Wyelands Bank Plc

Annual Report 2022

Company registered number 01536428

Contents

CHAIRMAN'S REVIEW

The financial year to 30 April 2022 was a period of steady progress in the implementation of the solvent wind down plan (SWDP) for the Bank. Throughout this period the Bank's staff remained focused on delivering for the Bank's stakeholders. The Board is grateful for the dedication of its staff and advisors to the successful delivery of the SWDP.

Performance for the year to 30 April 2022: continuing the wind down of the business

The Bank closed deposit accounts and repaid most of its depositors in March 2021, transferring funds to protect the remaining depositors who could not be repaid directly to an independent trust managed by a professional Trustee (connected party deposits are not protected in this way and remain with the Bank). The Bank has continued to scale down most of its operations during this year. The remaining loans made by the Bank are challenging to collect and no cash was collected during the financial year other than stage 1 loans amounting to £6.1m, these difficulties in the context of the Bank being accounted for on a basis other than a going concern, mean that the loans have been fully impaired. The Bank will continue to pursue options for collection that are in the interests of the Banks creditors, including the contingent liabilities (see note 27).

The reported financial performance of the Bank for the year to 30 April 2022 reflects the ongoing actions to close down the operations of the Bank in a solvent controlled way, and the Bank reported a loss of £12.5million, including increased loan impairment of £4.6 million. As referred to above the only deposits remaining on the balance sheet are those for connected parties. The level of deposits held as at 30 April 2022 is £0.5 million (30 April 2021: £1.8 million).

The Bank was liquid throughout the year, reflecting the Bank's goal of implementing the SWDP. The capital position of the Bank reflects the ongoing loan impairment.

The majority of supplier relationships have been exited and the operations of the business reduced to a minimum level. The Bank conducted a further employee redundancy programme, which reduced the number of staff employed by the Bank to 8 by the end of the financial year; at the date of signing this report there are 10 members of staff.

Business performance in the period since April 2022 and outlook

The focus of the Bank since April 2022 has remained on the wind down of the business. The Bank is in a state of relative inactivity; however, it remains the subject of investigations being conducted by the PRA and FCA[1] and must support requests for providing information to all government agencies. The outcome of the investigations is not known as at the date of this report nor the impact, if any, on the Bank (refer to Note 27 for further information).

The costs of supporting investigations by government agencies requires expenditure by the Bank. As the Bank has finite resources and is not trading, there is a risk that the Bank could become insolvent if the cost of supporting investigations over which it has no control becomes greater than the available resources for the Bank.

As the solvent wind down of the Bank' s business is largely complete and business activity is greatly reduced, the Board decided to reduce the number of Directors on the Board during the financial year. To that end David Smith and Rachelle Frewer resigned Directorships on 10 February 2022, and John Crompton resigned as

[1] PRA – Prudential Regulation Authority; FCA – Financial Conduct Authority

Chairman and director on 29 July 2022. I became Chairman and received regulatory approval on 29 July 2022. I would like to offer my sincere thanks to the Executive and Non-Executive members of the Board for their efforts in leading the Bank through a very challenging period.

Ian Gomes
Chairman

STRATEGIC REPORT

The Directors present their Strategic Report on Wyelands Bank Plc and its subsidiaries ("the Bank") for the year ended 30 April 2022.

1. Review of the business

The financial year that the strategic report covers is the period 1 May 2021 to 30 April 2022. During this period the business made steady progress in the implementation of the Solvent Wind Down Plan (SWDP) for the Bank. The Bank commenced a solvent wind down in March 2020. At the same time the global pandemic and the associated lockdowns and restrictions were having a significant impact on the Bank's customers. The majority of the Bank's customers are in commodities and metals trading, based out of the UK, Middle East and India. A number of the customers were connected, which led to concentration in the portfolio and a contagion effect when the customers started to experience financial difficulties. This led to further delays in repayments by customers, which drove an associated increase in loan impairment.

The Bank has continued to implement its asset collection strategy, albeit that recovery and remediation was in part hampered by limitations placed by governments as part of COVID-19 related restrictions on some enforcement actions. Whilst there was some success in asset recovery in previous years, the Bank's remaining borrowing customers are in default of their lending agreements which has led to additional loan impairment provisions of £4.6 million to fully impair the loan portfolio by the end of the financial year. Asset recovery has remained a challenge subsequent to the year end and there have been no recoveries on collections to the date of signing this report.

A primary focus of the solvent wind down plan was to build sufficient cash resources such that depositors and other creditors would be fully protected. This was achieved by February 2021 and the bank has remained solvent.

In addition to the implementation of the solvent wind down plan, the Bank also supported the investigations being conducted by the PRA and FCA and provided information to other government agencies. The investigations remain in progress as at the date of this report (refer to note 27 for further information).

The full year's financial performance has seen the Group make a loss before tax of £12.5 million. This reflects the increase in loan impairment provisions as loan recoveries remain difficult, and the ongoing costs of winding down the Bank.

The Bank has identified a number of KPIs by which it measures its performance over time, which are summarised below

Cash Position - £4.9 million (£8.0 million – 2021) – the cash position reduced due to ongoing operating expenses which were slightly offset by £6.1m of collections from stage 1 loans in the year.

Loan Book - £nil million (£4.6 million - 2021) – the net loan book reduced due to an increase in loan impairment provisions. This remained a key KPI during the year as management and the Board continued to pursue actions which were in the long-term interest of creditors.

Group Loss Before Tax – £12.5 million loss (£116.2 million loss - 2021) – the loss before tax reflects the increase in loan impairments following the significant increase in credit risk, and the ongoing costs of winding down the Banks operations.

Managing customer deposit base - £0.5 million (£1.8 million - 2021) – the reduction in deposits is due to the repayment of depositors during the year.

Credit Quality – Expected credit loss provisions on stage 3 loans of £175.6 million (£161.8 million - 2021) – the provisions reflect the ongoing difficulties in collecting the remaining portfolio.

2. How we do business

The Directors consider, both individually and collectively, that they have acted in a way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its shareholder, but with regard to all its stakeholders and matters set out in s172 (a-f) of the UK Companies Act 2006:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

The Bank has identified its key stakeholders as customers, colleagues, regulators, shareholder, suppliers and the wider community in which the Bank operates including the contingent creditors (see note 27).

Customers

The Bank ceased to offer lending and deposit services to *new* customers in 2020 as part of the decision to implement a solvent wind down plan, however continued to manage a reducing portfolio of borrowers and depositors.

In March 2021 a deposit repayment programme was undertaken, and all depositors were repaid with interest paid to full term. A very small number of these depositors remained unclaimed as at November 2021 and a trust was established to hold the depositors funds. The payment to the trust was treated as a cash outflow when it occurred and the Bank has therefore derecognised this liability. This trust continues to operate and will protect depositors' funds until they are reclaimed. The Bank continues to maintain records and capability to support and respond to queries from current or previous depositors and customers about funds that were held with or transacted through the Bank. All deposits remaining at the year-end are connected parties.

Colleagues

The implementation of the SWDP has significantly reduced the number of employees. The remaining employees received regular communication and updates on the Banks progress throughout the year.

The Bank has an appointed non-executive director as whistleblowing champion and the Board is provided with updates on whistleblowing activity.

Non-executive Directors also consider compensation and employee related matters in their capacity as members of the Remuneration and Nomination Committee.

During the year the Bank implemented a redundancy programme, following due procedure and communicating with colleagues throughout the process. At the date of signing this report the Bank has ten remaining employees.

Regulators

The Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Additionally, the Bank engages with the Information Commissioner's Office and HMRC. The Bank's approach is to conduct business, including tax affairs, in a transparent manner, complying with all relevant legislation including submitting reports and making payments on time.

The Board is provided with regulatory correspondence and updates on the activity undertaken by management with the regulators. These updates included broader regulatory developments and compliance considerations. In addition, there is regular direct engagement between individual directors and regulators. The Bank also engages with its regulators on the appointment of senior executives.

The Bank is subject to investigations being conducted by the PRA and FCA. The outcome of the investigations is not known as at the date of this report nor the impact, if any, on the Bank (refer to note 27 for further information). The Board approved and agreed with the regulators a way of working that ensures that the Bank meets threshold conditions whilst operating in a way that is consistent with and proportional to the "inactive state" of its trading operations (and documented within the Bank's Solvent Wind-Down Plan) once depositors who are not connected to the bank had been repaid or protected through the Depositor Trust.

Shareholder

The Bank's ultimate beneficial owner is the Wyelands Trust which was established through an irrevocable settlement for the benefit of family members and dependants of Mr Sanjeev Gupta. Mr Sanjeev Gupta has a representative on the Board who provides a conduit for communication between him and the business. As at the date of this report, Mr Murali Subramanian was acting as Mr Sanjeev Gupta's representative.

Suppliers

The Bank engages in outsourcing where there are financial or operational benefits in doing so. It is recognised that outsourcing introduces risks that must be effectively mitigated and monitored. The Bank has controls in place to manage these risks, including building and maintaining good relationships with key suppliers.

The Board considers and approves material contracts as required by matters reserved for the Board. Updates on supplier considerations are provided as necessary in senior management updates to the Board as well as when operational matters are discussed at Board.

3. Principal risks and uncertainties

The Board has ultimate responsibility for identifying and managing the Bank's principal risks in order to achieve its strategic objectives. The following section sets out the principal risks and uncertainties to which the Bank is exposed and how these risks are mitigated:

(a) Solvency risk

Solvency risk is the risk that the business cannot meet its financial obligations as and when they fall due. As the Bank is in an inactive state this is the primary risk the board must manage. As financial obligations are primarily settled via cash payment, the risk can arise if expenses and other cash outflows exceed cash resources and cash inflows. Close monitoring of cashflow has been undertaken throughout the solvent wind down of the business. Monitoring includes cashflow forecasting and scenario analysis of cashflow forecasts to ensure that current and forecast solvency positions were consistently monitored and reported.

A major component of solvency risk for the bank is the length of time it is required to support investigation activity or provide information to other government agencies when it cannot generate income. The bank liaises closely with regulators to understand their plans and take the appropriate course of action in preserving the banks resources, ultimately however it is not in the Boards control to determine how long investigation activity will last and there remains therefore a risk that the bank could become insolvent if the available resources are exhausted by the costs of supporting the investigations.

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will impact the Bank's future cashflows This risk reduced during the year as assets were either realised or impaired, but if a collection action was successful on a non-sterling loan in the future the final sterling return would be partly dependent on exchange rates at the time.

(c) Operational risk

For an inactive Bank, this is the risk that failures in internal procedures, people or systems, including cyber threats, cause the Bank monetary loss or reputational damage. Furthermore, operational risk includes outsourcing risk and key man risk. The possibility of data loss because of a crystallised operational risk event is one reason why it is considered key. The Group maintains a framework of internal controls to manage and report on operational risks. In addition, it undertakes compliance monitoring to manage its regulatory risks and conducts internal reviews to assess business risks.

(d) Legal and Regulatory risk

Failure to comply with existing legal, regulatory and tax requirements, or to respond to changes in those requirements, will have negative consequences for the business. The Group undertakes compliance monitoring to manage its legal and regulatory risks.

The Bank is the subject of regulatory investigations being conducted by the PRA and FCA. The outcome of the investigations is not known as at the date of this report nor the impact, if any, on the Bank.

(e) Credit risk and concentration risk

The Bank remains exposed to credit risk on its asset positions even though all remaining exposures are fully provided. The Bank reviews its exposures on a regular basis and has taken action to reduce, manage and mitigate credit risk following the decision to cease new lending.

Concentration risk is a risk for the Bank given the majority of the Bank's customers are in commodities and metals trading, with a number of the Bank's customers connected via their trading relationships.

(f) Liquidity risk

Liquidity risk is the risk that the Bank is not able to meet its liabilities as and when they fall due or is unable to obtain funding other than by paying a premium. This risk arises from mismatches in the timing of cashflows. The vast majority of deposits were repaid in March 2021, significantly reducing this risk. As set out in (a) above, there is a risk that the totality of claims for bank expenditure made through legal expenses incurred as a result of ongoing regulatory investigations exhausts the banks resources in total.

