as the Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of levy funding (classified as public finances) for which the Accounting Officer is answerable, for keeping proper records and safeguarding the GCA's assets, are set out in [Managing Public Money](#) published by HM Treasury.

As the Accounting Officer, I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that they are fair, balanced and understandable, which I confirm they are.



**Mark White**  
**Groceries Code Adjudicator and**  
**Accounting Officer**

**15 July 2025**

# Governance statement

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## Scope of responsibility

The GCA is a Statutory Office and Corporation Sole. The Adjudicator is the Accounting Officer. As the Accounting Officer, the Adjudicator has responsibility for maintaining corporate governance structures that support the achievement of the GCA's aims, objectives and targets, while safeguarding public funds and the GCA's assets.

Mark White was appointed as the Adjudicator from 31 October 2020 and was reappointed for a further three years from October 2024.

Mark White has received a letter appointing him as Accounting Officer from the Principal Accounting Officer for DBT and a letter providing him with financial delegations from the DBT Directors General for Competition, Markets and Regulatory Reform.

The primary duties and responsibilities of the Adjudicator are set out in the GCA Act.

## Governance Framework

GCA governance is conducted through a Governance Board, an Audit and Risk Committee and an Executive Committee.



## Governance Board (the Board)

### Purpose

Sets the GCA's strategic aims, providing the leadership to put them into effect, supervising the management of the regulator and reporting to government.

### The Board will:

- Ensure the GCA office is effectively managed to fulfill its statutory duties and functions and that the principles of good corporate governance are observed.
- Establish that the overall strategic direction of the GCA fits within the policy framework laid down under the GCA Act.
- Have regard to any opinions and reports of the Adjudicator as Accounting Officer and ensure that the GCA makes appropriate use of public funds.

### Membership

- Chair: The Adjudicator.
- GCA Head of Operations.
- DBT Deputy Director with responsibility for the sponsorship of the GCA.

### Additional information

- The Chair and both other members attended each meeting held during the year.
- The Board meets at least three times a year (proportionate to the size of the GCA).
- The Board's work is informed by the Audit and Risk Committee and the Executive Committee.
- During the year the Board considered issues including financial performance and the annual levy, board effectiveness, people and recruitment, this annual report and the Adjudicator's update reports.
- Robust information is provided to the Board in papers submitted for consideration. The Board is satisfied that this is of a quality that enables effective decision making.
- The Board follows the Corporate Governance Code of Good Practice 2017, applying it in a way proportionate to the nature and size of the GCA.



## Executive Committee (the Committee)

### Purpose

A sub-committee of the Board to oversee the GCA's overall performance and delivery with a focus on strategic leadership, management and direction, ensuring the most effective prioritisation of resources.

### Membership

- Chair: The Adjudicator.
- GCA Head of Operations.
- GCA team member, to be appointed by the Chair at the start of each GCA financial year, for a term of one year.

### Additional information

- The overall decision-making body for performance and delivery, under delegated authority from the Board.
- As required by the business of the GCA, the Committee met six times during the reporting period. Each meeting held was quorate.
- During the year the Committee considered issues including: the annual levy, a regular finance update, updates on the GCA annual conference and survey, enquiries received from suppliers, and learning and development.
- Papers are provided to the Committee which contain relevant information. The Committee is satisfied that these are of a quality that enables effective decision making.

## Audit and Risk Committee (ARC)

### Purpose

A sub-committee of the Board supporting the GCA's responsibilities for issues of risk, internal control and governance.

### Membership

- Chair: The Adjudicator.
- GCA Head of Operations.
- Independent member.

### Observers

- National Audit Office.
- GCA's accountants, RSM UK Ltd.
- Government Internal Audit Agency (as required).

### Additional information

- The ARC met twice during the reporting period (proportionate to the size of the GCA). Each meeting held was quorate.
- The primary responsibilities of the ARC include reviewing the GCA's financial position and management, assessing the risk register, and approving the annual report and accounts. These matters are thoroughly examined at each meeting, with supporting documents provided that contain the necessary information.
- The ARC is satisfied that committee papers are of a quality that enables effective decision making, confirmed by the review of committee effectiveness.

## Funding the GCA

### Levy on designated retailers

The GCA is funded through a general levy on the designated retailers (Retailers). Unspent levy funds at the end of each financial year are returned to the Retailers in the proportions in which they were contributed.

The GCA Act requires the consent of the Secretary of State (SoS) before a levy can be imposed on the Retailers. Each year the GCA publishes its levy funding policy on its website.

The GCA Act provides a facility for the SoS to make grants and loans to the GCA. The levy is nonetheless set at an amount estimated to likely provide the GCA with sufficient funds should the Adjudicator launch an investigation.

On 16 June 2025 the SoS consented to a GCA levy of £2.2 million for 2025/26 split evenly between the 14 Retailers.

## Cost recoverable activity

The GCA may recover from Retailers reasonable costs incurred during:

- Investigations, where a Retailer is found to have breached the Code. The GCA may also recover costs from a person where the investigation is launched as a result of that person's complaint, which is found to be vexatious or wholly without merit
- Enforcement activity as a result of an investigation where a breach has been found
- Arbitrations, as the reasonable costs of the arbitrator

Each year the GCA publishes the [rates for cost recoverable activities](#) on its website. During the reporting period the GCA accordingly recovered costs incurred conducting arbitrations.

## Going concern

The GCA will receive levy income for 2025/26 to fund its activities as noted above. The GCA therefore considers it appropriate to adopt a going concern basis for the preparation of these financial statements. Budget pressures are possible should investigations or arbitrations result in accruals where the GCA has not recovered its costs within the year.

As noted in the 'Funding the GCA' section above, the GCA has set the levy at an amount estimated to provide the GCA with sufficient funds to cover these circumstances with additional support from DBT where necessary.

## VAT

The GCA is not registered for VAT.

## Audit

The auditor of the GCA is the Comptroller and Auditor General. The audit fee for the period ended 31 March 2025 was £28,000 (2023/24: £26,000).

A proportionate internal audit-like mechanism is used by the GCA, consisting of a regular review of the risk register, an audit of financial controls and the periodic review of GCA policies and publications, supplemented by internal audit reviews conducted on an ad hoc basis by the Government Internal Audit Agency.

