

# Interbay Holdings Ltd

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Annual Report and Financial Statements  
For the year ended 31 December 2016  
Company Number 05878379

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# **Interbay Holdings Ltd**

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For the year ended 31 December 2016

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# Interbay Holdings Ltd

## Company Information

For the year ended 31 December 2016

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### **DIRECTORS**

John Eastgate  
Clive Kornitzer  
Andrew Parkes  
Mark Parrett

### **SECRETARY**

Tatiana Felicien (resigned 7 December 2016)  
Nickesha Graham-Burrell (appointed 7  
December 2016)

### **REGISTERED OFFICE**

Reliance House  
Sun Pier  
Chatham  
Kent  
ME4 4ET

### **REGISTERED NUMBER**

05878379 (England and Wales)

### **AUDITOR**

KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

# Interbay Holdings Ltd

## Directors' Report

For the year ended 31 December 2016

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The Directors present their Report and the financial statements of Interbay Holdings Ltd ('the Company') for the year ended 31 December 2016.

### Principal activity

The Company was incorporated on 17 July 2006. The principal activity of the Company is as a holding company.

### Business review

The result for the year after taxation amounted to a loss of £3,861 (2015: loss of £20), which reduced total equity shareholders' funds at 31 December 2016 to a net deficit of £3,417 (2015: funds of £444).

### Going Concern

The Company is dependent on continuing finance being made available by OneSavings Bank plc ('OSB') to continue operating and to meet its liabilities as they fall due. OSB has agreed to provide sufficient funds to the subsidiaries of the Company for these purposes. The Directors believe therefore that it is appropriate to prepare these accounts on a going concern basis.

### Risk management

The main financial risks arising from the Company's activities are liquidity and operational risks. The Board has determined policies for each of these risks. The Company's parent undertaking, OSB, manages the operational and liquidity risks arising from its operations, at an OSB Group level, through a specialist department that reports to Risk Committee.

### Post balance sheet events

There were no material post balance sheet events.

### Political and charitable donations

The Company made no political or charitable donations during the year (2015: £nil).

### Dividends

The Directors do not recommend payment of a dividend (2015: £nil).

### Directors and their interests

The Directors who served throughout the period and to the date of this report were as follows:

John Eastgate  
Clive Kornitzer  
Andrew Parkes  
Mark Parrett

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

### Third parties indemnities

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

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Interbay Holdings Ltd**  
**Directors' Report (continued)**  
For the year ended 31 December 2016

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**Auditor**

Pursuant to section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board



John Eastgate  
Director  
18 September 2017

## Interbay Holdings Ltd

# Statement of Directors' Responsibilities in respect of The Directors' Report and The Financial Statements

For the year ended 31 December 2016

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Approved by the Board and signed on its behalf by:



John Eastgate  
Director  
18 September 2017

# Interbay Holdings Ltd

## Independent Auditor's Report

For the year ended 31 December 2016

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### Independent auditor's report to the members of Interbay Holdings Ltd

We have audited the financial statements of Interbay Holdings Ltd for the year ended 31 December 2016 set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

### Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

# Interbay Holdings Ltd

## Independent Auditor's Report (continued)

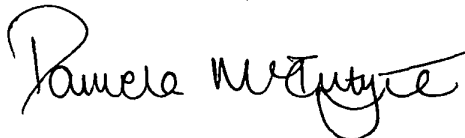
For the year ended 31 December 2016

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



**Pamela McIntyre (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

18 September 2017



# Interbay Holdings Ltd

## Statement of Profit or Loss

For the year ended 31 December 2016

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	Notes	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Interest receivable and similar income	2	25	46
Interest payable and similar charges	3	(18)	(33)
<b>Net interest receivable</b>		<u>7</u>	<u>13</u>
Administrative expenses	4	(4,833)	(33)
<b>Loss on ordinary activities before taxation</b>		<u>(4,826)</u>	<u>(20)</u>
Taxation	6	965	-
<b>Loss for the financial year</b>		<u>(3,861)</u>	<u>(20)</u>

The loss for the year was derived from continuing operations.