The Bank has received no cash from asset collections in the financial year, or since the end of the financial year to the date of signing this report.

4. Outlook for the future

The Bank is in the final stages of the implementation of a solvent wind down plan. There is no prospect of the Bank being sold or restarting business operations. Given this position, the Directors have concluded that the basis of preparation of the financial statements should be a basis other than going concern.

Approved by the Board and signed on its behalf on 31 January 2023

Stephen Rose
Director

GOVERNANCE

The Board

The Board is the forum where all key strategic decisions are tabled and approved.

The Board's terms of reference define the powers of the Board and set out its primary responsibilities, along with its governance arrangements, control of affairs, standing agenda items, specific monitoring and its overall composition.

The Chairman is appointed to run the Board in a manner which supports and challenges the CEO whereas the CEO is appointed to run the business and deliver the agreed strategy to implement the SWDP. This separation of function is codified in the terms of reference, which state that the Chairman shall not be a member of the executive management team and shall not be the CEO, in accordance with CRD IV Art 88(1).

Against the backdrop of delivering on the Group's strategic objectives, the Board oversees the CEO's establishment of an organisation in terms of management experience, product expertise, operational system knowledge and human resource capabilities, that is proportional to the fact that the bank is winding down and is inactive as a trading bank.

Collectively the Board has sufficient expertise. The composition of the Board is periodically reviewed to ensure that there is the right balance of competency to allow effective governance of the Group and notably it undertakes such reviews at significant points in the business life cycle, for example a change in strategy.

The Board met 12 times during the year.

Attendee	Possible Attendance	Actual Attendance
John Crompton (Chairman) [4]	11	10
Ian Gomes (Chairman) [4]	12	11
Stephen Rose	12	12
David Smith[3]	11	8
Steve Reid	12	10
Jay Hambro[1]	2	1
Rachelle Frewer[3]	11	11
Murali Subramanian[2]	6	6

1. Resigned 3 July 2021
2. Appointed 28 September 2021
3. Resigned 3 February 2022
4. John Crompton resigned as Director and Chairman on 29 July 2022, Ian Gomes an existing Board member was appointed as the new Chairman on that date.

Board Committees

Throughout the financial year the bank has made no new lending and has focussed on asset collection of the reduced portfolio and the implementation of the SWDP. The reduced activity of the Bank, together with a focus on preserving the banks resources, led to a simplification of the Bank's governance structure. All matters related to risk management were discussed at the Board meeting directly during the year, and not managed through a separate committee. Throughout the year there were two main Board committees which operated directly under the delegated authority of the Board: the Audit Committee and the Remuneration and Nominations Committee.

On a day-to-day basis, the Board delegates its risk management responsibilities to the CEO. The chair of each Board committee is charged with reporting to the Board on updates, findings and recommendations.

Audit Committee

The Audit Committee is comprised of the independent non-executive directors and all members have significant experience on matters relating to financial probity and internal control. The Board has determined that the Committee Chair, Ian Gomes, has the required recent and relevant financial experience.

The responsibilities of the Committee include:

- Monitoring the effectiveness of the Bank's internal control, risk management systems and internal audit without breaching its independence;
- The integrity of the financial statements, any formal announcements relating to financial performance and significant financial reporting judgements contained in them;
- Oversight of the internal and external audit processes;
- Recommendations concerning the appointment, re-appointment and removal of the external auditors and the periodic review of their performance and independence;
- The policy on the use of external auditors for non-audit work; and
- Reporting to the PRA on bank matters, as required

The Audit Committee meetings are attended by the members and, by standing invitation, the Chief Executive Officer and the Chief Compliance Officer. The external auditor, Mazars LLP, are also invited to each meeting. Following each committee meeting, the minutes of the meeting are distributed to all attendees and the Board and the Committee Chair provides a regular update to the Board on key matters discussed by the Committee. The Chair also meets the external audit partner outside of the formal committee process during the year.

The following table summarises the number of meetings each member was eligible to attend and how many they did attend.

Attendee	Possible Attendance	Actual Attendance
Ian Gomes (Chairman)	4	4
Steve Reid	4	4
David Smith	4	4

The Committee's key deliberations during the financial year focussed on the implementation of the SWDP and monitoring the simplified control framework as the SWDP was implemented.

Remuneration and Nominations Committee (RNC)

The RNC is comprised of the independent non-executive directors and all members have significant experience on matters relating to appointment, assessment and remuneration of senior professionals. The Board has determined that the Committee Chair, Steve Reid, has the required recent and relevant financial experience. Directors' remuneration is disclosed in note 10 of the accounts.

The responsibilities of the Committee include:
- Appointments of directors and senior managers;
- Composition, skills and experience of the Board;
- Remuneration policy and compensation packages;
- Recommendations on rewards and remuneration; and
- Oversight of the senior management performance appraisal process.

Attendee	Possible Attendance	Actual Attendance
Steve Reid (Chairman)	1	1
Ian Gomes	1	1

Management Committee

Executive Committee (EXCO)

The Board appoints the CEO to manage the execution and delivery of the Board's strategy, along with day-to-day management of the Group. The CEO maintains an EXCO to allocate responsibilities, liaise with and co-ordinate the leadership team, projects and delivery of the business strategy.

The frequency of meetings, membership and quorum are at the discretion of the CEO according to the business needs. In practice though, the Committee meets at least monthly.

throughout the period the ExCo has focussed on the implementation of the SWDP and the collection of assets including taking action where this is in the interests of the creditors.

The EXCO is chaired by the CEO.

DIRECTORS' REPORT

The directors of the Group who were in office during the year and up to the date of signing the financial statements are set out on page 17.

Ownership Structure

The Bank was acquired by Sanjeev Gupta through an irrevocable family trust on 21 December 2016. In consultation with the Bank's regulators, this trust has set up a governance structure to allow the Bank to run independently.

While Wyelands Bank is operationally independent of Mr. Gupta, it is part of the informal family of businesses that comprise GFG Alliance (www. gfgalliance.com).

These accounts cover the individual entity Wyelands Bank Plc together with its two trading subsidiaries, and one non-trading subsidiary as detailed in Note 31.

Share Capital and Rights Attaching to Shares

The Bank had 132,998,000 ordinary shares of £1 each in issue as at 30 April 2022. Further details relating to share capital can be found in the statement of changes in equity on page 29.

Results and Dividends

The results for the year are set out in the statement of comprehensive income on page 26. The directors do not recommend the payment of a dividend (2021 no dividend paid).

Directors' Interests

The directors did not hold any beneficial interest in the ordinary shares of the Bank at any time during the year.

Going Concern

In preparing the financial statements, the Directors carry out an assessment of whether it is possible to adopt the going concern basis of accounting, taking into consideration all available information about the future and factors likely to affect the future position of the Bank.

As noted in the Chairman's Review and the Strategic Report the focus of the Bank has remained on the wind down of the business. The Bank has established a trust into which the remaining deposit funds have been placed and therefore the only deposits remaining on the balance sheet are those for connected parties. The majority of supplier relationships have been exited and the operations of the business reduced to a minimum level.

The Bank remains solvent however there are no viable options for the future of the Bank. The Directors consider that the financial statements should be prepared on a basis other than going concern, and this has been applied since the April 2020 year end. No material adjustments have been made as a result of applying this basis.

Charitable and Political Donations

No charitable or political donations were made during the year ended 30 April 2022 (2021 £nil).

Independent External Auditors

Mazars LLP have expressed their willingness to continue as the Company's external auditors. They were appointed as auditor in February 2020.

Disclosure of Information to Auditors

Each of the persons who are directors at the time the report is approved confirms that:

- so far as the director is aware, there is no relevant audit information of which the Bank's auditor are unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

This confirmation should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Directors Indemnity

The Bank provides that in certain circumstances the directors are entitled to be indemnified out of assets of the Bank against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions have been in force during the financial year and also at the date of approval of the annual report and accounts.

Creditors Policy

The Bank's standard settlement terms are thirty days, although these terms may vary subject to agreement.

Events after the Balance Sheet Date

There are no material events after the Balance Sheet date to report. The risks to future solvency have been disclosed within the Strategic Report starting on page 5.

Future Developments

Future developments have been disclosed within the Strategic Report starting on page 5.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK adopted international accounting standards as adopted by the United Kingdom. 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 Bank and its subsidiaries and of the profit or loss of the Bank and its subsidiaries for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether UK adopted international accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- provide additional disclosures when compliance with specific requirements in UK adopted international accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; 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 also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Bank's transactions and disclose with reasonable accuracy at any time the financial position of the Bank and its subsidiaries and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Bank's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board and signed on its behalf on 30 January 2023

Stephen Rose

Director

COMPANY INFORMATION

Board of Directors:

John Crompton	* Non-Executive Director and Chairman (resigned 29 July 2022)
Ian Gomes	* Deputy Chairman, Non-Executive Director and Chairman of the Audit Committee until 29 July 2022 * Chairman, Non-Executive Director and Chairman of the Audit and Risk Committee, from 29 July 2022
David Smith	* Non-Executive Director and Chair of the Risk Committee (resigned 10 February 2022)
Stephen Reid	* Non-Executive Director and Chair of the Remuneration and Nomination Committee
Jay Hambro	Non-Executive Director and Shareholder Representative (resigned 3 July 2021)
Murali Subramanian	Non-Executive Director and Shareholder Representative (appointed 28 September 2021)
Stephen Rose	Director and Chief Executive Officer
Rachelle Frewer	Director and Chief Financial Officer (resigned 10 February 2022)

* Independents

Company Secretary:

- Ben Howard

Regulators:

- Prudential Regulation Authority
- Financial Conduct Authority

Regulatory Firm Identifier: 139209

Independent Auditors:

- Mazars LLP

Bankers:

- Bank of New York Mellon

Registered Office:

- 111 Park Street, London, W1K 7JF

Independent auditor's report to the members of Wyelands Bank plc

Opinion

We have audited the financial statements of Wyelands Bank Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, parent company Statement of Financial Position, Consolidated Statement of Changes in Equity, parent company Statement of Changes in Equity, Consolidated Statement of Cash Flows, parent company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 April 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard as applied to public interest entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter- Basis of preparation

We draw attention to Note 1 (b) to the financial statements which explains that the directors are in the process of winding down the parent company as there are no viable options for the future, which is consistent with the prior year's assessment. The directors therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1 (b).

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matter in forming our opinion above, together with an overview of the principal audit procedures performed to address this matter and our key observations arising from those procedures.