## Risk Management

During the year the GCA has identified 19 risks which impact on the reputation of the GCA and the delivery of its objectives. The identification, mitigation and escalation of risks is embedded as a key activity of the GCA team. The ARC discusses the approach to risk management at each meeting. Risk management is aligned with government best practice as set out in the HM Treasury guidance 'Management of Risk: Principles and Concepts' (the Orange Book).

The GCA risk profile is summarised in the table below as at November 2024 and current as at 31 March 2025.

GCA Risk Profile			
1			Significant
5	6	3	Moderate
4			Minor
Unlikely   Possible   Likely			Impact
Likelihood			

The GCA has a comprehensive risk register which is formally reviewed by the ARC every six months. The register considers risks under the following eight categories: finance, procurement and audit; people; operational; relations with Retailers; stakeholder management; governance; reputational; and legislation.

In line with other public bodies, the GCA has a business continuity plan.

Other controls and governance structures

Internal financial control

The GCA has committed to pay all undisputed invoices within a maximum of 30 days. During the reporting period, the GCA approved and processed 100% of invoices within 30 days of receipt. On average it took 1.90 days (2023/24: 3.10 days) to pay each invoice.

The GCA maintains an internal financial controls checklist which is reviewed and completed annually. This was last reviewed in November 2024 and was considered by the GCA ARC.

The Adjudicator, as the GCA Accounting Officer, has overall strategic responsibility for ensuring that GCA funds are managed

correctly, and has in place a financial delegation authority. Through the financial delegation authority, the Adjudicator can in turn sub-delegate to GCA team members, as necessary. GCA staff holding such delegations are made aware of the limits of their delegated authority and the level of approval needed before committing any expenditure.

The GCA reviewed and updated the sub-delegations and financial procedures policy in June 2024.

Internal audit

A number of checks and balances provide assurance to the GCA on its risk management, governance and internal control processes. These include external audit by the National Audit Office, reporting to ministers and Parliament, the triennial statutory review provided for in the GCA Act and the GCA's governance structure. Given the size of the GCA and the existing assurance mechanisms, the GCA has implemented a proportionate approach to internal audit. This approach is based on the principles of internal audit but is adapted for the size of the GCA.

Whistleblowing

From the beginning of the reporting period up to 15 May 2024, the GCA adhered to the BEIS Whistleblowing policy. The DBT Raising a Concern and Whistleblowing Policy & Procedure was followed from 15 May 2024 and communicated to all GCA staff. The GCA does not directly employ any member of the GCA office and adheres to the DBT policy as team members are seconded, in the main, from DBT. The DBT Raising a Concern and Whistleblowing Policy and Procedure is clearly signposted to in the GCA delegations and financial procedures document.



## Analytical models

The GCA does not use any analytical models and therefore does not have, and is not required to have, an appropriate quality assurance framework in place as required by the final report of the MacPherson Review of quality assurance of government analytical models.

## Implementation of the Alexander Tax Review

Numbers of off-payroll engagements and board members and senior officials with significant financial responsibilities are provided in tables 1, 2 and 3 in the remuneration and staff report (page 51).

The GCA Board comprises of the Adjudicator, the GCA Head of Operations and a DBT representative, none of whom receive additional remuneration for their roles on the Board.

## Sustainability

The Department for Environment, Food & Rural Affairs has granted the GCA an exemption from reporting sustainability information under the Greening Government Commitments, under the de minimis criteria. The GCA employs 9.2 Full Time Equivalents (FTEs) staff and occupies office floor space of 92 metres squared. Consequently, the GCA has not included sustainability reporting in this annual report. The GCA's office forms part of the building occupied by the Competition and Markets Authority (CMA), and the GCA's ICT and Digital services are provided by Integrated Corporate Services (ICS), a shared corporate service established by the Department for Energy Security & Net Zero (DESNZ) and the Department for Science, Innovation & Technology (DSIT). The reporting associated with the GCA will be incorporated into the CMA's Annual Report and Accounts and DESNZ's Annual Report and Accounts.

## EU Exit

EU Exit has not affected the GCA's ability to achieve its objectives.

## Statement by the Adjudicator

As Accounting Officer, I ensure that the GCA has an appropriate governance structure to meet the requirements of the office and to provide the right level of control over decision making. I confirm there have been no data losses or ministerial directions issued during the financial year. I have considered the evidence that supports this Governance Statement, and I am assured the GCA has a strong system of controls to support the achievement of my statutory purposes. I therefore have no disclosures of control weaknesses to make for the 2024/25 financial year.



**Mark White**  
**Groceries Code Adjudicator and**  
**Accounting Officer**

**15 July 2025**

# Remuneration and staff report

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## Overview and remuneration policy

The GCA has no remuneration responsibilities. The current and future remuneration of the Adjudicator is determined by the SoS under Schedule 1 to the GCA Act. The Adjudicator is designated as an Office Holder and is a Corporation Sole.

GCA team members, all of whom are on secondment from public bodies, retain the terms and conditions of their parent departments. Note 2 to the financial statements provides further information

about this. Remuneration decisions are taken by, or as determined by the policies of, the secondees's relevant department.

The current Adjudicator's salary payments in this financial year were in the band of £115,000 to £120,000 pro-rated from an annual salary within the band of £145,000 to £150,000 for a full-time equivalent.

The Adjudicator chose not to join the Civil Service pension arrangements upon appointment. However, from 1 October 2023 the Adjudicator joined the partnership pension scheme. Other pension commitments are initially met by the home departments of the secondees to the GCA.

## Remuneration (salary, benefits in kind and pensions)

Single total figure of remuneration (audited)										
Officials	Salary (£'000) (in £5k bandings)		Bonus payments (in £5k bandings)		Benefits in kind (to the nearest £100)		Pension benefits (to the nearest £'000)		Total (£'000) (in £5k bandings)	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
<b>Mark White</b>	115–120 (145–150 for a full-time equivalent)	110–115 (135–140 for a full-time equivalent)	–	–	–	–	19	9	135–140	120–125

### Salary

'Salary' includes: gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made or to be made by the GCA and thus recorded in these accounts.

