

**RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED**

**Report and Financial Statements**

**Year ended 30 September 2022**

**CAUTIONARY STATEMENT**

Sections of this Annual Report, including but not limited to the Directors' Report and the Strategic Report may contain forward-looking statements with respect to certain of the plans and current goals and expectations relating to the future financial condition, business performance and results of the Residual Interest Paragon Mortgages (No.12) PLC ('the Company'). These statements can be identified by the fact that they do not relate strictly to historical or current facts. They use words such as 'anticipate', 'estimate', 'expect', 'intend', 'will', 'project', 'plan', 'believe', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance but are not the exclusive means of identifying such statements. These have been made by the directors in good faith using information available up to the date on which they approved this report, and the Company undertakes no obligation to update or revise these forward-looking statements for any reason other than in accordance with its legal or regulatory obligations (including under the UK Market Abuse Regulation).

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond the control of the Company and depend upon circumstances that may or may not occur in the future that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. There are also a number of factors that could cause actual future financial conditions, business performance, results or developments to differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements and forecasts. As a result, you are cautioned not to place reliance on such forward-looking statements as a prediction of actual results or otherwise.

These factors include, but are not limited to: material impacts related to foreign exchange fluctuations; macro-economic activity; the impact of outbreaks, epidemics or pandemics, and the extent of their impact on overall demand for the Company's services and products; potential changes in dividend policy; changes in government policy and regulation (including the monetary, interest rate and other policies of central banks and other regulatory authorities in the principal markets in which the Company operates) and the consequences thereof; actions by the Company's competitors or counterparties; third party, fraud and reputational risks inherent in its operations; the UK's exit from the EU; unstable UK and global economic conditions and market volatility, including currency and interest rate fluctuations and inflation or deflation; the risk of a global economic downturn; acts of terrorism and other acts of hostility or war and responses to, and consequences of those acts; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; general changes in government policy that may significantly influence investor decisions (including, without limitation, actions taken in support of managing and mitigating climate change and in supporting the global transition to net zero carbon emissions); societal shifts in customer financing and investment needs; and other risks inherent to the industries in which the Company operates.

Nothing in this Annual Report should be construed as a profit forecast.

**STRATEGIC REPORT**

**BUSINESS REVIEW AND PRINCIPAL ACTIVITIES**

Residual Interest Paragon Mortgages (No. 12) Holdings Limited ('the Company') is a holding company. Its sole subsidiary is Residual Interest Paragon Mortgages (No. 12) PLC ('RIPM12') and together these companies form a group (the 'Group'). The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The Group's consolidated income statement is shown on page 11.

The company balance sheet on page 12 of the financial statements shows the value of investments the Company currently holds. Details of amounts owed to other group companies are shown in note 6.

No interim dividend was paid during the year. No final dividend is proposed.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Group comprises securitisation companies and has been structured so as to avoid, in as far as is possible, all forms of financial risk with its outstanding term loan match-funded to maturity. An analysis of the Group's exposure to risk, including financial risk, and the steps taken to mitigate these risks are set out in note 7.

**GOING CONCERN**

After considering the above, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

**EMPLOYEES**

The company has no employees. All operational services are provided by an outsourced service provider.

**SHAREHOLDERS**

The Company has a single shareholder, Maples Fiduciary Services (UK) Limited, which holds the entire share capital of the Company on a discretionary trust basis for the benefit of certain charities. However, the transaction documents limit this entity to a nominal interest in the risks and rewards of the business of the Company. The Company itself has only a nominal interest in the risks and rewards of the business of its subsidiary, Residual Interest Paragon Mortgages (No. 12) PLC.

This Strategic Report has been drawn up and presented in accordance with, and in reliance upon, applicable English company law, in particular Chapter 4A of the Companies Act 2006, and the liabilities of the directors in connection with this report shall be subject to the limitations and restrictions provided by such law.