This matter, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	**How our scope addressed this matter**
Loan loss provisions (group and company) *The accounting policy is set out in Note 1 (m) of the financial statements.* *Note 1 (d) sets out the critical estimates applied in determining the expected credit loss ('ECL) in respect of its lending portfolio.* *The ECL provision is set out in note 8 of the financial statements and the net outstanding loan balance is in note 15.* The group and parent company holds £175.6m (2021: £173.2m) of loans and advances to customers against which an ECL of £175.6m (2021: £161.9m) has been provided for at the year end. Credit risk is an inherently judgmental area due to the use of subjective assumptions and is subject to a high degree of estimation uncertainty. IFRS 9 requires the group and	Our audit procedures included, but were not limited to: • Assessing the methodology of the stage 3 ECL and evaluating whether the assumptions applied in the ECL calculations are reasonable and compliant with the requirements of IFRS 9; • Independently recalculating the ECL for all of Stage 3 loans; • Testing the completeness and accuracy of key inputs incorporated in the impairment calculations; • Reviewing correspondences between the counterparties and the group/ parent company; • Assessing events subsequent to the year end to identify disconfirming

parent company to recognise expected credit losses ("ECL") on financial instruments. The group and parent company have experienced sustained challenges in recent years in recovering loans from counterparties. With the exception of £6.6m of repayment in full of two performing loans, no further recoveries have been made in the year. The remaining loans have been in default (Stage 3) throughout the year and are now provided for in full. The group and parent company have concluded that they no longer have the financial resources to pursue outstanding borrowers for payment and are not expecting any further recoveries. There has been no interest in the market to purchase the remaining loans, perhaps a reflection of the counterparties, and the protracted attempts the group and parent company have already made to recover the outstanding balances and lack of success in the last three years with the remaining counterparties. There is a risk that the group and parent company have inaccurately assessed the carrying value of the receivables as at year end date.	evidence for loans to be provided for in full; and • Assessing the adequacy and completeness of disclosures in respect of ECL. **Our observations** Based on the evidence obtained, we found that the assumptions and judgements made by management in assessing the loan loss provisions are reasonable and that the ECL and related disclosures on loans and advances to customers as at 30 April 2022 are consistent with the requirements of IFRS 9.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group and parent company materiality

Overall materiality	Group and parent company: £56,000
How we determined it	1% of total assets

Rationale for benchmark applied	Total assets were considered to reflect the balance on which the users of the financial statements would place most focus given that they are being prepared on a basis other than going concern and the expectation is that the group and parent company will ultimately be wound up in full. Therefore, it is (to the extent that cash resources exist) the balance which will be used to maximise returning value to shareholders.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set group and parent company performance materiality at £39,200, which represents 70% of overall materiality. We considered several factors in determining performance materiality including, the level and nature of uncorrected and corrected misstatements in the prior year and the robustness of the control environment.
Reporting threshold	We agreed with the directors that we would report to them misstatements for group and parent company identified during our audit above £2,800 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment, only Wyelands Bank Plc within this group was subject to full scope audit. The parent company represents 100% of the group's total assets and net assets as at 30 April 2022 and of the group's loss for the year then ended.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the *strategic report or the directors' report.*

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page [15], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the regulatory and supervisory requirements of the Prudential Regulation Authority ("PRA") and Financial Conduct Authority ("FCA").

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the group and the parent company, the industry in which they operate, and the structure of the group, and

considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the group and the parent company are in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence with PRA and FCA;
- Having bilateral discussions with the PRA in respect of the ongoing regulatory investigations;
- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as UK tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates.

Our audit procedures in relation to fraud included but were not limited to:
- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing; and
- Being skeptical to the potential of management bias through judgements and assumptions in significant accounting estimates, in particular in relation to loan loss provisions as described in the "Key audit matters" section of our report.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 13 February 2020 to audit the financial statements for the year ended 30 April 2020 and subsequent financial periods. The period of total uninterrupted engagement is three years, covering the years ended 30 April 2020 to 30 April 2022.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with our additional report to the audit committee.

Use of the audit report

This report is made solely to the parent 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 parent 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 parent company's members as a body for our audit work, for this report, or for the opinions we have formed.

David Allen (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London, EC4M 7AU
30 January 2023

Consolidated Statement of Comprehensive Income for the Year Ended 30 April 2022

Group

	Notes	30 April 2022 £'000	30 April 2021 £'000
Interest receivable and similar income	2	395	7,539
Interest payable and similar charges	3	(2)	(7,782)
Net Interest Income		**393**	**(243)**
Fees and commissions receivable	4A	77	1,249
Fees and commissions payable	4B	(213)	(1,061)
Mark to market and foreign exchange gains / (losses)	5	175	(185)
Other (expense) / income	6	(18)	204
Operating Income		**414**	**(36)**
Administrative expenses	7	(8,610)	(18,511)
Depreciation, amortisation and impairment	11	-	(1,166)
Total Operating Expenses		**(8,610)**	**(19,677)**
Provision for onerous contracts	21	307	(1,351)
Expected credit loss on financial assets	8	(4,634)	(95,115)
LOSS ON ORDINARY ACTIVITIES BEFORE TAX		**(12,523)**	**(116,179)**
Tax on Profit on ordinary activities	12	-	-
DISCONTINUED OPERATIONS			
(Loss) / profit for the year from discontinued operations	13	(23)	188
LOSS FOR THE FINANCIAL YEAR		**(12,546)**	**(115,991)**
Other comprehensive income/(expense)			
Net (losses) / gains on debt instruments at fair value throught other comprehensive income		-	(17)
Total comprehensive expense for the year		**(12,546)**	**(116,008)**

*the Company's rental of premises operations was discontinued during financial year ended 30 April 2020. See Note 13 - Discontinued operations for further details including disclosure of comparative line items.

Consolidated Statement of Financial Position as at 30 April 2022

Group

	Note	30 April 2022 £'000	30 April 2021 £'000
ASSETS			
Cash and cash equivalents	14	4,874	7,981
Loans and advances to customers	15	-	11,278
Tangible assets	16	-	-
Intangible assets	17	-	-
Other assets	18	771	861
Total Assets		**5,645**	**20,120**
LIABILITIES			
Customer deposits	19	503	1,763
Other liabilities	20	1,748	3,076
Provisions	21	510	1,351
Total Liabilities		**2,761**	**6,190**
EQUITY			
Called up share capital	26	132,998	132,998
Other reserve		79,124	77,624
Accumulated losses		(209,238)	(196,692)
TOTAL EQUITY		**2,884**	**13,930**
Total Liabilities and Equity		**5,645**	**20,120**

The notes on pages 33 to 75 form part of these financial statements.

Approved by the Board and signed on its behalf on 30 January 2023

Stephen Rose
Director

Company Registration Number: 01536428

Statement of Financial Position as at 30 April 2022

Company

	Note	30 April 2022 £'000	30 April 2021 £'000
ASSETS			
Cash and cash equivalents	14	4,743	7,800
Loans and advances to customers	15	-	11,278
Investment in subsidiary	31	41	-
Tangible assets	16	-	-
Intangible assets	17	-	-
Other assets	18	751	834
Loans to subsidiary undertakings	31	95	170
Total Assets		**5,630**	**20,082**
LIABILITIES			
Customer deposits	19	503	1,763
Other liabilities	20	1,744	3,037
Provisions	21	510	1,351
Total Liabilities		**2,757**	**6,151**
EQUITY			
Called up share capital	26	132,998	132,998
Other reserve		79,124	77,624
Accumulated losses		(209,249)	(196,691)
TOTAL EQUITY		**2,873**	**13,931**
Total Liabilities and Equity		**5,630**	**20,082**

The notes on pages 33 to 75 form part of these financial statements.

Approved by the Board and signed on its behalf on 30 January 2023

Steph Rose

Stephen Rose
Director

Company Registration Number: 01536428

Statement of Changes in Equity for the Year Ended 30 April 2022

Group

	Called up share capital £'000	Accumulated Losses £'000	Other Reserve £'000	Total equity shareholder's funds £'000
Balance as at 1 May 2021	**132,998**	**(196,692)**	**77,624**	**13,930**
Loss for the financial year	-	(12,546)	-	(12,546)
Capital contribution	-	-	1,500	1,500
Gain on derecognition of financial liability measured at amortised cost	-	-	-	-
Fair value gain on initial recognition of financial liability measured at amortised cost	-	-	-	-
Net amount reclassified to the income statement on sale of debt instruments at FVOCI	-	-	-	-
BALANCE AS AT 30 APRIL 2022	**132,998**	**(209,238)**	**79,124**	**2,884**

	Called up share capital £'000	Accumulated Losses £'000	Other Reserve £'000	Total equity shareholder's funds £'000
Balance as at 1 May 2020	**132,998**	**(80,701)**	**17**	**52,314**
Loss for the financial year	-	(115,991)	-	(115,991)
Gain on derecognition of financial liability measured at amortised cost	-	-	73,869	73,869
Fair value gain on initial recognition of financial liability measured at amortised cost	-	-	3,755	3,755
Net amount reclassified to the income statement on sale of debt instruments at FVOCI	-	-	(17)	(17)
BALANCE AS AT 30 APRIL 2021	**132,998**	**(196,692)**	**77,624**	**13,930**

Statement of Changes in Equity for the Year Ended 30 April 2022
Company

	Called up share capital £'000	Accumulated Losses £'000	Other Reserve £'000	Total equity shareholder's funds £'000
Balance as at 1 May 2021	**132,998**	**(196,691)**	**77,624**	**13,931**
Loss for the financial year	-	(12,558)	-	(12,558)
Capital contribution received			1,500	1,500
Gain on derecognition of financial liability measured at amortised cost	-	-	-	-
Fair value gain on initial recognition of financial liability measured at amortised cost	-	-	-	-
Net amount reclassified to the income statement on sale of debt instruments at FVOCI	-	-	-	-
BALANCE AS AT 30 APRIL 2022	**132,998**	**(209,249)**	**79,124**	**2,873**

	Called up share capital £'000	Accumulated Losses £'000	Other Reserve £'000	Total equity shareholder's funds £'000
Balance as at 1 May 2020	**132,998**	**(80,628)**	**17**	**52,387**
Loss for the financial year	-	(116,063)	-	(116,063)
Gain on derecognition of financial liability measured at amortised cost	-	-	73,869	73,869
Fair value gain on initial recognition of financial liability measured at amortised cost	-	-	3,755	3,755
Net amount reclassified to the income statement on sale of debt instruments at FVOCI	-	-	(17)	(17)
BALANCE AS AT 30 APRIL 2021	**132,998**	**(196,691)**	**77,624**	**13,931**

Consolidated Statement of Cash Flows for the Year Ended 30 April 2022

Group

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
(Loss)/profit before tax from continuing operations		(12,523)	(116,179)
Profit/(loss) before tax from discontinued operations	13	(23)	237
(Loss)/profit before tax		**(12,546)**	**(115,942)**
Adjusted for:			
Depreciation, amortisation and impairment	11	-	1,166
Expected credit loss on financial assets		4,634	95,115
Non-cash movements in financial assets at AC, FVPL and FVOCI		-	495
Notional interest applied to subordinated loan		-	2,306
Changes in operating assets and liabilities:			
Decrease / (Increase) in loans to customers		6,644	61,482
Decrease / (Increase) in derivative financial assets		-	505
Decrease / (increase) in other assets		90	224
(Decrease) / increase in deposits		(1,260)	(457,445)
(Decrease) / increase in derivative liabilities		-	(3,230)
(Decrease) / increase in provisions and other liabilities		(2,169)	580
Cash generated from operating activities		**(4,607)**	**(414,744)**
Income taxes paid		-	(240)
Net cash (used in)/generated from operating activities		**(4,607)**	**(414,984)**
Cash flows from investing activities			
Purchases of tangible assets	16	-	(7)
Purchase of asset designated at fair value through profit and loss		-	(18,024)
Disposals of assets designated at fair value through profit and loss		-	17,716
Disposals of assets designated at fair value through other comprehensive income		-	62,115
Net cash generated from/(used in) investing activities		**-**	**61,800**
Cash flows from financing activities			
Capital contribution received		1,500	-
Proceeds from subordinated liabilities	22	-	75,319
Net cash generated from financing activities		**1,500**	**75,319**
Net (decrease) / increase in cash and cash equivalents		**(3,107)**	**(277,865)**
Cash and cash equivalents at the beginning of period		7,981	285,846
Cash and cash equivalents at end of period	14	**4,874**	**7,981**

Statement of Cash Flows for the Year Ended 30 April 2022

Company

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Loss before tax		**(12,558)**	**(116,063)**
Adjusted for:			
Depreciation, amortisation and impairment	11	-	1,166
Expected credit loss on financial assets		4,634	95,115
Impairment losses / (reversals) on related party loans		-	(268)
Impairment in investment in subsidiary		34	-
Non-cash movements in financial assets at AC, FVPL and FVOCI		-	495
Notional interest applied to subordinated loan		-	2,306
Changes in operating assets and liabilities:			
Decrease / (Increase) in loans to customers		6,644	61,482
Decrease / (Increase) in loans to subsidiary undertakings		-	2,801
Decrease / (Increase) in other assets		83	251
Decrease / (Increase) in derivative assets		-	505
(Decrease) / increase in deposits		(1,260)	(457,445)
(Decrease) / increase in derivative liabilities		-	(3,230)
(Decrease) / increase in provisions and other liabilities		(2,134)	783
Cash generated from operating activities		**(4,557)**	**(412,102)**
Income taxes paid		-	-
Net cash generated from operating activities		**(4,557)**	**(412,102)**
Cash flows from investing activities			
Purchases of tangible assets	16	-	(7)
Purchase of asset designated at fair value through profit and loss		-	(18,024)
Disposals of assets designated at fair value through profit and loss		-	17,716
Disposals of assets designated at fair value through other comprehensive income		-	62,115
Net cash used in investing activities		**-**	**61,800**
Cash flows from financing activities			
Capital contribution received		1,500	-
Proceeds from subordinated liabilities	22	-	75,319
Net cash generated from financing activities		**1,500**	**75,319**
Net (decrease) / increase in cash and cash equivalents		**(3,057)**	**(274,983)**
Cash and cash equivalents at the beginning of period		7,800	282,783
Cash and cash equivalents at end of period	14	**4,743**	**7,800**

Notes to the financial statements for the Year ended 30 April 2022

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to financial statements of the Group.