### Benefits in kind

No allowances, bonuses or benefits in kind have been made to the Adjudicator.

### Civil Service pensions

The Adjudicator chose not to join Civil Service pension arrangements upon appointment. However, on 1 October 2023, the Adjudicator joined the partnership pension scheme.

The partnership pension scheme is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these

up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The total employer contributions paid to the partnership pension provider in 2024/25 was £19,000 (2023/24: £9,000).

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

### Fair pay disclosure (audited)

The GCA only has one officer who is taxed as an employee. All other staff during the year were seconded from other public bodies.

The GCA is required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid 'director' at the GCA (the Adjudicator) in the financial year 2024/25 was £145,000 to £150,000 (2023/24: £135,000 to £140,000). This was 3.1 times the median remuneration of the workforce, which was between

£45,000 to £50,000 (2023/24: £55,000 to £60,000).

In 2024/25, no employees received remuneration in excess of the highest paid director (2023/24: Nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

### GCA fair pay disclosure for the period ending 31 March 2025 (audited)

#### Banded remuneration of the Adjudicator and the GCA team

	2024/25 (£'000) (in 5k bandings)	2023/24 (£'000) (in 5k bandings)	Percentage change (2024/25 vs. 2023/24)
<b>Band of highest paid director's remuneration (composed of salary, allowances, performance pay and bonuses payable)</b>	<b>145–150</b>	<b>135–140</b>	<b>7%</b>
Band of highest paid director's salary & allowances	145–150	135–140	7%
Band of highest paid director's performance pay and bonuses payable	0–5	0–5	0%
<b>Band of average GCA team remuneration (composed of salary, allowances, performance pay and bonuses payable)</b>	<b>50–55</b>	<b>50–55</b>	<b>0%</b>
Band of average GCA team remuneration (salary & allowances)	50–55	50–55	0%
Band of average GCA team (performance pay and bonuses payable only)	0–5	0–5	0%
<b>Pay ratios</b>			
	Banded remuneration (£'000) (in 5k bandings)	2024/25 pay ratio	2023/24 pay ratio
<b>Median pay ratio (total remuneration composed of salary, allowances, performance pay and bonuses payable)</b>	<b>45–50</b>	<b>3.1</b>	<b>2.4</b>
Median pay ratio (remuneration composed of salary and allowances only)	45–50	3.1	2.3

The increase in the median remuneration ratio in 2024/25 (compared to 2023/24) is due to one junior position being filled (that was previously vacant) and one junior role being created and filled within the reporting period in order to cover some of the duties

of a staff member taking maternity leave during the reporting period. No remuneration range, 25th or 75th percentile pay ratios have been provided as this would disclose the salaries of individuals who work in the Adjudicator's team.

# Staff report

## Staff numbers, costs and composition

The Adjudicator is employed for four days each week and is a senior civil servant equivalent. Staff supporting the Adjudicator are seconded from public bodies.

The organisation chart as at the end of the reporting period is provided in the performance review on page 19. Staff numbers and composition as at 31 March 2025 and 31 March 2024 are summarised in the table below.

GCA staff numbers and composition as at 31 March 2025 and 2024 (audited)				
Full time equivalents				
	Female	Male	Total 31 March 2025	Total 31 March 2024
The Adjudicator	0	0.8	0.8	0.8
GCA Staff	5.4	3	8.4	6.2
<b>Notes</b>				
• For comparison, the female: male composition of the GCA committees as at 31 March 2025 is 1:2 (Governance Board), 1:2 (Audit and Risk Committee) and 1:2 (Executive Committee).				

During the reporting period no members of staff left the GCA team. The GCA recruited two new staff members during the reporting period; one to fill a previously vacant position, and another to cover the duties of a staff member taking maternity leave.

The learning and development plan continues to be reviewed during the year to ensure all staff have the right skills and experience to perform their roles.

GCA staff costs are shown in the table below.

GCA staff costs 2024/25 and 2023/24 (audited)		
	2024/25	2023/24
Salaries, performance related pay and allowances	£536,562	£466,832
Social security costs	£62,299	£53,991
Pension	£134,009	£97,185
Temporary/agency costs	–	–
<b>Total</b>	<b>£732,870</b>	<b>£618,008</b>

#### Notes

- The Adjudicator is a ministerial appointment, paid by the DBT payroll, which is recharged to the GCA.
- There have been no severance/retirement payments made in the reporting year.
- Home departments invoice the GCA for the employee's salary, ERNIC and pensions contributions. There is no VAT on these recharge invoices. The GCA is not VAT registered.
- Total staff cost (£732,870) includes: costs for the Adjudicator (£151,860); costs for staff seconded to the GCA (£576,922) and; fees and employer national insurance contributions in relation to a non-executive member of the audit committee (£4,087).
- Further information is included in Note 2 of the accounts.

## Sickness absence

The GCA team recorded a total of 6 days of sickness absence during the reporting period (2023/24: 5 days).

## Staff policies and other employee matters

As staff working in the GCA office remain employees of the public bodies from which they are seconded, they are primarily subject to the staff policies of those organisations.

The GCA ensures it meets its commitments on equality and diversity, health and safety and wellbeing for staff working in the office.

The GCA gives full and fair consideration to applications to be seconded to the office from disabled persons and will implement relevant policies for training and career development where necessary.

## Consultancy expenditure

There was no consultancy expenditure during 2024/25 (2023/24: Nil). Expenditure relating to the contract for the annual GCA survey is shown in Note 3 of the accounts.

## 'Off payroll' engagements and reporting on the tax arrangements of public sector appointees

Legislation which came into effect from April 2017 provides that where a public sector organisation engages an off-payroll worker through their own limited company, that organisation (or the recruitment agency where the worker is engaged through that agency) will become responsible for deciding whether tax and national insurance contributions (NICs) are due from the individual contractor and, if so, for paying the right tax and NICs.

The GCA has not engaged any contractors during the reporting period.

The [final report of the Alexander Tax Review](#) recommended that board members and senior officials with significant financial responsibility should be on the organisation's payroll. The GCA has reviewed the way it

appoints board members and senior officials to ensure its processes are robust.