Approved by the Board of Directors  
and signed on behalf of the Board



Emma Tighe

per pro MaplesFS UK Corporate Director No.1 Limited

As Director

27 January 2023

## **DIRECTORS' REPORT**

The directors present their Annual Report prepared in accordance with Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the audited Financial Statements for Residual Interest Paragon Mortgages (No. 12) Holdings Limited, a company registered in England and Wales with registration no: 12004259, for the year ended 30 September 2022.

### **DIRECTORS**

The directors during the year and subsequently were:

J L Jones (resigned 8 October 2021)

MaplesFS UK Corporate Director No.1 Limited

MaplesFS UK Corporate Director No.2 Limited

S M H Ellis (appointed 8 October 2021, resigned 1 April 2022)

E M Tighe (appointed 1 April 2022)

### **DIRECTORS' INDEMNITIES**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **AUDITOR**

The directors have taken all reasonable steps to make themselves and the Company's auditor, KPMG LLP, aware of any information needed in preparing the audit of the Annual Report and Financial Statements for the year, and, as far as each of the directors is aware, there is no relevant audit information of which the auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 (2) of the Companies Act 2006.

Having regard to the benefits of all group entities sharing the same auditor, the directors resolved that KPMG LLP should also be appointed as auditor of the Company and a resolution for the appointment of KPMG LLP as the auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

### **INFORMATION PRESENTED IN OTHER SECTIONS**

Certain information required to be included in a directors' report by the Companies Act 2006 and regulations made there under can be found in the other sections of the Annual Report, as described below. All of the information presented in these sections is incorporated by reference into this Directors' Report and is deemed to form part of this report.

- Commentary on the likely future developments in the business of the Company is included in the Strategic Report
- A description of the Company's financial risk management objectives and policies, and its exposure to risks arising from its use of financial instruments are set out in note 7 to the accounts
- Disclosure on any dividends paid during the year is included in the Strategic Report.

**DIRECTORS' REPORT (CONTINUED)**

Approved by the Board of Directors  
and signed on behalf of the Board



Emma Tighe

per pro MaplesFS UK Corporate Director No.1 Limited

As Director

27 January 2023

Registered Office: 11<sup>th</sup> Floor 200 Aldersgate Street, London, EC1A 4HD

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Company financial statements for each financial year. Under that law they are required to prepare the Company financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable, relevant and reliable
- state whether they have been prepared in accordance with UK-adopted international accounting standards
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so

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

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report and Directors' Report that complies with that law and those regulations.

**Responsibility statement of the directors in respect of the annual financial report**

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face

**RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS (CONTINUED)**

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Approved by the Board of Directors and signed on behalf of the Board.



Emma Tighe

per pro MaplesFS UK Corporate Director No.1 Limited

As Director

27 January 2023

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED**

**Opinion**

We have audited the Group and parent company's Financial Statements of Residual Interest Paragon Mortgages (No. 12) Holdings Limited for the year ended 30 September 2022 which comprise the consolidated income statement, the Group and Company balance sheet, the statement of movement in equity and the related notes 1 to 10, including the accounting policies in note 9.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2022 and of the group's result for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards (UK-IAS);
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Going concern**

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

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

Our conclusions based on this work:

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

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

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED  
(CONTINUED)**

Our risk assessment procedures included:

- Enquiring of directors, Internal Audit and inspection of policy documentation as to the high-level policies and procedures of the Paragon Group (of which this company is a part) to prevent and detect fraud, including the Internal Audit function, and the Company's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, Audit Committee and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that the Company management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted and approved by the same user and those including specific descriptors.

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

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

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

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: money laundering, financial crime, certain aspects of company legislation recognising the financial nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED  
(CONTINUED)**

compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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

**Strategic report and directors' report**

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

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

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

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 7 the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED  
(CONTINUED)**

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

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



**Michael Davidson (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

27 January 2023

RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	2022 £000	2021 £000
Interest receivable		-	-
Operating expenses		-	-
Operating profit being profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		-	-

The results for the current year and preceding period relate entirely to continuing operations.