(a) Corporate information

Wyelands Bank Plc ("the Company" or "the Bank"), together with its subsidiaries ("the Group"), provided retail and corporate banking services in the United Kingdom with a particular focus on the provision of finance to small and medium businesses. As noted in the Chairman's Review and Strategic Report, the Bank is now in the final stages of winding down this business.

The Company is a Public Limited Company incorporated and domiciled in England. Its registered office is at 111 Park Street, London, W1K 7JF.

The Group has taken advantage of S408 of the Companies Act 2006 not to produce an individual company statement of comprehensive income in these annual accounts. The Company reported a loss for the year ended 30 April 2022 of £12,523k (2021 loss of £116,063k).

(b) Basis of preparation

The Directors have adopted a basis other than going concern in respect of the preparation of the financial statements, which is consistent with the basis of preparation since April 2020. As noted in the Chairman's Review and the Strategic Report the focus of the Bank since April 2021 has remained on the wind down of the business. The Bank remains solvent however there are no viable options for the future of the Bank. At the appropriate point in time the Bank will relinquish its regulatory permissions and cease operations as a Bank. There have been no material changes to the financial statements as a result of adopting this basis.

These financial statements have been prepared in accordance with UK-adopted international accounting standards (IFRS).

The financial statements have been prepared under the historical cost convention, modified by the inclusion of financial instruments at fair value, and in accordance with the Companies Act 2006 as applicable to companies using IFRS.

The financial statements are presented in British Pounds. All amounts have been rounded to the nearest thousand except when otherwise indicated.

The Bank's parent undertaking is Wyelands Holdings Limited.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 April 2022. The Company consolidates a subsidiary when it controls it. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Use of judgements and estimates

The preparation of financial statements will on occasion require the use of accounting estimates, which, by definition, may not equal the actual results. Management also exercises judgement in applying the Group's accounting policies.

Accounting estimates and underlying assumptions are evaluated on an ongoing basis. They are based on experience and other factors, including expectations of future events that may have a financial impact and that are believed to be reasonable under the circumstances. Revisions to estimates are recognised prospectively.

This note provides an overview of the areas that involved a higher degree of judgement and of items subject to accounting estimates where any significant difference between the estimated amounts and actual amounts could have a material impact on the Group's future financial results and financial condition.

(i) Significant judgements made in applying accounting policies are:

- Measurement of the expected credit loss allowance – choosing appropriate models and assumptions for the measurement of ECL, as well as applying overlay adjustments to defaulted assets with low prospect of recovery. The key judgement applied by Management in estimating the ECL was the probability of default;
- Assessment of contingent liabilities relating to possible enforcement; and
- Determination of a credit impaired asset – assessment of the quantitative and qualitative factors to determine whether a financial asset is considered credit impaired;

(ii) Key estimates

- Calculation of loss allowance - When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. See section (iii) Sensitivity on page 35 for the sensitivity of the assumptions used.

  Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

  Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

- For loans in IFRS 9 stage 3 the Group estimates provisions for expected credit losses for loans and advances to customers by estimating credit losses based on probability weighted amounts that are determined by evaluating a range of outcomes and considering reasonable and supportable information at the reporting date in accordance with IFRS 9. Further information is given in accounting policy note (k).

- As the stage 3 loans are at an advanced stage of default, management has applied the judgement that the loss given default will be 100% of the outstanding balance. This is because the majority of the loans are unsecured and where there is security in place, management considers that there is inherent uncertainty around the timing and cost of realising it.

(iii) Sensitivity

Stage 3 assets

As noted above, management has chosen to fully provide for all stage 3 assets due to the period of time that the assets have been in default. This acts as an override to the scenario approach and is considered to be the most appropriate basis of provision given the need to manage resources during the wind down of the Bank. This means that a sensitivity analysis for the scenarios is not meaningful and therefore not presented here. If any future recoveries are made, the proceeds, net of any recovery costs, will be recognised as a gain in the income statement in the period that they are received.

(e) Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceed its recoverable amount.

The recoverable amount is higher of fair value less costs to see and value in use. 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.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimated of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss be recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

At 30 April 2021 the Group assessed the intangible and tangible assets for impairment and recognised an impairment loss of £525k and £62k respectively that represents the write-down of software and licenses and IT hardware as a result of the decision to close the business.

(f) Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. It also uses the assumptions that market participants would use when pricing the asset or liability. In determining fair value, the Group maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

Where the market for a financial instrument is not active, fair value is established using a valuation technique. These valuation techniques involve a degree of estimation, the extent of which depends on the instrument's complexity and the availability of market-based data.

(g) Financial instruments – initial recognition

i) Date of recognition

Financial assets and liabilities, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date on which the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are transferred to the customers' accounts.

ii) Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially measured at their fair value except in the case of financial assets and financial liabilities recorded at fair value through profit or loss (FVPL) where transaction costs are added to or subtracted from this amount.

iii) Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVPL)

The Group classifies and measures its derivative and trading portfolio at FVPL.

Financial liabilities, other than loan commitments, are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

(h) Financial assets and liabilities

Amortised cost

The Group measures financial assets at amortised cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial asset in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective:

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Group assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

(i) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

(j) Derecognition of financial assets and liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss unless treated as a transaction with a shareholder in which case it is recognised directly in equity.

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- currently has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(k) Impairment of financial assets

The Group uses the "expected credit loss" model ("ECL") as prescribed by IFRS 9 *Financial Instruments* for all loans and advances. As debt instruments at FVOCI are high quality investment products that have a very low risk of loss, ECL is not material for recognition.

For financial assets, an ECL is the current value of the difference between the contractual cash flows owed to the entity and the cash flow which the entity expects to receive.

As noted above, management has chosen to fully provide for all stage 3 assets due to the period of time that the assets have been in default. This acts as an override to the scenario approach and is considered to be the most appropriate basis of provision given the need to manage resources during the wind down of the Bank.

(l) Provisions and contingent liabilities

A provision is recognised if the Bank has a present constructive or legal obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Onerous contract provisions are recognised where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The provision is recognised and measured as the present obligation under the contract.

(m) Taxation

Income tax on profit and loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax assets and liabilities are measured at the amount expected to be paid to, or recovered from, taxation authorities, using the rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised in respect of all taxable temporary differences that have occurred at the balance sheet date for transactions or events that are expected to result in an obligation to pay more tax in the future or are expected to confer a right on the Group to pay less tax in the future.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available to utilise the asset. The recognition of deferred tax is mainly dependent on the projections of future taxable profits and future reversals of temporary differences.

(n) Pensions

The Group operates a defined contribution pension scheme for employees. Contributions made to the scheme are recorded as a staff cost and an expense in the statement of comprehensive income.

(o) Foreign currencies

The Group's functional and presentation currency is Pound Sterling. Transactions in currencies other than Pound Sterling are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated into Pound Sterling at the rates ruling at that date. These translation differences are recognised in the income statement.

Transactions in currencies other than Pound Sterling are financed where possible using available cash balances in those currencies. To the extent that there are no available foreign currency cash balances with which to fund such transactions, the Group will enter into foreign exchange transactions to provide such funds on a matched basis.

(p) Revenue recognition

In accordance with IFRS 9, interest income and interest expense for all interest-bearing financial instruments measured at amortised cost are recognised in profit or loss using the effective interest rate (EIR) method. The EIR is the rate, which exactly discounts the expected future cash flows, over the expected life of the financial instrument, to the net carrying value of the financial asset or liability. The calculation of the EIR includes all transaction costs and fees paid or received that are an integral part of the interest rate, together with the discounts or premiums arising on the acquisition of loan portfolios. Other fee income and expenses on financial instruments measured at amortised cost are recognised as earned or incurred.

The Bank earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services. When the Bank provides a service to its customers, consideration is invoiced and generally, due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time.

(q) Leases

The Group adopted IFRS 16 using the simplified approach from 1 May 2019. This is a retrospective approach where the impact of adoption is adjusted against the opening balance of retained earnings on the date of initial application. Comparatives are not restated.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are also subject to impairment.

Leases liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date unless an interest rate implicit in the lease is readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(r) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

(s) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- Represents a separate major line of business or geographic area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic are of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

The Group's rental of premises operations was discontinued during financial year ended 30 April 2020. The expenses incurred during the year are the result of legal fees paid during the year as part of the winding-down process.

(t) Changes in accounting policies and disclosures

i) New and amended standards and interpretations

The new and amended standards and interpretations included in the table below are effective for annual periods beginning on or after 1 January 2021, unless otherwise stated. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Standard or interpretation	**Impact**
IFRS 4 *Insurance contracts*	This standard is not applicable to the Group.
Interest Rate Benchmark Reform – phase 2: Amendments to IFRS 9, IAS39, IFRS 7, IFRS 4 and IFRS 16	These amendments had no impact on the consolidated financial statements of the Group
Amendments to IFRS 16: COVID 19 related Rent Concessions	These amendments had no impact on the consolidated financial statements of the Group.

ii) Standards issued but not yet effective

There are number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

Standard or interpretation	**Effective date**	**Impact**
Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract	Reporting periods beginning on or after 1 January 2022	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use	Reporting periods beginning on or after 1 January 2022	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41: Annual Improvements to IFRS Standards 2018-2020	Reporting periods beginning on or after 1 January 2022	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
Amendments to IFRS 3: References to Conceptual Framework	Reporting periods beginning on or after 1 January 2022	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Annual improvements to IFRS Standards 2018-2020	Reporting periods beginning on or after 1 January 2022	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
IFRS 17 Insurance contracts	Reporting periods beginning on or after 1 January 2023	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
IAS1: Presentation of financial statements: classification of liabilities as Current or non-current	Reporting periods beginning on or after 1 January 2023	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
IAS 8 Accounting policies, changes in accounting estimates and errors: definition of accounting estimates	Reporting periods beginning on or after 1 January 2023	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.
IAS 12: Income taxes	Reporting periods beginning on or after 1 January 2023	The amendments are not expected to have a significant impact on the Group's consolidated financial statements.

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2. INTEREST RECEIVABLE AND SIMILAR INCOME	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Interest on loans and advances to customers	391	7,183
Interest on Treasury Bills and Supranational Bonds	-	153
Interest income on cash and cash equivalents	4	203
TOTAL INTEREST RECEIVABLE	**395**	**7,539**

Interest on loans and advances to customers includes £0.3m (2021: £6m) of interest relating to loans which are in stage 3 at the year end, where interest has been recognised on a net basis using the EIR approach in the period.

