VEHICLE STOCKING LIMITED

Annual Report and Financial Statements

For the period ended 31 December 2020

Registered number: 07380405

VEHICLE STOCKING LIMITED

Annual report and financial statements for the period ended 31 December 2020

Contents

Corporate information

Director	P Behrens
Company Number	07380405
Registered office	No 1 The Osiers Business Centre Leicester LE19 1DX
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

Director's report

The director presents the annual report and audited financial statements of Vehicle Stocking Limited ("the Company"), a private company limited by shares which is domiciled and incorporated in England and Wales, for the period ended 31 December 2020.

Principal Activities

The principal activity of the Company throughout the period was the management of the run-off of the Company's loan portfolio. Previously, the Company provided finance to the motor trade however no new loans were originated in the current period or prior financial year. In addition to its principal activity, the Company receives commissions associated with the performance of the RateSetter group's motor finance business.

Acquisition of the RateSetter Group by Metro Bank PLC

In June 2020, RateSetter, being Retail Money Market Ltd and its subsidiaries, entered a period of exclusivity with Metro Bank PLC about the acquisition of RateSetter. Metro Bank PLC had stated in early 2020 that it intended to grow in consumer finance, making the potential combination a natural fit. After a period of due diligence and negotiation, the transaction was announced on 3 August 2020, subject to shareholder and regulatory approval. On 14 September 2020 the acquisition completed.

Change of financial year-end

Following the acquisition of RateSetter, the Company changed the financial year-end to 31 December to align with the other entities in the Metro Bank group.

Dividend

The director does not propose a dividend in respect of the period ended 31 December 2020 (Mar-20: £nil).

Director

The sole director of the Company who served during the period and up to the date of this report was Peter Behrens.

Disclosure of information to the auditor

The director has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

COVID-19

The outbreak of COVID-19 in the UK and the subsequent action taken by the UK Government has resulted in significant turbulence across the financial system and a significant increase in economic uncertainty. Despite this uncertainty, given the Company's loan portfolio is in an advanced stage of amortisation the director does not consider that the pandemic will have a material impact on the Company in the future.

Future Developments

The principal activity of the Company is not expected to change in the foreseeable future.

Going concern

The intention of the director is to wind-up the Company within the next 12 months of these financial statements being approved, as such these financial statements have been prepared on a basis other than that of going concern (see Note 1.1 on page 11).

Director's report

Small companies' exemption

The Company is entitled to small companies' exemption in relation to the Strategic report as it would be entitled to prepare accounts for the year in accordance with the small companies' regime but for having been a member of an ineligible group.

This report has been approved by the Board and signed on behalf of the Board by:

Peter Behrens

P Behrens

Director
24 June 2021

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the comprehensive income of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that the director:

- selects suitable accounting policies and then applies them consistently;
- makes judgments and accounting estimates that are reasonable and prudent;
- presents information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provides additional disclosures when compliance with the accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and performance; and
- make an assessment of the Company's ability to continue as a going concern. For the reasons stated in the Director's report and Note 1.1, the financial statements have been prepared on a basis other than going concern.

The director is 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. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the director is also responsible for preparing a Director's report that complies with that law.

Independent auditors' report to the members of Vehicle Stocking Limited

Report on the audit of the financial statements

Opinion

In our opinion, Vehicle Stocking Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the period from 1 April 2020 to 31 December 2020;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2020; the statement of comprehensive income for the period then ended; the statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1.1 to the financial statements which describes the director's reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Director's report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Director's report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's report for the period ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Director's report.

Responsibilities for the financial statements and the audit

Responsibilities of the director for the financial statements

As explained more fully in the Director's Responsibilities Statement, the director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting manual journal entries to manipulate financial performance and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of the Audit Committee, management, compliance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation of the design and implementation of controls designed to prevent and detect irregularities relevant to financial reporting;
- Incorporating unpredictability into the nature, timing and/or extent of our testing;
- Challenging assumptions and judgements made by management in their estimation of the assessment of the expected credit loss, and
- Identifying and testing journal entries including those posted by infrequent or unexpected users, those posted to unusual account combinations and those posted late in the financial reporting process.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the director was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Darren Meek

Darren Meek (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 June 2021

VEHICLE STOCKING LIMITED

Statement of comprehensive income for the period ended 31 December 2020

	Note	Period ended 31 Dec 20 £	Year ended 31 Mar 20 £
Finance costs		(197,256)	(367,532)
Gross loss		**(197,256)**	**(367,532)**
Administrative expenses		(65,172)	(163,461)
Amounts recovered on loan receivables previously written-off		26,697	119,768
Movement in provision	**11**	-	195,450
Operating loss	**6**	**(235,731)**	**(215,775)**
Interest (payable) / receivable		(17,750)	25,110
Loss before taxation		**(253,481)**	**(190,665)**
Income tax	**7**	-	-
Total comprehensive loss for the period / year		**(253,481)**	**(190,665)**

The notes on pages 11 to 17 form part of these financial statements.

VEHICLE STOCKING LIMITED

Statement of changes in equity for the period ended 31 December 2020

	Share capital £	Capital contribution reserve £	Accumulated losses £	Total £
At 1 April 2019	**3,000,100**	**1,104,280**	**(9,888,760)**	**(5,784,380)**
Capital contribution	-	899,075	-	**899,075**
Total comprehensive loss for the year	-	-	(190,665)	**(190,665)**
At 31 March 2020	**3,000,100**	**2,003,355**	**(10,079,425)**	**(5,075,970)**
Capital contribution	-	5,335,113	-	**5,335,113**
Total comprehensive loss for the period	-	-	(253,481)	**(253,481)**
At 31 December 2020	**3,000,100**	**7,338,468**	**(10,332,906)**	**5,662**

The notes on pages 11 to 17 form part of these financial statements.