The tables below set out the status of off-payroll contractors and board members and senior officials with significant financial responsibility engaged by the GCA.

#### Table 1: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

No. of existing engagements as at 31 March 2025	0
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The GCA did not engage any off-payroll workers/contractors during the reporting period.

#### Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

No. of existing engagements as at 31 March 2025	0
---	---

The GCA did not engage any off-payroll workers/contractors during the reporting period.

#### Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
---	---

Total no. of individuals on-payroll* and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both on-payroll and off-payroll engagements.	2
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\*The GCA does not operate its own payroll function and is recharged for such services. The individuals disclosed are therefore classed as on-payroll.

## Exit packages

Any exit packages would be the responsibility of the public bodies seconding staff to the GCA or for DBT.

This has been subject to audit.



# Parliamentary accountability and audit report

## Parliamentary accountability disclosures

The Adjudicator, as Accounting Officer, is responsible for the propriety and regularity of the public finances for which he is answerable and for keeping proper records.

The GCA has nothing to report in respect of the regularity of expenditure, including losses and special payments; fees and charges income; or gifts. This has been subject to audit.

On 17 December 2024 the GCA applied to intervene in High Court proceedings (W Clappison Limited v Aldi Stores Limited) and its intervention was permitted on 16 June 2025. The possibility that parties to the proceedings recover costs from the GCA represents a possible material remote contingent liability. The probability of crystallisation is highly uncertain and accordingly it is not practicable for the GCA to estimate its financial effect.

Details of the GCA's statutory reporting requirements are set out in the performance report (see page 23).

## Functional standards

The GCA has reviewed each of the UK Government Functional Standards and, in accordance with "Dear Accounting Officer letter 05/21" issued by HM Treasury in September 2021, put a plan in place to comply with each functional standard in a way that meets its business needs and priorities.

## Wider government and Parliamentary input

The GCA is committed to meeting its wider duties as a public body and engaging with Parliament and devolved governments. In this reporting period, the GCA has fulfilled these duties in the ways set out below.

### The Regulators' Code

The GCA is a non-economic regulator which must have regard to the Regulators' Code. The Regulators' Code obliges the GCA to follow stated principles when developing policy or operational procedures and when setting standards or giving guidance which informs GCA regulatory activity.

### Growth duty

The GCA is committed to better regulation and to taking account of the impact of its regulatory activities on growth. The GCA meets the requirement of section 108 of the Deregulation Act 2015, which stipulates that a person exercising a regulatory function to which this section applies must:

- In the exercise of the function have regard to the desirability of promoting economic growth
- Consider the importance for the promotion of economic growth of exercising the regulatory function in a way which ensures that:
  - Regulatory action is taken online when it is needed
  - Any action taken is proportionate



**Better Regulation Framework (BRF)**

The GCA is aware of the reforms to the BRF from 1 September 2023, and the consequential changes to the Business Impact Target reporting requirements.

**Parliamentary and Ministerial engagement**

The Adjudicator met Justin Madders MP, Parliamentary Under-Secretary of State for Employment Rights, Competition and Markets at the Department for Business and Trade, on 17 September 2024.



**Mark White**  
**Groceries Code Adjudicator and**  
**Accounting Officer**

**15 July 2025**

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

## Opinion on financial statements

I certify that I have audited the financial statements of the Groceries Code Adjudicator for the year ended 31 March 2025 under the Groceries Code Adjudicator Act 2013.

The financial statements comprise the Groceries Code Adjudicator's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Groceries Code Adjudicator's affairs as at 31 March 2025 and its net operating expense for the year then ended; and
- have been properly prepared in accordance with the Groceries Code Adjudicator Act 2013 and Secretary of State directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Groceries Code Adjudicator in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Groceries Code Adjudicator's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Groceries Code Adjudicator's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Groceries Code Adjudicator is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Groceries Code Adjudicator Act 2013.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Groceries Code Adjudicator Act 2013; and
- the information given in the Performance and Accountability reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Groceries Code Adjudicator and its environment obtained in

the course of the audit, I have not identified material misstatements in the Performance and Accountability reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Groceries Code Adjudicator or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements

such as records, documentation and other matters;

- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Groceries Code Adjudicator from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Groceries Code Adjudicator Act 2013;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Groceries Code Adjudicator Act 2013; and
- assessing the Groceries Code Adjudicator'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 the Accounting Officer anticipates that the services provided by the Groceries Code Adjudicator will not continue to be provided in the future

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Groceries Code Adjudicator Act 2013.

My 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 a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Groceries Code Adjudicator Act 2013's accounting policies.
- inquired of management and those charged with governance, including obtaining and reviewing supporting

documentation relating to the Groceries Code Adjudicator's policies and procedures on:

- identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Groceries Code Adjudicator's controls relating to the Groceries Code Adjudicator's compliance with the Groceries Code Adjudicator Act 2013 and Managing Public Money;
- inquired of management and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud;
  - discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Groceries Code Adjudicator for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Groceries Code Adjudicator's framework of authority and other legal and regulatory frameworks in which the Groceries Code

Adjudicator operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Groceries Code Adjudicator. The key laws and regulations I considered in this context included Groceries Code Adjudicator Act 2013, Managing Public Money and employment law.

### Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements

is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

### Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

### Report

I have no observations to make on these financial statements.

**Gareth Davies** **Date 15 July 2025**  
**Comptroller and Auditor General**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP





# Financial statements

# Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
<b>Expenditure</b>			
Staff costs	2	732,870	618,008
Other expenditure	3	519,014	321,967
		<u>1,251,884</u>	<u>939,975</u>
<b>Finance costs</b>			
Interest expense	4	—	9
		<u>—</u>	<u>9</u>
<b>Income</b>			
Other income	5	(1,248,657)	(906,445)
		<u>(1,248,657)</u>	<u>(906,445)</u>
<b>Finance income</b>			
Interest income	6	—	(33)
		<u>—</u>	<u>(33)</u>
<b>Net expenditure</b>		<u>3,227</u>	<u>33,506</u>
<b>Total comprehensive net expenditure for the year ended 31 March</b>		<u>3,227</u>	<u>33,506</u>

The notes on pages 65 to 79 form part of these financial statements.