3. INTEREST PAYABLE AND SIMILAR CHARGES	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Interest paid to depositors	-	(5,461)
Other interest payable	(2)	(15)
Subordinated loan interest	-	(2,306)
TOTAL INTEREST PAYABLE	**(2)**	**(7,782)**

The subordinated loan was provided in the prior year by the shareholder and derecognised at 30 April 2021, therefore no interest is charged in the current year. For further information see note 24

4A. FEES AND COMMISSIONS RECEIVABLE	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Fee income on financing	77	1,249
TOTAL FEES AND COMMISSIONS RECEIVABLE	**77**	**1,249**

4B. FEES AND COMMISSIONS PAYABLE	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Brokerage fees relating to deposits	-	(1,061)
Other fees payable	(213)	-
TOTAL FEES AND COMMISSIONS PAYABLE	**(213)**	**(1,061)**

5. MARK TO MARKET AND FOREIGN EXCHANGE GAINS	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
(loss) / Gain on securities at fair value through profit and loss	-	(251)
Gain / (Loss) on derivatives	-	96
Gain / (Loss) on foreign exchange	175	(30)
TOTAL NET FOREIGN EXCHANGE AND INTEREST RATE GAIN	**175**	**(185)**

The gain/(loss) on securities at fair value through profit and loss includes £nil (2021: £17k) that was reclassified from the other reserve.

The gain/(loss) relating to derivatives represents the unrealised mark-to-market movement of the fair value of interest rate swaps, interest rate futures and foreign currency swaps and forwards (£Nil (2021: £335k loss)) and the net interest received from interest rate swaps (£Nil (2021 £431k gain)).

6. OTHER (EXPENSE) / INCOME	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Other income received	(18)	204
OTHER INCOME	**(18)**	**204**

Prior year other income relates to a receivable for an investment fund holding which was recognised during the period. The current year loss relates to a revaluation of this holding, which is recognised in other income for consistency with the prior period.

7. ADMINSTRATIVE EXPENSES	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Administrative expenses include the following staff costs:		
Wages and salaries including performance related pay	2,984	5,300
Social security costs	351	731
Other pension costs	98	453
Temporary staff	10	366
Recruitment fees	-	58
Other costs	3	366
TOTAL STAFF COSTS	**3,446**	**7,274**
Fee payable to the bank's auditor for the statutory audit and related assurance services	153	427
Branding and marketing	67	355
Professional fees	2,657	7,094
Technology costs	927	1,190
Other administration expenses	502	863
Irrecoverable VAT	858	1,308
TOTAL ADMINISTRATIVE EXPENSES	**8,610**	**18,511**

8. IMPAIRMENT OF FINANCIAL ASSETS	Stage 1 £'000	Stage 2 £'000	Stage 3 £'000	Total £'000
Group and Company				
As at 30 April 2022				
Gross loans and advances at 1 May 2021	6,604	-	166,614	173,218
Originations and repayments	(6,627)	-	(459)	(7,086)
Loans written off	(32)	-	-	(32)
Foreign exchange movements	55	-	9,476	9,531
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Gross loans and advances at 30 April 2022	-	-	175,631	175,631
Expected credit loss provision	-	-	(175,631)	(175,631)
Loans and advances to customers after provision	-	-	-	-

	Stage 1 £'000	Stage 2 £'000	Stage 3 £'000	Total £'000
Group and Company				
As at 30 April 2021				
Gross loans and advances at 1 May 2020	20,043	22,330	191,336	233,709
Originations and repayments	639	(10,335)	(50,381)	(60,077)
Loans written off	-	-	(414)	(414)
Transfer to stage 2	-	-	-	-
Transfer to stage 3	(14,078)	(11,995)	26,073	-
Gross loans and advances at 30 April 2021	6,604	-	166,614	173,218
Expected credit loss provision	(171)	-	(161,769)	(161,940)
Loans and advances to customers after provision	6,433	-	4,845	11,278

	Stage 1 £'000	Stage 2	Stage 3 £'000	Total £'000
Group and Company				
As at 30 April 2022				
Opening provisions at 1 May 2021	171	-	161,769	161,940
Increase/(decrease) in expected loss provision	(139)	-	4,773	4,634
Bad debts written off	(32)	-	-	(32)
Foreign exchange and other movements	-	-	9,089	9,089
Closing provision at 30 April 2022	-	-	175,631	175,631

	Stage 1 £'000	Stage 2	Stage 3 £'000	Total £'000
Group and Company				
As at 30 April 2021				
Opening provisions at 1 May 2020	418	909	64,507	65,834
Increase/(decrease) in expected loss provision	(247)	(909)	96,271	95,115
Bad debts written off	-	-	(414)	(414)
Foreign exchange and other movements	-	-	1,405	1,405
Closing provision at 30 April 2021	171	-	161,769	161,940

Interest on stage 3 assets has been recognised on a net basis in the above table for the year ended April 2022.

All of the remaining assets are in stage 3 at 30 April 2022 and have been fully provided. The recovery expectations reflect an assessment of the costs and benefits of further action, bearing in mind the available resources of the Bank and the need to successfully complete the solvent wind down activities.

Included in the stage 3 originations and repayments above are £873k of receivables (2021: £Nil) which have been netted against liabilities due to the same counterparty. These are positions where the Bank has a legally enforceable right to set off the recognised amounts.

9. EMPLOYEES	**Year ended 30 April 2022**	**Year ended 30 April 2021**
Total average number of employees (Inc Directors)	18	41

10. DIRECTORS' EMOLUMENTS	**Year ended 30 April 2022 £'000**	**Year ended 30 April 2021 £'000**
Company		
Salaries	1,574	1,329
Pensions	26	51
Other	-	0
TOTAL DIRECTORS' EMOLUMENTS	**1,600**	**1,380**

The Directors' emoluments for the period are based on the full amount of remuneration for the period to 30 April 2022. Included within the salaries figures above is £176k for compensation for loss of office (2021: £92k). Pension contributions for 1 director (2021: 4) were made in the year as part of the defined contribution scheme managed by the Group.

The highest paid director received:

Company		
Salaries	673	389
Pensions	-	25
Other	-	-
AGGREGATE EMOLUMENTS	**673**	**414**

11. DEPRECIATION AND AMORTISATION	**Year ended 30 April 2022 £'000**	**Year ended 30 April 2021 £'000**
Group		
Depreciation of plant and equipment	-	41
Amortisation of intangible assets	-	538
Impairment of tangible and intangible assets	-	587
TOTAL DEPRECIATION AND AMORTISATION	**-**	**1,166**

For further detail on the impairment recognised see notes 16 and 17.

12. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Total current tax	-	-
Total deferred tax	-	-
TOTAL TAX CHARGE FOR THE YEAR	-	-
A reconciliation of the tax charge is as follows:		
Profit/(Loss) on ordinary activities before tax	(12,523)	(116,179)
Profit/(Loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19%.	(2,379)	(22,074)
Effects of:		
Group relief	-	45
Expenses not deductible for tax purposes	-	772
Origination / reversal of temporary differences not recognised	-	21,257
Movement in deferred tax not recognised	2,379	-
TOTAL TAX CHARGE FOR THE YEAR	-	-

Deferred tax assets in respect of tax losses totalling £197,445k (2021: £184,476k) for the Group and Company have not been recognised due to uncertainty as to recoverability.

A deferred tax asset has not been recognised in respect of the following:

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
Group		
Unused tax losses	37,804	34,784
Capital losses	1,455	1,455
Fixed asset timing differences	26	31
IFRS 9 transition	245	286
Other deductible temporary differences	-	-
	39,530	**36,556**

The Corporation Tax main rate (for all profits except ring fence profits) for the year starting 1 April 2022 is 19% and 1 April 2023 is 25%.

13. DISCONTINUED OPERATIONS

	Year ended 30 April 2022 £'000	Year ended 30 April 2021 £'000
A. Results from discontinued operations		
Group		
Rental income	-	95
Other operating income	-	206
Administrative expenses	(23)	(64)
Depreciation and amortisation	-	-
Profit before tax	(23)	237
Tax expense	-	(49)
Net profit / (loss) attributable to discontinued operations	**(23)**	**188**
B. Cash flows from discontinued operations		
Net cash used in operating activities	(50)	(82)

Other operating income in 2021 is comprised of VAT recoveries.
In 2021 there was a repayment of £2.8m from Wyelands Property Holdings to the Bank (company only). This has no impact on the Consolidated Statement of Cash Flows.

14. CASH AND CASH EQUIVALENTS

	30 April 2022 £'000 Group	30 April 2021 £'000 Group	30 April 2022 £'000 Company	30 April 2021 £'000 Company
Cash and balances at central banks	-	5,790	-	5,790
Loans and advances to banks	4,874	2,191	4,743	2,010
TOTAL CASH AND CASH EQUIVALENTS	**4,874**	**7,981**	**4,743**	**7,800**

Of the above loans and advances to banks figure £Nil (2021: £100k) is held at banks as collateral.

15. LOANS AND ADVANCES TO CUSTOMERS

	30 April 2022 £'000	30 April 2021 £'000
Group and Company		
Trade finance receivables	-	4,270
Loans	-	7,008
TOTAL LOANS AND ADVANCES TO CUSTOMERS	**-**	**11,278**

The balances are net of ECL provisions as set out in Note 8.

16. TANGIBLE ASSETS	**IT hardware £'000**	**Total £'000**
Group		
Cost		
1 May 2021	219	219
Additions	-	-
Disposals	-	-
Cost at 30 April 2022	219	219
Accumulated Depreciation and Impairment		
1 May 2021	(219)	(219)
Charge for the year	-	-
Impairment	-	-
Total Accumluated depreciation and impairment at 30 April 2022	(219)	(219)
NET BOOK VALUE at 30 April 2022	-	-
Cost		
1 May 2020	212	212
Additions	7	7
Cost at 30 April 2021	219	219
Accumulated Depreciation and Impairment		
1 May 2020	(116)	(116)
Charge for the year	(41)	(41)
Impairment	(62)	(62)
Total Accumluated depreciation and impairment at 30 April 2021	(219)	(219)
NET BOOK VALUE at 30 April 2021	-	-

The prior year impairment loss of £62k represents the write-down of IT hardware following an assessment of the recoverable amount as a result of the decision to close the business. The recoverable amount was assessed as nil, based on an assessment of fair value less costs to sell.

	IT hardware	Total
	£'000	£'000
Company		
Cost		
1 May 2021	218	218
Additions	-	-
Disposals	-	-
Cost at 30 April 2022	218	-
Accumulated Depreciation and Impairment		
1 May 2021	(218)	(218)
Charge for the year	-	-
Impairment	-	-
Total Accumluated depreciation and impairment at 30 April 2022	(218)	(218)
NET BOOK VALUE at 30 April 2022	-	-
Cost		
1 May 2020	211	211
Additions	7	7
Cost at 30 April 2021	218	218
Accumulated Depreciation and Impairment		
1 May 2020	(115)	(115)
Charge for the year	(41)	(41)
Impairment	(62)	(62)
Total Accumluated depreciation and impairment at 30 April 2021	(218)	(218)
NET BOOK VALUE at 30 April 2021	-	-

17. INTANGIBLE ASSETS

	Computer software & licenses	Total
	£'000	£'000
Group and Company		
Cost		
1 May 2021	2,189	2,189
Additions	-	-
Cost at 30 April 2022	2,189	2,189
Accumulated amortisation and Impairment		
1 May 2021	(2,189)	(2,189)
Charge for the year	-	-
Impairment	-	-
Accumulated amortisation and impairment at 30 April 2022	(2,189)	(2,189)
NET BOOK VALUE AT 30 APRIL 2022	-	-

	Computer software & licenses	Total
	£'000	£'000
Group and Company		
Cost		
1 May 2020	2,189	2,189
Additions	-	-
Cost at 30 April 2021	2,189	2,189
Accumulated amortisation and Impairment		
1 May 2020	(1,126)	(1,126)
Charge for the year	(538)	(538)
Impairment	(525)	(525)
Accumulated amortisation and impairment at 30 April 2021	(2,189)	(2,189)
NET BOOK VALUE AT 30 APRIL 2021	-	-

The prior year impairment loss of £525k represents the write-down of software and licenses following an assessment of the recoverable amount as a result of the decision to close the business.

