

SHERWOOD CASTLE HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



SHERWOOD CASTLE HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

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SHERWOOD CASTLE HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

Mr D. J. Wynne
Wilmington Trust SP Services (London) Limited

Company secretary

Wilmington Trust SP Services (London) Limited

Registered office

c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London
EC2R 7AF

SHERWOOD CASTLE HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their strategic report of Sherwood Castle Holdings Limited, ("the Company"), for the year ended 31 December 2018.

GENERAL

The Company's principal activity is that of a special purpose vehicle which was established for the purpose of holding investments in its subsidiary companies.

The principal activity of the Group was that of special purpose vehicles, which raise or borrow money and grant security over its assets for such purposes, to lend money, to invest in and acquire limited recourse loan notes issued by Tenby Castle Funding Group, a fellow group company.

RESULTS

The Group results for the year and the Group and the Company's financial position at the end of the year are shown in the attached financial statements. The profit on ordinary activities after taxation of the Group for the year was £1,015 (2017: £1,397). At the year end, the Group had net assets of £747,613 (2017: £763,108).

FUTURE DEVELOPMENTS

The directors have no plans to expand the existing operations of the Group. The Group remains in place, should the Capital One Group seek to issue further debt.

By Order of the Board



Daniel Wynne
Director

26 September 2019

SHERWOOD CASTLE HOLDINGS LIMITED

REGISTERED NO. 4318734

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements of Sherwood Castle Holdings Limited ("the Company") and its subsidiary (together, "the Group") for the year ended 31 December 2018.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE PARENT COMPANY

The directors who served the Company during the year and up to the date of this report together with their beneficial interests in the shares of the parent company were as follows:

	Ordinary shares of £1 in the parent company	
	No. of shares 31 Dec 2018	No. of shares 31 Dec 2017
Mr D J Wynne	-	-
Wilmington Trust SP Services (London) Limited	<u>2</u>	<u>2</u>

The shares are held by Wilmington Trust SP Services (London) Limited under a Declaration of Trust for the Sherwood Castle Charitable Trust for charitable purposes.

DIRECTORS' LIABILITIES

The Company has granted an indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

DIVIDENDS

The directors have not recommended a dividend (2017: £nil).

CHARITABLE AND POLITICAL CONTRIBUTIONS

During the year the Company made no charitable or political contributions (2017: £nil).

Audit exemption

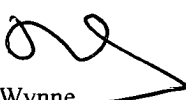
For the year ending 31 December 2018, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

By order of the Board


Daniel Wynne
Director

Date: 26 September 2019

SHERWOOD CASTLE HOLDINGS LIMITED

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2018

Continuing activities	Note	2018 £	2017 £
Interest receivable	3	1,015	1,397
Other operating income		23,270	20,344
Administrative expenses		<u>(23,270)</u>	<u>(20,344)</u>
Profit on ordinary activities before taxation	2	1,015	1,397
Tax charge on profit on ordinary activities	4	<u>-</u>	<u>-</u>
Retained profit for the financial year	9	<u>1,015</u>	<u>1,397</u>

The profit shown above is derived from continuing operations.

The company has no income or expenditure in the period other than the profits stated above. Consequently no Statement of Other Comprehensive Income has been presented.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Income Statement.

The notes on pages 7 to 10 form part of these financial statements.

SHERWOOD CASTLE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Current assets			
Other receivables	6	<u>792,663</u>	<u>783,572</u>
Total assets		<u>792,663</u>	<u>783,572</u>
Current liabilities			
Other liabilities	7	<u>28,540</u>	<u>20,464</u>
Total liabilities		<u>28,540</u>	<u>20,464</u>
Equity			
Called up share capital	8	2	2
Retained earnings	9	<u>764,121</u>	<u>763,106</u>
Total equity shareholders' funds	10	<u>764,123</u>	<u>763,108</u>
Total equity and liabilities		<u>792,663</u>	<u>783,572</u>

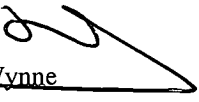
For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 4 to 10 were approved by the Board on 26 September 2019 and signed on its behalf by:


Daniel Wynne
Director

The notes on pages 7 to 10 form part of these financial statements.

SHERWOOD CASTLE HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Non-current assets	5	<u>2</u>	<u>2</u>
Investments			
Current assets			
Other receivables	6	<u>791,225</u>	<u>773,060</u>
Total assets		<u>791,227</u>	<u>773,062</u>
Current liabilities			
Other liabilities	7	<u>28,540</u>	<u>11,390</u>
Total liabilities		<u>28,540</u>	<u>11,390</u>
Equity			
Called up share capital	8	2	2
Retained earnings	9	<u>762,685</u>	<u>761,670</u>
Total equity shareholders' funds	10	<u>762,687</u>	<u>761,672</u>
Total equity and liabilities		<u>791,227</u>	<u>773,062</u>

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 4 to 10 were approved by the Board on 26 September 2019 and signed on its behalf by:



Daniel Wynne for and on behalf of Wilmington Trust SP Services (London) Limited
Director

The notes on pages 7 to 10 form part of these financial statements.

SHERWOOD CASTLE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

Basis of accounting

The Company's financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies set out below were consistently applied throughout the entire period and are based on IFRSs issued and effective as of 1 January 2017.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. As a consolidated income statement is published, a separate income statement for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006. The profit and loss made by the parent company is disclosed in note 10.

Taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions and events have occurred arising at that date that will result in an obligation to pay more or right to pay less tax. Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits against which to recognise these assets. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments

The investments in subsidiaries are stated in the balance sheet at cost, less any provision for impairment.

Other operating income

Other operating income relates to the reimbursement of certain accountancy, administration and tax fees included within administrative expenses, which are reimbursed by the Investor Beneficiary, Capital One (Europe) Plc, as defined by the original transaction documentation.

Administrative expenses

Administrative expenses include accountancy, administration and tax fees incurred in the day to day running of the Company.

SHERWOOD CASTLE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2018

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	Group 2018 £	Group 2017 £
Tax compliance services (£7,800 Holding Company (2017: £3,900))	7,800	7,560
Other compliance services (£2,100 Holding Company (2017: £2,100))	<u>4,200</u>	<u>4,200</u>

The company has no employees (2017: nil).

Wilmington Trust SP (London) Limited received fees from the Group of £8,344 (2017: £8,344). These fees are in respect of accountancy £8,344 (2017: £8,344). Of these fees, £5,270 (2017: £5,270) are in respect of accountancy services for the Company.

None of the other Directors received any emoluments directly from the Group or Company in 2018 (2017: nil), although as noted above, Wilmington Trust SP Services (London) Limited received monies on their behalf in respect of directors' services.

3. INTEREST RECEIVABLE

	Group 2018 £	Group 2016 £
Bank interest receivable	<u>1,015</u>	<u>1,397</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	Group 2018 £	Group 2017 £
Current tax:		
UK Corporation tax	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

Tax at standard rate on profits:

	Group 2018 £	Group 2017 £
Profit on ordinary activities before taxation	<u>1,015</u>	<u>1,397</u>
Profit on ordinary activities at standard rate of corporation tax of 19% (2017: 19.25%)	193	269
Movement in timing differences	<u>(193)</u>	<u>(269)</u>
Total current tax (note 5(a))	<u>-</u>	<u>-</u>

At 31 December 2018, the Group has carried forward tax losses of £38,814 (2017: £39,829). No deferred tax asset has been recognised in respect of these losses as there is uncertainty as to the level of taxable profits that will be generated by the Group in future periods.

SHERWOOD CASTLE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

5. INVESTMENTS

	Company 2018	Company 2017
	£	£
Investment in subsidiaries		
Cost		
At 1 January	2	2
At 31 December	<u>2</u>	<u>2</u>
Net book value at 31 December	<u>2</u>	<u>2</u>

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Country of incorporation	Details of investments & proportion held by company	Nature of business
Sherwood Castle Options Limited	England and Wales	100% of ordinary shares	Acquirer of options.

6. OTHER RECEIVABLES

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Other debtors	749,049	763,108	762,685	761,670
Prepayments and accrued income	<u>43,614</u>	<u>20,464</u>	<u>28,540</u>	<u>11,390</u>
	<u>792,663</u>	<u>783,572</u>	<u>791,227</u>	<u>773,060</u>

7. OTHER LIABILITIES

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Accruals and deferred income	<u>28,540</u>	<u>20,464</u>	<u>28,540</u>	<u>11,390</u>

8. SHARE CAPITAL

Allotted and called up:

	Group and Company 2018	Group and Company 2018
	£	£
2 ordinary shares - £1 each	<u>2</u>	<u>2</u>

SHERWOOD CASTLE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

9. RETAINED EARNINGS

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
At the start of the year	763,106	761,709	761,668	760,271
Retained profit for the financial year	1,015	1,397	1,015	1,397
At the end of the year	<u>761,121</u>	<u>763,106</u>	<u>762,683</u>	<u>761,668</u>

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Retained profit for the financial year	1,015	1,397	1,015	1,397
Opening shareholders' funds	<u>763,108</u>	<u>761,711</u>	<u>761,670</u>	<u>760,273</u>
Closing shareholders' funds	<u>764,123</u>	<u>763,108</u>	<u>762,685</u>	<u>761,670</u>

Prior to the liquidation of the Company, distributable reserves will be utilised, by way of a transfer of monies, to the Sherwood Castle Charitable Trust.

11. RELATED PARTY TRANSACTIONS

The company has identified the following transactions which are required to be disclosed under the terms of Financial Reporting Standard No.8, "Related Party Transactions".

During the year accounting services were provided by Wilmington Trust SP Services (London) Limited amounting to £8,344 (2017: £8,344) to the group. The director of the Company is also a director of Wilmington Trust SP Services (London) Limited and of the subsidiary undertakings as disclosed in note 2.

At 31 December 2017, £8,344 (2017: £8,344) was outstanding and included within creditors: amounts falling due within one year: 'accruals and deferred income'.

The company has taken advantage of the exemption in FRS 8, paragraph 3c not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate controlling parent.

12. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Capital One Holdings Limited as it is deemed to have dominant influence over the Company.

The shares in Sherwood Castle Holdings Limited are held by Wilmington Trust SP Services (London) Limited under a Declaration of Trust for the Sherwood Castle Charitable Trust for charitable purposes.

The directors regard Capital One Financial Corporation, a company registered in the United States of America, as the ultimate parent undertaking and the only group into which the company is consolidated. Copies of the consolidated financial statements of Capital One Financial Corporation can be obtained by writing to the Capital One Financial Corporation, 1680 Capital One Drive, McLean, Virginia 22102-3407, United States of America.