# Statement of financial position as at 31 March 2025

	Note	As at 31-Mar-25 £	As at 31-Mar-24 £
<b>Non-current assets</b>			
Property, plant and equipment	7	22,472	25,699
Right-of-use assets	8	—	—
<b>Total non-current assets</b>		<u>22,472</u>	<u>25,699</u>
<b>Current assets</b>			
Other receivables	10	21,774	22,697
Cash	11	1,065,449	1,276,155
<b>Total current assets</b>		<u>1,087,223</u>	<u>1,298,852</u>
<b>Total assets</b>		<u>1,109,695</u>	<u>1,324,551</u>
<b>Current liabilities</b>			
Lease liabilities	8	—	—
Contract liability	12	756,624	1,099,299
Other payables	12	330,599	199,553
<b>Total current liabilities</b>		<u>1,087,223</u>	<u>1,298,852</u>
<b>Net current assets</b>		<u>—</u>	<u>—</u>
<b>Net assets</b>		<u>22,472</u>	<u>25,699</u>
<b>Taxpayers' equity</b>			
Income and expenditure reserve		<u>22,472</u>	<u>25,699</u>
<b>Total Taxpayers' equity</b>		<u>22,472</u>	<u>25,699</u>

The notes on pages 65 to 79 form part of these financial statements.



**Mark White**  
Groceries Code Adjudicator and Accounting Officer

15 July 2025



# Statement of cash flows for the year ended 31 March 2025

	Note	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
<b>Cash flows from operating activities</b>			
Net expenditure		(3,227)	(33,506)
Depreciation	7,8	3,227	33,506
Interest on lease liabilities	4,6	—	(24)
Decrease/(increase) in receivables	10	923	39,697
Decrease in payables	12	(211,629)	(59,123)
<b>Net cash outflow from operating activities</b>		<b>(210,706)</b>	<b>(19,450)</b>
<b>Financing activities</b>			
Capital element of payments in respect of leases	8	—	(4,068)
<b>Net cash used in financing activities</b>		<b>—</b>	<b>(4,068)</b>
<b>Net decrease in cash and cash equivalents in the period</b>	11	<b>(210,706)</b>	<b>(23,518)</b>
<b>Cash at the beginning of the period</b>		<b>1,276,155</b>	<b>1,299,673</b>
<b>Cash at the end of the period</b>		<b>1,065,449</b>	<b>1,276,155</b>

The notes on pages 65 to 79 form part of these financial statements.

# Statement of changes in Taxpayers' Equity

	Income and Expenditure Reserve £	Total Taxpayers' Equity £
<b>Balance as at 31 March 2023</b>	59,205	59,205
<b>Changes in Taxpayers' Equity comprehensive expenditure for the year</b>		
Comprehensive expenditure for the year	(33,506)	(33,506)
<b>Balance as at 31 March 2024</b>	<u>25,699</u>	<u>25,699</u>
<b>Changes in Taxpayers' Equity comprehensive expenditure for the year</b>		
Comprehensive expenditure for the year	(3,227)	(3,227)
<b>Balance as at 31 March 2025</b>	<u>22,472</u>	<u>22,472</u>



# Notes to the financial statements

## 1. Accounting policies

These financial statements have been prepared in accordance with the 2024/25 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Groceries Code Adjudicator (GCA) for the purposes of giving a true and fair view has been selected.

The particular policies adopted by the GCA for the purpose of financial reporting are described below. They have been applied consistently in dealing with items that are considered material to the accounts. The accounts have been prepared under the direction of the Department for Business and Trade (DBT).

The GCA has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period. This has not had a material impact on the results or the position of the GCA. The GCA has not adopted any standards early but has considered future changes in standards.

### Accounting convention

These financial statements have been prepared on an accruals basis under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the GCA. Monetary amounts in these

financial statements are rounded to the nearest £.

### Standards not yet effective

#### a) IFRS 17 Insurance Contracts

IFRS 17 became mandatory from 1 January 2023, with early adoption permitted. Application of IFRS 17 for Government departments was expected to apply from the 2023/24 financial year.

This has now been deferred for Government departments until the 2025/26 financial year.

IFRS 17 is not expected to have a material impact on the financial statements.

#### b) IFRS 18 Presentation and Disclosure of Financial Statements

The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

#### c) IFRS 19 Subsidiary without Public Accountability

The objective of IFRS 19 is to specify the disclosure requirements an entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

IFRS 18 and IFRS 19 will become effective from 1 January 2027. However, these standards have not yet been endorsed by the UK Endorsement Board (UKEB) and have not yet been considered by the Financial Reporting Board (FRAB). The GCA will consider the impacts of implementing

these standards once endorsed by UKEB and FRAB.

## IFRS 16 Leases

IFRS 16 requires the recognition of a right-of-use asset and a lease liability for all leases in scope of IFRS 16. The GCA's current property rental agreement, which was entered into during August 2019, is the only leasing arrangement within the scope of IFRS 16.

The FReM states that the following aspects of IFRS 16 must be utilised:

- On initial application an entity should use the modified retrospective approach
- No adjustments for leases for which the underlying asset is of low value that will be accounted for
- No adjustment for leases for which the lease term ends within 12 months of the date of initial application

Where lessees cannot readily determine the interest rate implicit in the lease, they are instead required to use the HM Treasury discount rates promulgated in Public Expenditure System (PES) papers as their incremental borrowing rate in most cases.

Where the lease term is 12 months or less and the lease does not contain an option to purchase the leased asset, or from the point where a lease ceases to be enforceable, lease payments are recognised as an expense on a straight-line basis over the lease term.

Leases where the underlying asset is 'low-value', lease payments are recognised as an expense on a straight-line basis over the lease term.

## Initial and subsequent measurement of the right-of-use asset

A right-of-use asset is recognised on or before the commencement date of the lease, which is when the leased asset is available for use by the GCA.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The depreciation methods applied are as follows:

Leasehold property – on a straight-line basis over the lease term.

## Initial and subsequent measurement of the lease liability

The lease liability is initially measured at the present value of the lease payments during the lease term discounted using the interest rate implicit in the lease, or the incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined.