There are no other items of comprehensive income in the current year or preceding period.

**RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED**

**GROUP AND COMPANY BALANCE SHEETS**

**30 SEPTEMBER 2022**

	Note	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
<b>ASSETS EMPLOYED</b>					
<b>NON-CURRENT ASSETS</b>					
Investment in subsidiary undertakings	4	13	13	13	13
<b>FINANCED BY</b>					
<b>EQUITY SHAREHOLDERS' FUNDS</b>					
Called up share capital	5	-	-	-	-
Profit and loss account		-	-	-	-
Total equity		-	-	-	-
<b>CURRENT LIABILITIES</b>					
Other liabilities	6	13	13	13	13
		13	13	13	13

These financial statements of the Group and Company (registered number 12004259) were approved by the Board of Directors on 27 January 2023.

Signed on behalf of the Board of Directors



Emma Tighe

per pro MaplesFS UK Corporate Directors No.1 Limited

As Director

**RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED**

**STATEMENT OF MOVEMENT IN EQUITY**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

***Group and Company***

	Share capital	Profit and loss account	Total equity
	£000	£000	£000
<i>Total comprehensive income for the year</i>			
Result for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
On incorporation	-	-	-
Closing equity	-	-	-

**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

***Group and Company***

<i>Total comprehensive income for the period</i>			
Result for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	-	-
On incorporation	-	-	-
Closing equity	-	-	-

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2022

1. GENERAL INFORMATION

Residual Interest Paragon Mortgages (No. 12) Holdings Limited ('the Company') is a company domiciled in the United Kingdom and incorporated in England and Wales under the Companies Act 2006 with company number 12004259. The address of the registered office is 11<sup>th</sup> Floor, 200 Aldersgate Street, London, EC1A 4HD. The nature of the Company's operations and its principal activities are set out in the Strategic Report.

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

The remaining notes to the accounts are organised into three sections:

- Analysis – providing further analysis and information on the amounts shown in the primary financial statements
- Financial Risk – providing information on the Company's management of its principal financial risks
- Basis of preparation – providing details of the Company's accounting policies and of how they have been applied in the preparation of the financial statement.

## RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED

### NOTES TO THE ACCOUNTS - ANALYSIS

#### YEAR ENDED 30 SEPTEMBER 2022

*The notes set out below give more detailed analysis of the balances shown in the primary financial statements and further information on how they relate to the operations, results and financial position of the Company.*

#### 2. PROFIT AND LOSS ACCOUNT

Directors received no remuneration for the services provided to the Company during the current year or preceding period.

The Company had no employees in the current year or preceding period.

The Company's audit fee of £3,000 (2021: £3,000) for the current year was paid by Residual Interest Paragon Mortgages (No. 12) PLC. No fees were payable to the Company's auditor in respect to non-audit services by the Company.

#### 3. PROFIT ATTRIBUTABLE TO MEMBERS OF RESIDUAL INTEREST PARAGON MORTGAGES (NO. 12) HOLDINGS LIMITED

The Company's profit after tax for the financial year amounted to £nil (2021: £nil). A separate income statement has not been prepared for the Company under the provisions of section 408 of the Companies Act 2006.

The Company has no other items of comprehensive income for the year ended 30 September 2022.

#### 4. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	<b>Group &amp; Company 2022 £000</b>	<b>Group &amp; Company 2021 £000</b>
Balance at 1 October 2021 and 30 September 2022	<u>13</u>	<u>13</u>

Listed below is the subsidiary company of the Group which is incorporated in England and Wales:

<b>Company</b>	<b>Principal activity</b>	<b>Description of shares held</b>	<b>Proportion of nominal value of issued shares held</b>	<b>Year end Status</b>
Residual Interest Paragon Mortgages (No. 12) PLC	Asset investment	Ordinary £1 shares	100%	Trading

During the year ended 30 September 2022 the Company received £nil (2021: £nil) in dividend income from its subsidiary.