18. OTHER ASSETS

	30 April 2022 £'000 Group	30 April 2021 £'000 Group	30 April 2022 £'000 Company	30 April 2021 £'000 Company
Amounts owed by Wyelands Holdings Ltd	56	56	56	56
Amounts owed by third parties	312	386	292	359
Prepayments	403	419	403	419
TOTAL OTHER ASSETS	**771**	**861**	**751**	**834**

19. CUSTOMER DEPOSITS

	30 April 2022 £'000	30 April 2021 £'000
Group and Company		
Term deposits and notice accounts	503	1,763
TOTAL CUSTOMER DEPOSITS	**503**	**1,763**

In March 2021, as a result of regulatory requirements applied to it by the PRA, the Bank closed its customer savings accounts. The vast majority of customers (excluding connected parties) were repaid on 17th March, with only a small amount remaining due to issues such as probate. The remaining balances were transferred to a trust in November 2021. There is therefore no further legal obligation to settle these depositors.
The remaining deposit balances on the balance sheet are due to connected parties and will be settled as part of the final wind down actions.

At the year end, £546k of deposits have been offset against receivables due from the same counterparty. These are positions where the Bank has a legally enforceable right to set off the recognised amounts.

FSCS CUSTOMER DEPOSITS AS A PROPORTION OF TOTAL DEPOSITS	30 April 2022 £'000	30 April 2021 £'000
Group and Company		
FSCS eligible	-	740
Non-FSCS eligible	503	1,023
TOTAL CUSTOMER DEPOSITS	**503**	**1,763**

The Financial Services Compensation Scheme (FSCS) provides protection of deposits for the customers of authorised financial services firms, should a firm collapse. FSCS protects retail deposits of up to £85k for single account holders and £170k for joint holders.

The compensation paid out to consumers is initially funded through loans from the Bank of England and HM Treasury. In order to repay the loans and cover its costs, the FSCS charges levies on firms regulated by the PRA and the Financial Conduct Authority. The Group is among those firms and pays the FSCS a levy based on its share of total German and UK deposits.

The FSCS levy is the main regulatory provision of the Bank, which is the only regulated entity in the Group. FSCS charges, as based on the quantum of FSCS protected deposits as at 30 April 2022, totalled £4,375 for the current financial year (2021: £7,087).

20. OTHER LIABILITIES

	30 April 2022 £'000 Group	30 April 2021 £'000 Group	30 April 2022 £'000 Company	30 April 2021 £'000 Company
Accruals	398	1,663	394	1,624
Sundry creditors	1,350	1,413	1,350	1,413
TOTAL OTHER LIABILITIES	**1,748**	**3,076**	**1,744**	**3,037**

At the year end, £166k of sundry creditors have been offset against receivables due from the same counterparty. These are positions where the Bank has a legally enforceable right to set off the recognised amounts.

21. PROVISIONS	**30 April 2022 £'000 Group**	**30 April 2021 £'000 Group**	**30 April 2022 £'000 Company**	**30 April 2021 £'000 Company**
Opening balance	1,351	-	1,351	-
Provisions utilised in the year	(534)	-	(534)	-
Provisions made during the year	-	1,351	-	1,351
Unused provisions reversed in the year	(307)	-	(307)	-
TOTAL PROVISIONS	**510**	**1,351**	**510**	**1,351**

An onerous contract provision has been recognised in respect of the remaining minimum term for deposits platform suppliers, following the decision to repay deposits during the year with no plans to raise further funds. The provision recognised represents the present obligation under the contracts which exceeds the economic benefits expected to be received under them.

£510k was settled subsequent to the year end

22. SUBORDINATED LOAN

A subordinated loan was provided to the Bank by the shareholder in May 2020 in order to provide the business with support whilst it was experiencing delays in asset recovery. The loan facility enabled the Bank to draw down at regular intervals and a total of £75.3 million was lent to the Bank under the facility. In order to provide additional support to the Bank's regulatory capital position £42.9 million of the loan has been converted to shareholders equity by way of a waiver which resulted in a gain being recognised in other reserves.

In April 2021 a significant modification was made to the loan agreement which placed control of the repayment amount with the Board of Directors. The modification required the Directors to determine, on or around 30 September 2021, how much of the loan could be repaid without making the Bank insolvent.

As a result of the modification of terms in April 2021 the full remaining liability of the loan was derecognised, being replaced with a new loan at £nil fair value and the difference being recognised in other reserves. The total amount recognised in Other Reserves in the year due to the waivers and derecognition was £73.9m.

The loan is non-interest bearing. Initial recognition was at fair value, calculated using a market rate of interest, with subsequent interest expense being calculated using the EIR method. As the loan was from the shareholder, the difference between the transaction price and fair value on day one of £3.7m was recognised in equity through other reserves.

The maximum contractual amount payable upon maturity in September 2021 was £32.4m. In September 2021, in line with the modification of terms, the Board of Directors determined that £nil would be repaid.

23. COUNTRY BY COUNTRY REPORTING (CBCR)

This disclosure has been prepared for Wyelands Bank Plc ("the Company" or "the Bank") and its subsidiaries (the "Group"). The disclosure hereby sets out the required CBCR information for the Group for the year ended 30 April 2022.

The Group confirms that with the exception of Mallnick Holdings SA, the following information relates only to the UK.

United Kingdom
The name of the institution is Wyelands Bank Plc and the main activity for the year was invoice financing, project finance and the purchase of trade receivables.
Income for the year-ending 30 April 2022 was £395k (2021: £7.5 million).
The average number of full-time employees during the year was 18 (2021: 41).
The loss before tax for the year was £12.5 million (2021: £115.9 million loss).
£Nil corporation tax was paid during the year ended 30 April 2022 (2021: £240k was paid by Mallnick Holdings SA).

The Bank has not elected to report at CBCR on a stand-alone basis.

The Group did not receive any public subsidies.

BASIS OF PREPARATION

The Capital Requirements (Country by Country Reporting) (CBCR) Regulations 2013 (Regulations) came into force on 1 January 2014. The directors are responsible for the preparation of CBCR in accordance with the Regulations.

24. FINANCIAL RISK MANAGEMENT

The Group seeks to understand, mitigate, and control risks, reflecting proportionality, size and empirical data to support its approach.

The Board is ultimately responsible for the risks taken by the Group. The Group's risk appetite is the totality of risk, which the Board is willing to accept in pursuit of value.

Throughout the financial year the bank has made no new lending, has taken no new deposits after repaying deposits (except related deposits) in 2021, and has focussed on asset collection of the reduced portfolio and the implementation of the solvent wind down plan. The reduced activity of the bank, together with a focus on preserving the banks resources, led to a simplification of the Banks governance structure. All matters related to risk management were discussed at the primary governance bodies i.e., the Executive Committee, and the Board, during the year, and not managed through separate risk committees. As the Bank has transitioned to an inactive state, so the overall Risk Management Framework has been simplified to detailed monitoring and decision making at the Banks primary governance meetings.

Risk Management Framework

The RMF governs the approach to management of all risks that the Group is exposed to. These include, but are not limited to, risks arising from financial, economic, operational and behavioural factors. As a part of the solvent wind down, the bank implemented the plan to simplify the management structure and risk framework in order to preserve resources whilst maintaining control of the risks. As a result, the Bank now monitors and manages risks directly through the Executive Committee and the Board.

The Board is responsible for articulating the risk vision and strategy. It approves the RMF as well as setting the tolerance and approach to risk- taking activities. The Executive Committee has taken day to day decisions in line with the Boards vision and strategy.

Risks

The following primary risks have been identified as the most relevant to the proposed activities of the Group;

A) Credit risk

Credit risk is the risk of financial loss resulting from a borrower or counterparty failing to meet its financial obligation to the Bank. For the types of business that the Bank has undertaken, this typically means taking payment risk on a counterparty. Although the majority of the book is unsecured, in some cases the Bank has also taken security over client assets. As at 30 April '22 the Bank has one facility which is partially secured with underlying assets with an estimated value of £Nil. The Bank has not recognised the potential benefit of realising this security due to inherent uncertainties around the timing and cost of enforcement.

Following the decision to cease new lending, the Group is now focused on collecting in the remaining customer balances where it is in the interest of creditors to do so.

As all customer loans are at an advanced stage of default, management has applied the judgement that the loss given default will be 100% of the outstanding balance and therefore fully provided for the amount due.

Credit Risk

The credit risk profile is based on Moody's long-term credit rating history where they are available.
The carrying amount of the Group's financial assets best represents the assets' maximum exposure to credit risk.

CREDIT RISK PROFILE 2022	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Unrated	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
ASSETS											
Cash and cash equivalents	-	4,743	-	131	-	-	-	-	-	-	4,874
Gross loans and advances to customers	-	-	-	-	-	-	-	-	-	175,631	175,631
Expected credit loss provision	-	-	-	-	-	-	-	-	-	(175,631)	(175,631)
Loans and advances after provision	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	175	-	-	-	-	-	-	193	368
TOTAL FINANCIAL ASSETS	**-**	**4,743**	**175**	**131**	**-**	**-**	**-**	**-**	**-**	**193**	**5,242**
TOTAL NON FINANCIAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**403**	**403**
TOTAL ASSETS	**-**	**4,743**	**175**	**131**	**-**	**-**	**-**	**-**	**-**	**596**	**5,645**

CREDIT RISK PROFILE 2021	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Unrated	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
ASSETS											
Cash and cash equivalents	-	1,808	5,971	202	-	-	-	-	-	-	7,981
Gross loans and advances to customers	-	-	-	-	-	-	-	-	-	173,218	173,218
Expected credit loss provision	-	-	-	-	-	-	-	-	-	(161,940)	(161,940)
Loans and advances after provision	-	-	-	-	-	-	-	-	-	11,278	11,278
Other assets	-	-	-	-	-	-	-	-	-	442	442
TOTAL FINANCIAL ASSETS	**-**	**1,808**	**5,971**	**202**	**-**	**-**	**-**	**-**	**-**	**11,720**	**19,701**
TOTAL NON FINANCIAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**419**	**419**
TOTAL ASSETS	**-**	**1,808**	**5,971**	**202**	**-**	**-**	**-**	**-**	**-**	**12,139**	**20,120**

CREDIT RISK PROFILE 2022	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Unrated	Total
Company	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
ASSETS											
Cash and cash equivalents	-	4,743	-	-	-	-	-	-	-	-	4,743
Loans and advances to customers	-	-	-	-	-	-	-	-	-	175,631	175,631
Expected credit loss provision	-	-	-	-	-	-	-	-	-	(175,631)	(175,631)
Loans and advances after provision	-	-	-	-	-	-	-	-	-	-	-
Loans to subsidiary undertakings	-	-	-	-	-	-	-	-	-	95	95
Other assets	-	-	175	-	-	-	-	-	-	173	348
TOTAL FINANCIAL ASSETS	**-**	**4,743**	**175**	**-**	**-**	**-**	**-**	**-**	**-**	**268**	**5,186**
TOTAL NON FINANCIAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**444**	**444**
TOTAL ASSETS	**-**	**4,743**	**175**	**-**	**-**	**-**	**-**	**-**	**-**	**712**	**5,630**

CREDIT RISK PROFILE 2021	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Unrated	Total
Company	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
ASSETS											
Cash and cash equivalents	-	1,808	5,790	202	-	-	-	-	-	-	7,800
Loans and advances to customers	-	-	-	-	-	-	-	-	-	173,218	173,218
Expected credit loss provision	-	-	-	-	-	-	-	-	-	(161,940)	(161,940)
Loans and advances after provision	-	-	-	-	-	-	-	-	-	11,278	11,278
Loans to subsidiary undertakings	-	-	-	-	-	-	-	-	-	170	170
Other assets	-	-	-	-	-	-	-	-	-	415	415
TOTAL FINANCIAL ASSETS	**-**	**1,808**	**5,790**	**202**	**-**	**-**	**-**	**-**	**-**	**11,863**	**19,663**
TOTAL NON FINANCIAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**419**	**419**
TOTAL ASSETS	**-**	**1,808**	**5,790**	**202**	**-**	**-**	**-**	**-**	**-**	**12,282**	**20,082**

Geographic location has been defined against the domicile of the obligor.