The lease term is the non-cancellable period of the lease plus extension periods that the GCA is reasonably certain to exercise and termination periods that the GCA is reasonably certain not to exercise.

Termination penalties are included in the lease payments if the lease term has been adjusted because the GCA expects to exercise an option to terminate the lease.

The exercise price of an option to purchase the leased asset is included in the lease liability when the GCA is certain to exercise that option.

The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments. Interest on the lease liability is recognised in profit or loss.

## Re-measurement of the lease liability

The lease liability is adjusted for changes arising from the original terms and conditions of the lease that change the lease term, the GCA's assessment of its option to purchase the leased asset, the amount expected to be payable under a residual value guarantee and/or changes in lease payments due to a change in an index or rate. The adjustment to the lease liability is recognised when the change takes effect and is adjusted against the right-of-use asset, unless the carrying amount of the right-of-use asset is reduced to nil, when any further adjustment is recognised in profit or loss.

Adjustments to the lease payments arising from a change in the lease term or the lessee's assessment of its option to purchase the leased asset are discounted using a revised discount rate. The revised discount rate is calculated as the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee's incremental borrowing rate at the date of reassessment.

Changes to the amounts expected to be payable under a residual value guarantee and changes to lease payments due to a change in an index or rate are recognised when the change takes effect and are discounted at the original discount rate unless the change is due to a change in floating interest rates, when the discount rate is revised to reflect the changes in interest rate.

## Lease modifications

A lease modification is a change that was not part of the original terms and conditions of the lease and is accounted for as a separate lease if it increases the scope of the lease by adding the right to use one or more additional assets with a commensurate adjustment to the payments under the lease.

For a lease modification not accounted for as a separate lease, the lease liability is adjusted for the revised lease payments, discounted using a revised discount rate. The revised discount rate used is the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee company's incremental borrowing rate at the date of the modification.

Where the lease modification decreases the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease. Any difference between the adjustment to the lease liability and the adjustment to the right-of-use asset is recognised in profit or loss.

For all other lease modifications, the adjustment to the lease liability is recognised as an adjustment to the right-of-use asset.

## Going concern

The GCA will receive levy income for 2025/26 to fund its activities. On 16 June 2025 the Secretary of State for DBT consented to a GCA levy of £2.2 million for 2025/26, and there is no reason to believe that future approval will not be granted. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the date the accounts were authorised for issue. It has been accordingly considered appropriate to adopt a going concern basis for the preparation of these financial statements.

## Income

### General levy

The GCA received levy income for 2024/25 to fund its activities. Approval for the levy for the year 2024/25 was received on 24 May 2024. The levy is invoiced once audited accounts for the prior year have been published. Section 19 of the Groceries Code

Adjudicator Act 2013 provides that the full costs of the GCA will be funded through a levy on the retailers that are designated under the Groceries (Supply Chain Practices) Market Investigation Order 2009 (the Order) (Retailers). As at 31 March 2025 these were: Aldi, Amazon, Asda, B&M, Co-op, Iceland, Lidl, Morrisons, M&S, Ocado, Sainsbury's, Tesco, Home Bargains and Waitrose. Any unspent levy at the end of the financial year is returned to the Retailers in the proportions in which it was contributed.

The general levy and associated rebate are variable consideration under IFRS 15. The variable consideration is determined using the most likely amount. There is a constraint on the variable consideration with the income from the general levy determined at the end of the financial year once the uncertainty associated with the levy rebate has been resolved.

## Investigations

The GCA has the discretion to charge the applicable Retailer(s) the full costs of an investigation which results in a finding that compliance with the Code has been broken.

Costs incurred during investigations are recognised in full during the course of the investigation. The income associated with the recoverable costs of an investigation is a variable consideration. Until the investigation has been completed and findings published, there is uncertainty in respect of income from costs recovery. Income from the recovery of investigation costs is recognised at the point the GCA becomes entitled to recover them. Any income received from the recovery of investigation costs is taken into account in determining the general levy rebate at the end of the financial year in which the recovery is recognised.

There were no investigations in 2024/25.

## Arbitrations

The GCA will in the great majority of cases recover the full costs of an arbitration, in accordance with Article 11(7) of the Order. All costs of the GCA as arbitrator are to be borne by the Retailer which is the party to the arbitration; unless the arbitrator decides that the supplier's claim was vexatious or without merit, in which case costs will be assigned at the arbitrator's discretion. The other costs of an arbitration, such as the parties' legal costs, can be apportioned in the final award.

The costs of arbitration are recognised in full during the course of the arbitration. The income from arbitration costs recovery is recognised during the course of the arbitration based on time incurred and published hourly rates.

There was one cost-recoverable arbitration in 2024/25 which started and concluded within the financial year. There were no ongoing arbitrations at the end of the financial year.

## Property, plant and equipment

As permitted by the FReM, property, plant and equipment are accounted for on a depreciated historical cost basis as a proxy for fair value. Non-property assets have a short useful life or are of relatively low value.

Depreciation is recognised to reflect the consumption of the economic benefit of the assets, less their residual values, over their useful lives:

Computer equipment – 5 years straight-line basis.

Fixtures and fittings – 15 years straight-line basis.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to the Statement of Comprehensive Net Expenditure.



Purchases of individual capital items over £1,000 will be recognised in the accounts as an asset and appropriately depreciated or amortised.

### **Impairment of property, plant and equipment**

At each reporting period end date, the GCA reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the GCA estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

### **Financial instruments**

Financial instruments are initially measured at fair value plus transaction costs unless they are carried at fair value through profit and loss in which case transaction costs are charged to operating costs.

The categorisation of financial assets and liabilities depends on the purpose for which the asset or liability is held or acquired.

Management determine the categorisation of assets and liabilities at initial recognition and re-evaluate this designation at each reporting date. The categorisation of financial assets is determined based on both the business model and the nature of the contractual cash flows.

### **Financial assets**

The GCA holds financial assets, which comprise of cash at bank and receivables. These are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. Since these balances are expected to be realised within 12 months of the reporting date, there are no material differences between fair value, amortised cost and historical cost.