The registered office of each of the entities listed in this note is the same as that of the Company (note 1).



## NOTES TO THE ACCOUNTS - ANALYSIS

## YEAR ENDED 30 SEPTEMBER 2022

## 5. CALLED UP SHARE CAPITAL

	Company 2022 £	Company 2021 £
Allotted:		
1 ordinary share of £1 (fully paid)	1	1

The Company was incorporated on 20 May 2019 with £1 share capital fully paid to Maples Fiduciary Services (UK) Limited.

## 6. OTHER LIABILITIES

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
<b>Current liabilities:</b>				
Amounts due to group companies	13	13	13	13

NOTES TO THE ACCOUNTS – FINANCIAL RISK

YEAR ENDED 30 SEPTEMBER 2022

*The notes below describe the processes and measurements which the Company use to manage their exposure to financial risks including credit, liquidity, interest rate and foreign exchange risk.*

**7. FINANCIAL RISK MANAGEMENT**

The Company's primary financial assets and liabilities are with other group companies; therefore, the directors do not consider that the Company is exposed to any significant cash flow, credit or liquidity risks.

NOTES TO THE ACCOUNTS – BASIS OF PREPARATION

YEAR ENDED 30 SEPTEMBER 2022

*The notes set out below describe the accounting basis on which the Company prepare their accounts, the particular accounting policies adopted by the Company and the principal judgements and estimates which were required in the preparation of the financial statements.*

*They also include other information describing how the accounts have been prepared required by legislation and accounting standards.*

**8. BASIS OF PREPARATION**

The Company is required, by the Companies Act 2006, to prepare its financial statements for the year ending 30 September 2022 in accordance with UK-adopted international accounting standards. In the financial years reported on this also means, in the Company's circumstances, that the financial statements also accord with IFRS as approved by the International Accounting Standards Board.

In previous periods financial statements had been prepared under EU endorsed IFRS, however the change of framework does not change the substance of the requirements applying to the Company and no prior-year restatement of the financial statements is required.

The particular accounting policies adopted have been set out in note 9.

The Company, as a company with wholly owned subsidiaries is required to prepare accounts under section 399 of the Companies Act 2006. However, due to restrictions on the Company's control of the assets and liabilities of its subsidiary company, the criteria for the inclusion of the subsidiary in the consolidated accounts set out in IFRS 10 – 'Consolidated Financial Statements' are not met. Hence the group accounts of the Company are the same as its individual company accounts.

**Adoption of new and revised reporting standards**

In the preparation of these financial statements, no new accounting standards are being applied for the first time.

**Standards not yet adopted**

There are no standards and interpretations in issue but not effective which address matters relevant to the Company's accounting and reporting.

**9. ACCOUNTING POLICIES**

The particular accounting policies applied are described below.

**Accounting convention**

The Financial Statements are prepared under the historical cost convention.

**Going concern**

The Financial Statements have been prepared on a going concern basis as described in the Strategic Report, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

**Basis of consolidation**

The consolidated accounts deal with the accounts of the Company and its subsidiary made up to 30 September 2022.

NOTES TO THE ACCOUNTS – BASIS OF PREPARATION

YEAR ENDED 30 SEPTEMBER 2022

9. ACCOUNTING POLICIES (CONTINUED)

**Fixed assets – investments in subsidiaries**

The investment in the subsidiary companies is shown at cost less provision for impairment.

**Amounts owed by or to group companies**

The balances owed by or to other group companies are carried at the current amount outstanding less any provision.

10. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Maples Fiduciary Services (UK) Limited which holds the entire share capital of the Company on a discretionary trust basis for the benefit of certain charities.

Copies of the financial statements of the parent undertaking are available from the company's registered office at 11<sup>th</sup> Floor, 200 Aldersgate Street, London, EC1A 4HD.