There were no recognised gains or losses other than the loss for the year and accordingly no statement of other comprehensive income is given.

The notes on pages 11 to 15 form part of these accounts.

# Interbay Holdings Ltd


## Statement of Financial Position

For the year ended 31 December 2016

	Notes	As at 31-Dec-16 £	As at 31-Dec-15 £
<b>Non current assets</b>			
Investments in subsidiary undertakings	7	100	100
<b>Current assets</b>			
Cash at bank and in hand		1	34
Debtors: amount falling due within one year	8	2,067	1,076
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(5,585)	(766)
<b>Net current liabilities</b>		<u>(3,517)</u>	<u>344</u>
<b>Total assets less current liabilities</b>		<u>(3,417)</u>	<u>444</u>
<b>Capital and reserves</b>			
Share capital	10	1,000	1,000
Retained earnings		(4,417)	(556)
<b>Equity shareholders' funds</b>		<u>(3,417)</u>	<u>444</u>

The notes on pages 11 to 15 form part of these accounts.

The accounts were approved by the board of Directors on 18 September 2017 and were signed on its behalf by:



John Eastgate  
Director

Company registered number: 05878379

# Interbay Holdings Ltd

## Statement of Changes in Equity

For the year ended 31 December 2016

	Share capital £	Retained earnings £	Total shareholders' funds £
At 1 January 2016	1,000	(556)	444
Loss for the year	-	(3,861)	(3,861)
At 31 December 2016	<u>1,000</u>	<u>(4,417)</u>	<u>(3,417)</u>

	Share capital £	Retained earnings £	Total shareholders' funds £
At 1 January 2015	1,000	(536)	464
Loss for the year	-	(20)	(20)
At 31 December 2015	<u>1,000</u>	<u>(556)</u>	<u>444</u>

# Interbay Holdings Ltd

## Notes to the Financial Statements

For the year ended 31 December 2016

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### 1. Accounting policies

#### Basis of preparation

These financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102: The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland ('FRS102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis. The presentation currency of these financial statements is Pounds Sterling.

The Company's ultimate parent undertaking, OSB, includes the Company in its consolidated financial statements. The consolidated financial statements of OSB are prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the EU and are available to the public and may be obtained from the Bank's registered office: Reliance House, Sun Pier, Chatham, Kent ME4 4ET. In these financial statements, the Company is considered to be a qualifying entity for the purposes of FRS 102 and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes.

As the consolidated financial statements of OSB include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.33 from disclosing transactions with related parties that are wholly owned members of the OSB group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There were no significant judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

#### Going concern

The Company is dependent on continuing finance being made available by its parent undertaking to enable it to continue operating and to meet its liabilities as they fall due. OSB has agreed to provide sufficient funds to the Company for these purposes. The Directors believe therefore that it is appropriate to prepare these accounts on a going concern basis.

#### Interest income and expense

Interest income and interest expense for all interest-bearing financial instruments measured at amortised cost are recognised in profit or loss using the accruals basis.

#### Taxation

Income tax comprises current tax which is recognised in profit or loss, consistent with the recognition of items it relates to.

Current tax is the expected tax charge or credit on the taxable income or loss in the period and any adjustments in respect of previous years.

# Interbay Holdings Ltd

## Notes to the Financial Statements (continued)

For the year ended 31 December 2016

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### 1. Accounting policies (continued)

#### Financial instruments

##### Basic financial instruments

**Investments in subsidiaries:**

These are separate financial statements of the Company. Investments in subsidiaries are carried at cost less impairment.

**Cash at bank and in hand**

Cash at bank and in hand comprises current accounts.

**Debtors/Creditors: amounts falling due within one year**

Debtors/Creditors: amounts falling due within one year comprise mainly of amounts due from and to other OSB group companies and are recognised at transaction price.

##### Other financial instruments

The Company has no financial instruments which are not considered to be basic financial instruments.