### **Impairment of financial assets**

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

The measurement of impairment losses depends on whether the financial asset is 'performing', 'underperforming' or 'non-performing' based on the GCA's assessment of increases in the credit risk of the financial asset since its initial recognition and any events that have occurred before the year-end which have a detrimental impact on cash flows.

The financial asset moves from ‘performing’ to ‘underperforming’ when the increase in credit risk since initial recognition becomes significant.

Impairment losses and any subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

## Financial liabilities

The GCA holds financial liabilities, which comprise of payables and contract liability. Contract liability relates to unspent levy funds which will be brought forward against the levy amounts due in future periods. Since these balances are expected to be settled within 12 months of the reporting date, there are no material differences between fair value, amortised cost and historical cost.

## Reserves

### *Income and expenditure reserve*

The GCA holds Taxpayers’ equity in its reserves. Taxpayers’ equity is the net book value of non-current assets. At the end of the financial year, following adjustment for the movement in amounts held in Taxpayers’ equity, any levy income in excess of expenditure is adjusted as a rebate of the levy with a corresponding amount held in contract liability. The rebate is off set against the levy invoiced in the following financial year.

## Value Added Tax

Output tax does not apply to the GCA’s activities and input tax is not recoverable. Irrecoverable input tax is charged to the relevant expenditure category.

## Provisions and contingent liabilities

Provisions and contingent liabilities rely on the application of professional judgement, historical experience and other factors expected to influence future events. Where the likelihood of a liability crystallising is

deemed probable and can be measured with reasonable certainty, a provision is recognised.

## Key judgements and estimates

The GCA makes judgements and estimates in the preparation of the financial statements:

### Critical judgements – Lease term

The GCA’s only lease within the scope of IFRS 16 is the property lease for its offices at The Cabot.

The lease’s maximum potential term is from August 2019 to February 2033, but the lease also contains break clauses which can be exercised by the GCA or its landlord at the following dates:

- at any time after 31 July 2023, subject to giving at least 3 months’ notice; or
- at any time if the GCA ceases to be a Crown Body

IFRS 16:B34 says:

“In determining the lease term and assessing the length of the non-cancellable period of a lease, an entity shall apply the definition of a contract and determine the period for which the contract is enforceable. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.”

The GCA is satisfied that the lessee and the lessor each have the right to terminate the lease without permission from the other party, and that there are no direct contractual penalties of early termination. In line with the guidance related to IFRS 16, the GCA also considered the wider context of the contract and whether it creates an economic incentive not to exercise its option to terminate the lease.



In determining the lease term, the GCA has considered the following points:

- The GCA's primary function is set out in the Performance Report (see pages 15 to 18) and the GCA's primary goal will always be to serve that primary function. Therefore, the fundamental driver for any future change in office will always be to service that primary function more effectively
- As a government organisation, the GCA could be disbanded or its function substantially altered. The flexibility in the lease agreement is designed to allow the GCA to maximise the effective use of its funds by terminating the lease in the event such a change means that alternative offices would be more effective. For example, the list of Retailers (which is determined by the CMA) may change, meaning that the size of the GCA's staff and the size of the primary office for those staff will need to change with it
- Rental prices in the local area of The Cabot are at a similar level to those the GCA currently pays for. The Cabot and a number of the available properties are rented on a fully serviced basis meaning that expenditure of a similar nature is not likely to be required to the same extent.

At the date of signing these financial statements, no notice terminating the GCA's lease at The Cabot has been given or received. The GCA does not have any plans to terminate the lease, but as set out above, the situation is highly uncertain and may change at any time

### **Critical estimates – useful economic life of capital expenditure on leasehold property**

Whilst management have exercised their judgement in making estimates which impact

the values presented in these financial statements, there are no major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The capital expenditure on leasehold property are primarily related to the fit out of the GCA's leased office at The Cabot and the accounting policy is to depreciate the assets over the lease term. As a result, these costs have been depreciated over the period to 31 July 2023.

At 31 March 2025, the leasehold property has a carrying value of £Nil (2024: £ Nil) and have incurred depreciation of £Nil (2024: £16,224) in the year.

## 2. Staff numbers and related costs

The cost of staff remuneration was:

	Year ended 31-Mar-25 £ <i>Permanent Staff</i>	Year ended 31-Mar-25 £ <i>Other Staff</i>	Year ended 31-Mar-25 £ <i>Total</i>	Year ended 31-Mar-24 £ <i>Total</i>
Wages and salaries	117,510	419,052	536,562	466,832
Social security costs	14,961	47,338	62,299	53,991
Pension costs	19,389	114,620	134,009	97,185
Total	151,860	581,010	732,870	618,008

- (i) The remuneration of the Adjudicator is the only permanent staff cost.  
(ii) There have been no severance payments in the year.  
(iii) Other staff includes: the costs for the staff seconded to the GCA (£576,922) and; fees and employer national insurance contributions in relation to the non-executive member of the GCA Audit and Risk Committee (£4,087).

### Average number of staff employed

The average annual number of full-time-equivalent staff (FTE), including secondees from other government departments, other organisations, staff employed on short-term contracts and temporary staff, was:

	2024/25 FTE	2023/24 FTE
Permanent staff	0.8	0.8
Other staff	7.8	6.5
	8.6	7.3

- (i) The total number of staff reported elsewhere in this annual report is based on head count, whereas the above figures are average FTEs for the year.

More detailed information relating to cost of staff is provided in the Remuneration and Staff report on page 46.