GEOGRAPHIC 2022 Group	UK	Europe	North America	Total
	£'000	£'000	£'000	£'000
ASSETS				
Cash and balances at credit institutions	4,803	22	49	4,874
Other assets	193	175	-	368
TOTAL FINANCIAL ASSETS	**4,996**	**197**	**49**	**5,242**
TOTAL NON FINANCIAL ASSETS	**403**	**-**	**-**	**403**
TOTAL ASSETS	**5,399**	**197**	**49**	**5,645**

GEOGRAPHIC 2021 Group	UK	East Asia and Pacific	Middle East & North Africa	North America	Total
	£'000	£'000	£'000	£'000	£'000
ASSETS					
Cash and balances at credit institutions	6,173	-	-	1,808	7,981
Loans and advances to customers	7,096	741	3,441	-	11,278
Other assets	442	-	-	-	442
TOTAL FINANCIAL ASSETS	**13,711**	**741**	**3,441**	**1,808**	**19,701**
TOTAL NON FINANCIAL ASSETS	**419**	**-**	**-**	**-**	**419**
TOTAL ASSETS	**14,130**	**741**	**3,441**	**1,808**	**20,120**

GEOGRAPHIC 2022 Company	UK	Europe	North America	Total
	£'000	£'000	£'000	£'000
ASSETS				
Cash and balances at credit institutions	4,672	22	49	4,743
Loans to subsidiary undertakings	95	-	-	95
Other assets	173	175	-	348
TOTAL FINANCIAL ASSETS	**4,940**	**197**	**49**	**5,186**
TOTAL NON FINANCIAL ASSETS	**444**	**-**	**-**	**444**
TOTAL ASSETS	**5,384**	**197**	**49**	**5,630**

GEOGRAPHIC 2021	UK	East Asia and Pacific	Middle East & North Africa	North America	Total
Company					
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
ASSETS					
Cash and balances at credit institutions	5,992	-	-	1,808	7,800
Loans and advances to customers	7,096	741	3,441	-	11,278
Loans to subsidiary undertakings	170	-	-	-	170
Other assets	415	-	-	-	415
TOTAL FINANCIAL ASSETS	**13,673**	**741**	**3,441**	**1,808**	**19,663**
TOTAL NON FINANCIAL ASSETS	**419**	**-**	**-**	**-**	**419**
TOTAL ASSETS	**14,092**	**741**	**3,441**	**1,808**	**20,082**

B) Liquidity risk

Liquidity risk arises from the mismatch of the timing of cash flows relating to assets and liabilities.

As the Bank continues to wind down this risk is managed and mitigated by Board oversight of cash flow forecasts which factor in all known assets and liabilities.

MATURITY RISK PROFILE 2022 Group	<3 months	3-6 months	6-12 months	1-5 years	Past due but not impaired	Impaired	Undated	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS								
Cash and cash equivalents	4,874	-	-	-	-	-	-	4,874
Loans and advances to customers	-	-	-	-	-	-	-	-
Other assets	368	-	-	-	-	-	-	368
TOTAL FINANCIAL ASSETS	**5,242**	**-**	**-**	**-**	**-**	**-**	**-**	**5,242**
NON FINANCIAL ASSETS	**403**	**-**	**-**	**-**	**-**	**-**	**-**	**403**
TOTAL ASSETS	**5,645**	**-**	**-**	**-**	**-**	**-**	**-**	**5,645**
LIABILITIES								
Other liabilities	1,748	-	-	-	-	-	-	1,748
Customer deposits	503	-	-	-	-	-	-	503
TOTAL FINANCIAL LIABILITIES	**2,251**	**-**	**-**	**-**	**-**	**-**	**-**	**2,251**

MATURITY RISK PROFILE 2021 Group	<3 months	3-6 months	6-12 months	1-5 years	Past due but not impaired	Impaired	Undated	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS								
Cash and cash equivalents	7,981	-	-	-	-	-	-	7,981
Loans and advances to customers	5,686	746	-	-	-	4,846	-	11,278
Other assets	442	-	-	-	-	-	-	442
TOTAL FINANCIAL ASSETS	**14,109**	**746**	**-**	**-**	**-**	**4,846**	**-**	**19,701**
NON FINANCIAL ASSETS	**419**	**-**	**-**	**-**	**-**	**-**	**-**	**419**
TOTAL ASSETS	**14,528**	**746**	**-**	**-**	**-**	**4,846**	**-**	**20,120**
LIABILITIES								
Other liabilities	3,270	1,157	-	-	-	-	-	4,427
Customer deposits	1,055	708	-	-	-	-	-	1,763
TOTAL FINANCIAL LIABILITIES	**4,325**	**1,865**	**-**	**-**	**-**	**-**	**-**	**6,190**

For clarity, the past due and impaired balances have been shown separately in the table. If they were not shown individually the balances would form part of the within 3 months and 3-6 months categories. Included in the impaired category is a total exposure of £166.6m with a stage 3 provision of £161.8m.

MATURITY RISK PROFILE 2022 Company	<3 months	3-6 months	6-12 months	1-5 years	Past due but not impaired	Impaired	Undated	Total
	£'000	£'000	£'000	£'000	£'000	£'000		£'000
ASSETS								
Cash and cash equivalents	4,743	-	-	-	-	-	-	4,743
Loans and advances to customers	-	-	-	-	-	-	-	-
Loans to subsidiary undertakings	-	-	-	-	-	-	95	95
Other assets	348	-	-	-	-	-	-	348
TOTAL FINANCIAL ASSETS	**5,091**	**-**	**-**	**-**	**-**	**-**	**95**	**5,186**
NON FINANCIAL ASSETS	**403**	**-**	**-**	**-**	**-**	**-**	**41**	**444**
TOTAL ASSETS	**5,494**	**-**	**-**	**-**	**-**	**-**	**136**	**5,630**
LIABILITIES								
Other liabilities	2,254	-	-	-	-	-	-	2,254
Customer deposits	503	-	-	-	-	-	-	503
TOTAL FINANCIAL LIABILITIES	**2,757**	**-**	**-**	**-**	**-**	**-**	**-**	**2,757**

MATURITY RISK PROFILE 2021 Company	<3 months	3-6 months	6-12 months	1-5 years	Past due but not impaired	Impaired	Undated	Total
	£'000	£'000	£'000	£'000	£'000	£'000		£'000
ASSETS								
Cash and cash equivalents	7,800	-	-	-	-	-	-	7,800
Loans and advances to customers	5,685	747	-	-	-	4,846	-	11,278
Loans to subsidiary undertakings	-	-	-	-	-	-	170	170
Other assets	415	-	-	-	-	-	-	415
TOTAL FINANCIAL ASSETS	**13,900**	**747**	**-**	**-**	**-**	**4,846**	**170**	**19,663**
NON FINANCIAL ASSETS	**419**	**-**	**-**	**-**	**-**	**-**	**-**	**419**
TOTAL ASSETS	**14,319**	**747**	**-**	**-**	**-**	**4,846**	**170**	**20,082**
LIABILITIES								
Other liabilities	3,230	1,158	-	-	-	-	-	4,388
Customer deposits	1,055	708	-	-	-	-	-	1,763
TOTAL FINANCIAL LIABILITIES	**4,285**	**1,866**	**-**	**-**	**-**	**-**	**-**	**6,151**

For clarity, the past due and impaired balances have been shown separately in the table. If they were not shown individually the balances would form part of the within 3 months and 3-6 months categories. Included in the impaired category is a total exposure of £166.6m with a stage 3 provision of £161.8m.

C) Market risk

Market risk relates to potential changes in the Group's financial condition as a result of changes to interest rates, foreign exchange rates, and the market price of securities and other instruments. Following the repayment of deposits and full impairment of the loan book, the Bank does not have any material interest bearing liabilities to manage. Interest bearing assets are restricted to cash balances and since these are held on demand the Bank does not consider that it is subject to material interest rate risk.

In line with regulatory reporting requirements, as set by the EBA, the Group considers a parallel 200 basis points (bps) movement to be appropriate for evaluating its sensitivity to interest rate risk. The Group estimates that a +/- 200 bps movement in interest rates would have impacted equity through profit and loss movements as follows:

+200 bps – £Nil (2021: £69,000 negative)
-200 bps – £Nil (2020: £19,000 positive)

D) Foreign currency risk

Foreign currency risk arises from non-GBP assets and liabilities, the balance of which have been substantially reduced following the impairment of the loan book and repayment of customer deposits.

As at 30 April 2022 The Group had net foreign exchange exposures of USD 2.2m (2021: USD 9.8m) and estimates that a 5% movement in exchange rates would have an impact on the 30 April 2022 results by way of either a gain in the profit and loss of £87k or a loss of £87k (2021: a gain of £355k or a loss of £355k).

Fair Value / Pricing Risk Profile

Fair values are determined using the following fair value hierarchy that reflects the significance and observability of the inputs used in calculating the assets or liabilities carrying value.

Level 1

These are valuation techniques that are based entirely on quoted market prices (unadjusted) in an actively traded market for identical assets and liabilities that the Group has the ability to access. Since valuations are based on readily available observable market prices, this makes them most reliable, reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

Level 2

These are valuation techniques based on one or more quoted prices in markets that are not active or for which all significant inputs are taken from directly or indirectly observable market data. These include valuation models used to calculate the present value of expected future cash flows and may be employed either when no active market exists or when there are quoted prices available for similar instruments in active markets.

- The Group uses mid prices taken from quoted market levels to value the forward legs of the foreign exchange (FX) swaps it transacts to hedge its FX exposure.
- The fair value of loans and advances to credit institutions, is estimated to be their carrying value.
- The fair value of amounts owed to retail depositors, credit institutions and other customers, is estimated to be their carrying value.

- The fair value of deposits payable on demand is the amount payable at the reporting date.
- The fair value of subordinated debt is based on observable market values.

Level 3

These are valuation techniques for which any one or more significant input is not based on observable market data and the unobservable inputs have a significant effect on the instrument's fair value. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in determining the fair value.

For all assets not measured at fair value, including the loans for which provisions for expected credit losses have been recognised, the carrying value has been assessed by management to be the fair value.

ASSETS NOT MEASURED AT FAIR VALUE 2022	Carrying value	Level 1	Level 2	Level 3	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
FINANCIAL ASSETS					
Cash and balances at credit institutions	4,874	4,874	-	-	4,874
Loans and advances to customers	-	-	-	-	-
Other assets	368	-	-	368	368
TOTAL FINANCIAL ASSETS	**5,242**	**4,874**	**-**	**368**	**5,242**

LIABILITIES NOT MEASURED AT FAIR VALUE 2022	Carrying value	Level 1	Level 2	Level 3	Total
Group					
FINANCIAL LIABILITIES					
Customer deposits	503	-	503	-	503
Other liabilities	2,258	-	-	2,258	2,258
TOTAL FINANCIAL LIABILITIES	**2,761**	**-**	**503**	**2,258**	**2,761**

ASSETS NOT MEASURED AT FAIR VALUE 2021	Carrying value	Level 1	Level 2	Level 3	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
FINANCIAL ASSETS					
Cash and balances at credit institutions	7,981	7,981	-	-	7,981
Loans and advances to customers	11,278	-	-	11,278	11,278
Other assets	442	-	-	442	442
TOTAL FINANCIAL ASSETS	**19,701**	**7,981**	**0**	**11,720**	**19,701**

LIABILITIES NOT MEASURED AT FAIR VALUE 2021	Carrying value	Level 1	Level 2	Level 3	Total
Group					
FINANCIAL LIABILITIES					
Customer deposits	1,763	-	1,763	-	1,763
Other liabilities	4,427	-	-	4,427	4,427
TOTAL FINANCIAL LIABILITIES	**6,190**	**-**	**1,763**	**4,427**	**6,190**

ASSETS NOT MEASURED AT FAIR VALUE 2022	Carrying value	Level 1	Level 2	Level 3	Total
Company	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
FINANCIAL ASSETS					
Cash and balances at credit institutions	4,743	4,743	-	-	4,743
Loans and advances to customers	-	-	-	-	-
Loans to subsidiary undertakings	95	-	95	-	95
Other assets	348	-	-	348	348
TOTAL FINANCIAL ASSETS	**5,186**	**4,743**	**95**	**348**	**5,186**

LIABILITIES NOT MEASURED AT FAIR VALUE 2022	Carrying value	Level 1	Level 2	Level 3	Total
Company					
FINANCIAL LIABILITIES					
Customer deposits	503	-	503	-	503
Other liabilities	2,254	-	-	2,254	2,254
TOTAL FINANCIAL LIABILITIES	**2,757**	**-**	**503**	**2,254**	**2,757**

ASSETS NOT MEASURED AT FAIR VALUE 2021	Carrying value	Level 1	Level 2	Level 3	Total
Company	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
FINANCIAL ASSETS					
Cash and balances at credit institutions	7,800	7,800	-	-	7,800
Loans and advances to customers	11,278	-	-	11,278	11,278
Loans to subsidiary undertakings	170	-	170	-	170
Other assets	415	-	-	415	415
TOTAL FINANCIAL ASSETS	**19,663**	**7,800**	**170**	**11,693**	**19,663**

LIABILITIES NOT MEASURED AT FAIR VALUE 2021	Carrying value	Level 1	Level 2	Level 3	Total
Company					
FINANCIAL LIABILITIES					
Customer deposits	1,763	-	1,763	-	1,763
Other liabilities	4,388	-	-	4,388	4,388
TOTAL FINANCIAL LIABILITIES	**6,151**	**-**	**1,763**	**4,388**	**6,151**

E) Operational Risk

Operational risk is the risk that failures in the internal procedures, people or systems and externalities such as cyber security issues cause the Group monetary loss, reputational damage, service disruption or customer detriment.