### 2. Interest receivable and similar income

	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Interest receivable on loan to parent undertakings	<u>25</u>	<u>46</u>

### 3. Interest payable and similar charges

	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Interest payable on loan from parent undertakings	<u>18</u>	<u>33</u>

### 4. Administrative expenses

	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Other costs	33	33
Professional fees	<u>4,800</u>	<u>-</u>
	<u>4,833</u>	<u>33</u>

Included within professional fees are audit fees for the year of £4,800. In 2015, the audit fee was borne and accounted for by Interbay Funding, Ltd, which was charged £22,000 for audit work completed on 5 companies including this Company.

**Interbay Holdings Ltd**  
**Notes to the Financial Statements (continued)**  
For the year ended 31 December 2016

**5. Employees**

The Company has no staff and the Directors receive no remuneration from this Company (2015: £nil).

The Directors were employed and remunerated as Directors or employees of OSB or within its subsidiaries ("the Group") in respect to their services to the Group as a whole and it is considered that there is no appropriate basis on which they can apportion part of their remuneration for their services to the Company.

**6. Taxation**

	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Corporation tax	965	-
	<u>965</u>	<u>-</u>

Tax is charged at the weighted average rate of corporation tax for the period of 20.00% (2015: 20.25%). The tax reconciliation is presented below:

	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Loss on ordinary activities before tax	(4,826)	(20)
Current tax at 20.00% (2015: 20.25%)	<u>965</u>	<u>5</u>
Group tax relief surrendered	-	(5)
	<u>965</u>	<u>-</u>

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

**7. Investments in subsidiary undertakings**

	2016 £	2015 £
Cost and net book value	100	100
At 1 January and 31 December	<u>100</u>	<u>100</u>

**Interbay Holdings Ltd**  
**Notes to the Financial Statements (continued)**  
For the year ended 31 December 2016

**7. Investments in subsidiary undertakings (continued)**

**Subsidiary undertakings**

The Company has the following investments in subsidiary undertakings:

	Aggregate of capital and reserves £'000	Profit or (loss) for the year £'000	Class of shares held	Ownership 2016 %	Ownership 2015 %
<b>Direct investments</b>					
Inter Bay Financial I Limited	(16,888)	(255)	Ordinary	100%	100%
Inter Bay Financial II Limited	(3,638)	(33)	Ordinary	100%	100%
<b>Indirect investments</b>					
5D Finance Limited	1,414	31	Ordinary	100%	100%
5D Lending Ltd	(25)	(71)	Ordinary	100%	100%
Interbay Funding, Ltd	28,938	751	Ordinary	100%	100%
Interbay ML, Ltd	36,897	16,948	Ordinary	100%	100%

All subsidiaries have a registered office of Reliance House, Sun Pier, Chatham, Kent, ME4 4ET.

**8. Debtors: amount falling due within one year**

	As at 31-Dec-16 £	As at 31-Dec-15 £
Amounts owed by parent undertakings	1,102	1,076
Tax receivable	965	-
	<u>2,067</u>	<u>1,076</u>

**9. Creditors: amounts falling due within one year**

	As at 31-Dec-16 £	As at 31-Dec-15 £
Amounts owed to parent undertakings	785	766
Other creditors	4,800	-
	<u>5,585</u>	<u>766</u>

## Interbay Holdings Ltd

### Notes to the Financial Statements (continued)

For the year ended 31 December 2016

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#### 10. Share capital

	As at 31-Dec-16 £	As at 31-Dec-15 £
<b>Authorised, Allotted, called up and fully paid</b>		
100,000 A ordinary shares of £0.01 each	<u>1,000</u>	<u>1,000</u>

#### 11. Ultimate parent undertaking

At the Statement of Financial Position date Interbay Holdings Ltd was a wholly owned subsidiary of Interbay Group Holdings Limited, whose ultimate parent Company is OSB, which has included the Company in its Group accounts. This is the smallest and largest Group in which the Company's accounts are consolidated. Copies of these accounts are available from OSB's registered office: Reliance House, Sun Pier, Chatham, Kent, ME4 4ET.