

Silk Road Finance Holdings Number Six Limited
Annual Reports and Financial Statements

**for the period from incorporation on 23 October
2019 to 31 December 2020**

Registered Number: 12276991



Silk Road Finance Holdings Number Six Limited

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Silk Road Finance Holdings Number Six Limited

Directors and advisors

Directors

C M Leahy (appointed 23 October 2019)

MaplesFS UK Corporate Director No.1 Limited (appointed 23 October 2019)

MaplesFS UK Corporate Director No.2 Limited (appointed 23 October 2019)

Secretary

Maples Fiduciary Services (UK) Limited

11th Floor

200 Aldersgate Street

London

EC1A 4HD

Registered Office

11th Floor

200 Aldersgate Street

London

EC1A 4HD

Company registered number

12276991

(England and Wales)

Silk Road Finance Holdings Number Six Limited

Directors' report

The directors present their report and the unaudited financial statements of Silk Road Finance Holdings Number Six Limited for the period from incorporation on 23 October 2019 to 31 December 2020.

The company qualifies as a small company in accordance with sections 381-383 of Companies Act 2006 ("The Act"). The directors' report has therefore been prepared taking into consideration the entitlement to small companies' exemptions provided in sections 414B (as incorporated to The Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of The Act.

Principal activity

The principal activity of this entity is that of a holding company which holds 100% of the share capital in Silk Road Finance Number Six plc (the "Subsidiary"). On the 6 November 2019, to fund the acquisition of the Subsidiary, the Co-operative Bank PLC made a fee payment of £15,433.

Group accounts have not been prepared on the principle that the Company does not control the operations of the Subsidiary, therefore is not exposed to risks, has no rights to variable returns from interaction and does not have the ability to affect those returns through its power over the Subsidiary.

The directors do not anticipate any changes to the present level of activity, or the nature of, the Company's business in the foreseeable future.

Issue of shares

The issued share capital consists of 2 fully paid ordinary shares of £1.

Results and dividends

The Company's financial performance is presented in the statement of comprehensive income on page 5. The result for the period was £nil.

The directors do not recommend the payment of a dividend for the year ended 31 December 2020.

The Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company.

Principal risks and uncertainties

The Company is not exposed to any principal risks and uncertainties, additionally the Company is not impacted or expected to be impacted by COVID-19.

Going concern

At the year end, the balance sheet showed total assets of £27,935, which includes an investment in Subsidiary undertakings of £12,502. Retained earnings were £12,500. See note 1 under accounting policies for a more detailed explanation.

Directors' details and their interests

The directors who held office during the period and current appointments are disclosed on page 2.

No director had a beneficial interest in the share capital of the Company or had any interest in any material contract or arrangement with the Company at any time during the period under review.

Third party indemnities

Qualifying third party indemnity provisions for the benefit of the directors were in force during the year under review and remain in force as at the date of approval of the annual report and financial statements.

Secretary

Maples Fiduciary Services (UK) Limited acted as the company secretary during the year and subsequently.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Silk Road Finance Holdings Number Six Limited

Directors' report (continued)

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006..

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

- Select suitable accounting policies in accordance with International Accounting Standard 8: Accounting Policies, Change in Accounting Estimates and Errors and then apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- State whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonable to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Audit exemption under section 477(1) of the Companies Act 2006

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006 relating to subsidiary companies.

Approved by the Board of Directors on 21 July 2021 and signed on its behalf by:



Sam Ellis

Per pro MaplesFS UK Corporate Director No.1 Limited
As director

Silk Road Finance Holdings Number Six Limited

Statement of comprehensive income

For the period from incorporation on 23 October 2019 to 31 December 2020

	Notes	Period to 31 December 2020 £
Fee and commission income		15,431
Profit before taxation		15,431
Income tax		(2,931)
Profit for the financial year		12,500
Other comprehensive income for the financial year		12,500
Total comprehensive income for the financial year		12,500

All results are from continuing operations.

The accounting policies and notes on pages 8 to 11 form part of these financial statements.