### 3. Other expenditure

	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
Accountancy fees	15,360	26,910
Arbitration	2,090	4,527
Audit fee	28,000	26,000
Conferences and events	12,148	12,021
Corporate services from ICS Digital	20,364	16,317
Professional fees	—	7,200
Legal costs	248,806	9,534
Licences	10,277	10,758
Marketing and promotion materials	5,904	9,996
Office equipment (IT and other consumables)	1,230	1,096
Bank charges	562	561
Photocopying, printing and postage	413	544
Press cuttings	—	300
Rentals for short-term leases	38,531	34,463
Running costs – Cabot Square	52,264	51,945
Staff training	7,128	5,828
Subscriptions	5,433	5,131
Survey and consultancy	60,900	61,400
Travel, subsistence and hospitality	6,377	3,930
Non-cash items:		
Depreciation	3,227	33,506
Total other operating charges	519,014	321,967

## 4. Finance costs

	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
Interest expense on lease liabilities	–	9
	<u>–</u>	<u>9</u>

## 5. Income

	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
Levy raised	2,000,000	2,000,000
Contract liability (See Note 12)	(756,624)	(1,099,299)
	<u>1,243,376</u>	<u>900,701</u>
Arbitration costs recovery	5,281	5,744
Total income	<u>1,248,657</u>	<u>906,445</u>

## 6. Finance income

	Year ended 31-Mar-25 £	Year ended 31-Mar-24 £
Interest income on lease liabilities	–	33
	<u>–</u>	<u>33</u>

## 7. Property, plant and equipment

	Expenditure on leasehold property £	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2024	80,575	8,734	34,221	123,530
At 31 March 2025	80,575	8,734	34,221	123,530
<b>Depreciation</b>				
At 1 April 2024	80,575	5,659	11,597	97,831
Charge for the year	–	946	2,281	3,227
At 31 March 2025	80,575	6,605	13,878	101,058
<b>Carrying value</b>				
At 31 March 2025	–	2,129	20,343	22,472
At 31 March 2024	–	3,075	22,624	25,699

	Expenditure on leasehold property £	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2023	80,575	8,734	34,221	123,530
At 31 March 2024	80,575	8,734	34,221	123,530
<b>Depreciation</b>				
At 1 April 2023	64,351	3,170	8,971	76,492
Charge for the year	16,224	2,489	2,626	21,339
At 31 March 2024	80,575	5,659	11,597	97,831
<b>Carrying value</b>				
At 31 March 2024	–	3,075	22,624	25,699
At 31 March 2023	16,224	5,564	25,250	47,038

## 8. Leases

### Right-of-use assets

	Leasehold property £	Total £
<b>Cost</b>		
At 1 April 2024	44,465	44,465
At 31 March 2025	44,465	44,465
<b>Depreciation</b>		
At 1 April 2024	44,465	44,465
At 31 March 2025	44,465	44,465
<b>Carrying value</b>		
At 31 March 2025	—	—
At 31 March 2024	—	—

### Right-of-use assets

	Leasehold property £	Total £
<b>Cost</b>		
At 1 April 2023	44,465	44,465
At 31 March 2024	44,465	44,465
<b>Depreciation</b>		
At 1 April 2023	32,298	32,298
Charge for the year	12,167	12,167
At 31 March 2024	44,465	44,465
<b>Carrying value</b>		
At 31 March 2024	—	—
At 31 March 2023	12,167	12,167

The GCA has a single property lease, with an end date of February 2033, with a break at any time after 31 July 2023 subject to giving at least 3 months' notice.

In 2022, the lease terms were assessed to be more than 12 months, and a ROUA and lease liability were recognised in accordance with IFRS 16. Now that the GCA no longer assesses the lease as long term, the lease liability and the ROUA have been fully amortised.



## 9. Financial instruments

The majority of the GCA's financial instruments relate to contracts to buy non-financial items in line with the GCA's expected purchases and usage requirements. The GCA was therefore exposed to little credit, liquidity or market risk. Please refer to the accounting policies section.

## 10. Receivables and other assets

### Amounts falling due within one year

	As at 31-Mar-25 £	As at 31-Mar-24 £
Prepayments	21,774	22,697
	<u>21,774</u>	<u>22,697</u>

## 11. Cash

	As at 31-Mar-25 £	As at 31-Mar-24 £
Balance at 1 April 2024	1,276,155	1,299,673
Net change in cash balances	(210,706)	(23,518)
Balance at 31 March 2025	<u>1,065,449</u>	<u>1,276,155</u>
The following balances were held at:		
Government Banking Service	<u>1,065,449</u>	<u>1,276,155</u>

The GCA's bank account is an account held with the Government Banking Service.

## 12. Payables and other liabilities

### Amounts falling due within one year

	As at 31-Mar-25 £	As at 31-Mar-24 £
Contract liability (Note 5)	756,624	1,099,299
	<u>756,624</u>	<u>1,099,299</u>
Accruals	330,599	199,553
	<u>1,087,223</u>	<u>1,298,852</u>
Analysis of accruals:		
Balances with other central government organisations	242,209	160,113
Balances with bodies external to government	88,390	39,440
	<u>330,599</u>	<u>199,553</u>

The contract liability solely relates to the unspent levy due to be returned to the Retailers in the proportions in which it was contributed. The accruals relate to invoices for the secondment of staff, IT services, legal costs, audit fees and accountancy fees.

## 13. Other commitments

The GCA had no capital commitments (2023/24: none) and no other financial commitments (2023/24: none).

## 14. Contingent liabilities and assets

There is one possible material remote contingent liability as reported in the parliamentary accountability disclosures on page 52.

There are no other contingent liabilities or assets to report.

## 15. Related party transactions

The GCA is a Corporation Sole sponsored by DBT and funded through a levy on the Retailers. The sponsoring Department is regarded as a related party. During the year, the GCA has had various material transactions with DBT, through the provision of payroll for the Adjudicator and procurement and contracting services.

The GCA also has related party transactions with the CMA, these related to accommodation as the GCA is co-located with the CMA. The GCA also had transactions with the Department for Transport, Housing Ombudsman Service, Ministry of Justice, Forestry Commission and DBT for the secondment of staff.

None of the GCA members or key managerial staff undertook any material transactions with DBT during the year, except for remuneration paid for their services. Please refer to the staff remuneration report for the remuneration paid to the Adjudicator.

## 16. Events after the reporting period

On 16 June 2025 the High Court accepted the GCA's application to intervene in the case of W Clappison Limited v Aldi Stores Limited. The GCA was awarded £30,000 towards its costs of and occasioned by the application and this will be accounted for in the financial year to 31 March 2026.

In accordance with the requirements of IAS 10 'Events After the Reporting Period', post-Statement of Financial Position events are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the same date as the date of the Certificate Report of the Comptroller and Auditor General. There are no other post-Statement of Financial Position events between the balance sheet date and this date to report. The Accounting Officer duly authorised the issue of these financial statements on the date of the Comptroller and Auditor General's audit certificate.







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