The Group maintains a framework of internal controls to manage and report on operational risks. In addition, it undertakes compliance monitoring to manage its regulatory risks and internal audit to assess business risks.

F) Capital Risk

Capital risk is the risk that the Bank has insufficient capital to cover its regulatory requirement and support business needs. The Bank's capital resources are reflected below. Capital ratios were maintained within the parameters of the solvent wind-down plan, as agreed by the Board and the Bank's Regulators, throughout the year.

	30 April 2022 £'000	30 April 2021 £'000
Regulatory Capital		
Called up share capital	132,998	132,998
Accumulated losses	(209,249)	(196,691)
Other reserves recognised for CET1 capital	79,124	77,624
Regulatory adjustments to CET1 capital		
Intangible assets	-	-
IFRS 9 transitional arrangements	1,077	1,507
CET1 capital	**3,950**	**15,438**
Total regulatory capital	**3,950**	**15,438**

In the financial year to 30 April 2022, the Group's objectives when managing capital were to protect the interest of depositors and to have sufficient funds to complete the solvent wind down process.

25. RELATED PARTIES

The Group considers members of GFG Alliance as related parties ('other related entities' in the table below). They are considered related parties of Wyelands Bank as they are controlled or jointly controlled by Sanjeev Gupta who has significant influence over the entity and is a sole director of SKG Financial Holdings PTE Limited.

Refer to Note 31 for further details on the intermediate parent and immediate holding companies of Wyelands Bank Plc.

In determining the scope of what is deemed a related party under IAS 24 and the Company's Act 2006 the Group has looked to whether the Bank's ultimate beneficial owner has a significant influence in a company whether that be through a majority shareholding, a majority of voting rights, and a position on the Board or proxy appointee.

The Board considers the key management personnel to comprise executive and non-executive directors. Directors' remuneration is disclosed in note 10. Loans to other related persons totalled £nil for the period ended 30 April 2022 (2021: £nil).

At 30 April 2022 gross loans and advances to customers were £38.8m (2021: £36.5m) with ECL recognised as being £38.8m (2021: £35.7m).

Interest expense to the shareholder refers to notional interest applied to the subordinated loan using the EIR approach, contractually the loan is non-interest bearing and no interest was paid. For further information on the subordinated loan see note 24.

During the financial year under review, expenses of £31k (2021: £209k) incurred with GFG entities mainly comprise other staff costs paid (2021 also included legal consulting services). The provision of these transactions from related parties are in the ordinary course of business.

During the year, as part of a transaction related to support for the Bank, the Bank received £1.5m (2021: £Nil) from a related entity controlled by Sanjeev Gupta, in addition to the right to receive future cash flows from a portfolio of loan receivables. The gross value of the loan balances was £19.4m, however the fair value was assessed as being nil since they were in default with low prospect of recovery. Due to the nature of the transaction, the £1.5m has been recognised as a capital contribution with the amount recognised as part of other reserves within equity.

A summary of related party transactions is provided below.

FOR THE YEAR ENDED 30 APRIL 2022	Intermediate	Immediate	Other related entities	Other related persons	Total
Group	parent	holding company	*GFG Alliance*	Shareholder	
	£'000s	£'000s	£'000s	£'000s	£'000s
TRANSACTION					
Interest Income	-	-	13	-	13
Interest expenses	-	-	-	-	-
Fees and commissions receivable	-	-	22	-	22
Capital contribution	-	-	1,500	-	1,500
Administrative expenses	-	-	31	-	31
BALANCES OUTSTANDING AT 30 APRIL					
Other assets	16	56	-	-	72
Loans and advances	-	-	-	-	-
Customer deposits	118	74	249	-	441
Other liabilities	-	-	1,380	-	1,380

FOR THE YEAR ENDED 30 APRIL 2021	Intermediate	Immediate	Other related entities	Other related persons	Total
Group	parent	holding company	*GFG Alliance*	Shareholder	
	£'000s	£'000s	£'000s	£'000s	£'000s
TRANSACTION					
Interest Income	-	-	3,851	-	3,851
Interest expenses	-	-	-	2,306	2,306
Fees and commissions receivable	-	-	121	-	121
Administrative expenses	-	-	209	-	209
BALANCES OUTSTANDING AT 30 APRIL					
Other assets	16	56	8	-	80
Loans and advances	-	-	712	-	712
Customer deposits	118	74	773	-	965
Other liabilities	-	-	1,430	-	1,430

FOR THE YEAR ENDED 30 APRIL 2022	Intermediate	Immediate	WPH	Other related entities	Other related persons	Total
Company	parent	holding company	subsidiary	*GFG Alliance*	Shareholder	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
TRANSACTION						
Interest Income	-	-	-	13	-	13
Interest expenses	-	-	-	-	-	-
Fees and commissions receivable	-	-	-	22	-	22
Capital contribution	-	-	-	1,500	-	1,500
Administrative expenses	-	-	-	31	-	31
BALANCES OUTSTANDING AT 30 APRIL						
Investment in subsidiary			41			
Intercompany debtors	-	-	95	-	-	95
Other assets	16	56	-	-	-	72
Loans and advances	-	-	-	-	-	-
Customer deposits	118	74	-	249	-	441
Other liabilities	-	-	-	1,380	-	1,380

FOR THE YEAR ENDED 30 APRIL 2021	Intermediate	Immediate	WPH	Other related entities	Other related persons	Total
Company	parent	holding company	subsidiary	*GFG Alliance*	Shareholder	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
TRANSACTION						
Interest Income	-	-	-	3,851	-	3,851
Interest expenses	-	-	-	-	2,306	2,306
Fees and commissions receivable	-	-	-	121	-	121
Administrative expenses	-	-	-	209	-	209
BALANCES OUTSTANDING AT 30 APRIL						
Intercompany debtors	-	-	170	-	-	170
Other assets	16	56	-	-	-	72
Loans and advances	-	-	-	712	-	712
Customer deposits	118	74	-	773	-	965
Other liabilities	-	-	-	1,391	-	1,391

26. CALLED UP SHARE CAPITAL

The Group's share capital comprises 132,998,000 fully paid up ordinary shares of £1 amounting to a total of £132,998,000. All issued ordinary shares are fully paid.

27. CONTINGENT LIABILITIES

The Bank is the subject of regulatory investigations being conducted by the PRA and FCA, the outcome of which is not known as at the date of this report, nor the impact, if any, on the Bank.

The Bank's regulators publish guidance on how they determine the calculation of a fine if they determine that a regulated entity has breached relevant rules (and that it is appropriate for a financial penalty to be imposed). The basis for a calculation is given as the level of relevant revenue for a specific period, which is then subject to a number of factors that are applied by the regulator after they have determined the outcome of their investigation. Applying this published guidance to the relevant position of the Bank could (if a financial penalty is considered appropriate) result in a fine that exceeds the £2.6m[1] of resources available at the Balance Sheet date to pay it, reflecting that the Bank is in wind down and has finite resources available to it.

1. Resources have been defined as Cash less Customer Deposits less Other Liabilities

28. LEASES

In prior years, the Group leased several assets including office premises and IT equipment. The office premises was a short-term lease per IFRS 16 *Leases* while the lease relating to IT equipment was considered insignificant to the Group. As a result, lease liabilities and right-of-use assets were not recognised. Rather, the lease payments relating to these assets were recognised on a straight-line basis over the respective minimum lease terms.

Amounts recognised in profit or loss:

Expense relating to short-term leases	£2,008
The total cash outflow for leases amount to	£2,008 (2021: £525,966).

29. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Wyelands Bank Plc's issued shares are 100% owned by Wyelands Holdings Limited (the "immediate holding company"), a UK company registered under company number 09913535. The composition of the Board of directors of the Bank and Wyelands Holdings Limited is the same.

Wyelands Holdings Limited is 100% owned by SKG Financial Holdings PTE Limited (the "intermediate parent company"), a Singapore incorporated firm.

Consolidated financial statements are prepared by Wyelands Holdings Limited. This is a private company limited by shares, incorporated in the UK, whose principal place of business is also in the UK. These consolidated financial statements comply with IFRS and are available from its registered office at 111 Park Street, London, W1K 7JF.

The ultimate parent company and controlling party, Hawksford Trustees Jersey Limited owns 100% of the shares of SKG Financial Holdings PTE Limited. Hawksford Trustees Jersey Limited is the trustee Company of the Wyelands Trust, a Channel Islands Trust. The Wyelands Trust was established through an irrevocable settlement for the benefit of family members and dependants of Mr S.K. Gupta.

30. EVENTS AFTER THE BALANCE SHEET DATE

There are no material events after the balance sheet date.

31. SUBSIDIARIES

The Bank has three 100% owned subsidiaries all of which are domiciled in the UK (unless stated otherwise). The subsidiaries are as follows:

Wyelands Property Holdings Ltd
Mallnick Holdings S A (registered in the British Virgin Islands)
Wyelands Property Holdings Two Ltd

SUBSIDIARY UNDERTAKINGS Group	Year Ended 30 April 2022 Investment £'000	Year Ended 30 April 2022 loans £'000	Year Ended 30 April 2021 Investment £'000	Year Ended 30 April 2021 loans £'000
Entity Name				
Wyelands Property Holdings Ltd	41	95	-	170
Mallnick Holdings S A	-	-	-	-
Wyelands Property Holdings Two Ltd	-	-	-	-

Wyelands Property Holdings Limited and Wyelands Property Holdings Two Limited were incorporated on 27 February 2018 both having 100 shares of £1 nominal value of which are called up and fully paid. The nature of their business is the letting and operating of real estate. Neither company was actively trading at the balance sheet date. Their registered office is 111 Park Street, London, W1K 7JF.

The Investment in Wyelands Property Holdings Two Ltd was £100 in both 2022 and 2021.

During the year, the Bank carried out an impairment review for its investment and loan in Wyelands Property Holdings Ltd which resulted in the Bank forgiving £75k of the outstanding loan balance. The forgiveness has been accounted for as an investment in subsidiary. The investment in subsidiary was assessed for impairment at the end of the period, with value in use based on the net assets of the subsidiary and this resulted in impairment of £34k being recognised. The net assets of the subsidiary is equivalent to the net asset value of Mallnick Holdings S A after deducting expected costs to liquidate the entity.

The £95k loan to Wyelands Property Holdings Ltd was repaid after the year end.

Wyelands Property Holdings Ltd repaid the loan from the Bank of £2.8m in 2021 which was funded through the sale of the investment property.