Silk Road Finance Holdings Number Six Limited

Balance sheet

as at 31 December 2020

	Notes	2020 £
Assets		
Investment in subsidiary undertakings	5	12,502
Other receivables	6	15,433
Total assets		27,935
Liabilities		
Other creditors	7	15,433
Total Liabilities		15,433
Equity		
Share capital	8	2
Retained earnings		12,500
Total equity		12,502
Total equity and liabilities		27,935

The accounting policies and notes on pages 8 to 11 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the directors have not required the company to obtain an audit of its accounts for the year in question in accordance with section 477(1);
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors on 21 July 2021 and signed on its behalf by:



Sam Ellis

Per pro MaplesFS UK Corporate Director No.1 Limited
As Director

Registered Company Number: 12276991

Silk Road Finance Holdings Number Six Limited

Statement of changes in equity

For the period from incorporation on 23 October 2019 to 31 December 2020

	Share capital	Retained earnings	Total
	£	£	£
2020			
At the beginning of the period	-	-	-
Issuance of share capital	2	-	2
Total comprehensive income for the period	-	12,500	12,500
At 31 December 2020	2	12,500	12,502

The accounting policies and notes on pages 8 to 11 form part of these financial statements.

Silk Road Finance Holdings Number Six Limited

Notes to the financial statements

1 Basis of preparation and significant accounting policies

1.1 General information

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office is 11th floor 200 Aldersgate Street, London, EC1A 4HD.

1.2 Basis of preparation

The Company's financial statements have been prepared under the historical cost convention.

The Company has elected to prepare its financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, interpretations issued by the IFRS Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to organisations reporting under IFRS.

As described in the directors' report on page 3, the company qualifies as a small company in accordance with sections 381-383 of the Companies Act 2006 ("The Act") and applicable entitlements have been applied in the preparation of the financial statements.

1.2.1 Cash flow Statement

A cash flow statement has not been prepared on the grounds that no cash movements took place during the financial period.

1.2.2 Consolidated accounts

Consolidated accounts have not been prepared on the grounds that Silk Road Finance Number Six plc (the "Subsidiary") is consolidated into the accounts of The Co-operative Bank Holdings Limited by reasons of control over its activities.

1.3 Going concern

IAS 1 (Presentation of Financial Statements) requires Directors to make an assessment of a company's ability to adopt the going concern basis of accounting in the future. IAS 1 states that the information should cover at least 12 months from the end of the reporting period but not be limited to that period. Financial Reporting Council (FRC) guidelines state that the information should consider a period of at least 12 months from the date the financial statements are authorised for issue.

In order to form a view as to the most appropriate basis of preparation of these financial statements, the directors have assessed the likelihood of whether the Company will be able to continue trading over the foreseeable future versus the likelihood of either intending to or being forced to either cease trading or the placing of the Company into liquidation.

After making enquiries, the directors have formed a judgement, that the Company will be able to continue to operate as a going concern for a period of 12 months from the date of approving the financial statements

1.4 Significant accounting policies

1.4.1 Functional and presentational currency

The financial statements are presented in sterling, which is the functional and presentational currency of the Company.

1.4.2 Investment in subsidiary and Group undertakings

Investments in subsidiary are initially measured at fair value which equates to cost and subsequently valued at cost less provision for any impairment. Impairment is assessed by taking into consideration the financial position of the subsidiary and any potential that the value of the subsidiary has fallen below the value of the investment held by the Company.

Silk Road Finance Holdings Number Six Limited

1 Basis of preparation and significant accounting policies (continued)

1.4.3 Financial instruments

a) Recognition

Financial assets and financial liabilities are initially recognised in the balance sheet at fair value when the Company becomes party to the contractual provisions of the instrument. Subsequently, financial instruments are classified as follows: amortised cost, fair value through profit or loss, or fair value through other comprehensive income. All of the Company's financial instruments are measured at amortised cost.

b) Financial instruments measured at amortised cost

Financial assets measured at amortised cost are those for which the business model objective is to hold to collect the contractual cash flows, and the contractual cash flows are solely payments of principal and interest. Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the financial asset. Unless designated at FVTPL, the classification and subsequent measurement of the financial asset is based on the business model and contractual cash flows of the asset.

Amortised cost is the default category for financial liabilities.

Amortised cost financial instruments are subsequently measured at the amount at which the financial instrument was measured at initial recognition, less principal repayments, plus or minus the cumulative amortisation using the effective interest method of the difference between that initial amount and the maturity amount and adjusted for any loss allowance.

c) Reclassifications

Debt instruments are only reclassified when the business model for managing such assets is changed. Such changes as a result of external or internal changes must be significant, demonstrable to external parties, and are expected to be rare in occurrence. Financial liabilities cannot be reclassified.

d) Impairment of financial assets

Under IFRS 9, the ECL is assessed on a forward-looking basis for debt instruments carried at amortised cost and FVOCI, for exposures related to loan commitments, and for financial guarantee contracts. Credit risk is measured using probability of default (PD), the exposure at default (EAD) and loss given default (LGD).

Financial instruments are classified within stage 1 on initial recognition. If a significant increase in credit risk (SICR) since recognition is identified but the financial instrument is not credit impaired, then the financial instrument transitions to stage 2. A financial instrument transitions to stage 3 when it becomes credit impaired. Financial instruments within stage 1 have a loss allowance reflecting a 12 month ECL whereas financial instruments within stage 2 and 3 have a loss allowance reflecting a lifetime ECL. Financial instruments which are purchased or originated credit impaired attract a lifetime ECL until de-recognition irrespective of staging criteria. For stage 3 assets, interest is recorded on a net basis.

The ECL is calculated as the discounted multiple of PD, EAD and LGD, which are all based on historical analysis, adjusted for the future view of forward-looking macroeconomic information.

e) De-recognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

When a financial asset is derecognised in its entirety, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in the income statement.

A financial liability is derecognised when the obligation is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability derecognised and the consideration paid is recognised in the income statement.

1.5 Critical accounting estimates and judgments in applying accounting policies

There are no critical accounting estimates or judgments in applying the accounting policies.

Silk Road Finance Holdings Number Six Limited

2 Standards and interpretations issued but not yet effective

The IASB has published a number of minor amendments to IFRSs that were effective from 1 January 2020. None of these had a significant effect on the financial statements when adopted.

3 Directors' emoluments

The Company had no employees during the year and services required are contracted from third parties.

The directors received no remuneration from the Company in respect of qualifying services rendered during the year.

4 Taxation

	2020
	£
UK tax at 19.00%	
Corporation tax	
Current period	2,931

Factors affecting tax charge for the period

The average effective rate of corporation tax assessed for the period is equal to the standard rate of corporation tax in the UK of 19%.

	2020
	£
Profit on ordinary activities before tax	15,431
Tax calculated at a rate of 19%	2,931
Actual tax for the period	2,931

5 Investment in subsidiary undertakings

	2020
	£
Subsidiary undertakings – at cost	12,502

Subsidiary undertakings	Country of incorporation and registered office	Holdings	Proportion of voting rights and shares held	Nature of business
Silk Road Finance Number Six plc	UK 11 th Floor 200 Aldersgate Street London EC1A 4HD	Ordinary shares	100%	Issuer

6 Other receivables

	2020
	£
Other debtors	15,433

7 Other payables

	2020
	£
Other creditors	12,502
Current tax liability	2,931
	15,433

Silk Road Finance Holdings Number Six Limited

8 Share Capital

	2020
	£
Issued and allotted	
2 ordinary share of £1: 1 fully paid	2

9 Parent undertaking and controlling party

The entire share capital of the Company is held by Maples Fiduciary Services (UK) Limited on a discretionary trust basis under a share trust deed. Maples Fiduciary Services (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales is the Share Trustee, and as the trustee is not entitled to any economic benefit and the beneficiaries do not have any decision making power, there is no controlling party.

10 Related party transactions

The Company's subsidiary, Silk Road Finance Number Six plc meets the definition of a special purpose entity under IFRS. In accordance with the requirements of SIC 12 "Consolidation – Special Purpose Entities", the subsidiary's accounts are consolidated within the group accounts of The Co-operative Bank Holdings Limited ("the Bank"). Consequently, the directors of the Company consider the Bank and its subsidiaries to be related parties of the Company.

As at 31 December 2020 fees of £3k were accrued as owing to Maples Fiduciary Services (UK) Limited for the provision of corporate administration services to the Company. These fees were borne by its subsidiary undertaking, Silk Road Finance Number Six plc.