VEHICLE STOCKING LIMITED

Statement of financial position as at 31 December 2020

	Note	Dec-20 £	Mar-20 £
Current assets			
Trade and other receivables	**8**	7,711	2,498
Cash and cash equivalents		31,941	62,740
		39,652	65,238
Total assets		**39,652**	**65,238**
Current liabilities			
Trade and other payables	**9**	(33,990)	(284,130)
Loans & borrowings	**10**	-	(4,626,780)
Provisions	**11**	-	(230,298)
		(33,990)	(5,141,208)
Total liabilities		**(33,990)**	**(5,141,208)**
Net assets / (liabilities)		**5,662**	**(5,075,970)**
Capital and reserves			
Called up share capital	**12**	3,000,100	3,000,100
Capital contribution reserve		7,338,468	2,003,355
Accumulated losses		(10,332,906)	(10,079,425)
Total shareholders' funds / (deficit)		**5,662**	**(5,075,970)**

The financial statements on pages 8-17 were approved and authorised for issue by the Board and were signed on its behalf on 24 June 2021 by:

Peter Behrens

P Behrens
Director

Registration Number: 07380405

The notes on pages 11 to 17 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements were prepared in accordance with the Companies Act 2006, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and any other applicable accounting standards. The Company has taken advantage of the disclosure exemptions allowed under this standard. The Company's ultimate parent undertaking, Metro Bank PLC, was notified of, and did not object to, the use of any disclosure exemptions.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

a) the requirements of IFRS 7 Financial Instruments: Disclosures,
b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement,
c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
d) the requirements of paragraphs 10(d), 38(a-d) and 134-136 of IAS 1 Presentation of Financial Statements;
e) the requirements of IAS 7 Statement of Cash Flows;
f) the requirements of paragraphs 8(J) and 8(K) of FRS 101 with respect to Related party transactions; and
g) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions change. Management believe that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Functional and presentational currencies

The Company's presentational currency is pound sterling ("£"). The functional currency of the Company is also pound sterling on the basis that it is the pricing currency in which the transactions of the Company are conducted.

Strategic report exemption

The Company is entitled to the small companies' exemption in relation to the Strategic report as it would be entitled to prepare accounts for the period in accordance with the small companies' regime but for having been a member of an ineligible group.

Change of financial year-end

Following the acquisition of RateSetter, the Company changed the financial year-end to 31 December to align with the other entities in the Metro Bank group.

New, or amended, accounting standards

There are no new, or amendments to, accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the Company's financial statements.

Going concern

The intention of the director is to wind-up the Company within the next 12 months of these financial statements being approved. International Accounting Standard (IAS) 1 "Presentation of Financial Statements" requires the financial statements in such circumstances to be prepared on a basis other than going concern. No material adjustments to the valuation of the assets at recoverable amount and liabilities at settlement value were required as a result of preparing the financial statements on other than going concern basis. Any costs associated with the wind-up of the entity will be borne by Retail Money Market Ltd.

1.2 Summary of accounting policies

Finance costs

Finance costs comprise interest arising on loans and borrowings measured at amortised cost using the effective interest method.

Administrative expenses

Administrative expenses comprise office costs, professional costs, depreciation of assets and other costs.

Interest (payable) / receivable

Interest (payable) / receivable relates to interest arising on intercompany loans made to / from companies within the RateSetter group.

Cash and cash equivalents

Cash and cash equivalents include short-term deposits, with an initial maturity of three months or less, held with banks.

Financial instruments

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus any transaction costs that are attributable to the acquisition of the financial asset, with the exception of assets valued at fair value through profit or loss where transactions costs are expensed through the statement of comprehensive income. Following an assessment of the business model for managing the financial assets and the contractual terms of the cashflows, the Company classifies its financial assets, at initial recognition and for subsequent measurement, as financial assets held at amortised cost.

Amortised cost

Assets that are held for the collection of contractual cashflows, where the cashflows represent solely repayments of principal and interest, are measured at amortised cost using the effective interest method, net of any impairment provision. Interest earned from such financial assets is recognised in the statement of comprehensive income as revenue on an accruals basis using the effective interest method. Any losses arising from impairment of the asset are recognised in the statement of comprehensive income. The Company's financial assets measured at amortised cost includes trade and other receivables.

Trade receivables are recognised at fair value on initial recognition which equates to the amount expected to be receivable on settlement of the asset. All amounts are assessed for impairment based on a consideration of whether the Company will be able to collect all amounts due according to the original terms of the receivable using the expected credit loss ("ECL") approach. Any losses arising from impairment of the asset are recognised in the statement of comprehensive income within administrative expenses.

Impairment of financial assets

Under IFRS 9, for financial assets measured at amortised cost, the Company assesses the ECL. With respect to loan receivables, as the Company has adopted the simplified approach the loss allowance is equal to the lifetime ECL.

The ECL for the Company's loan receivables is derived from extrapolated loss curves created using historical credit loss data. In calculating the ECL forward-looking information is incorporated, such as the impact on future loan performance of certain macroeconomic variables.

Significant estimates included within the ECL calculations include the impact of the forward-looking information and the estimates around expected future recovery rates. Significant estimates will be reviewed on an ongoing basis as part of the IFRS 9 review process.

The other current assets have been analysed for impairment using the ECL approach and no material loss allowance has been deemed to be required.

De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cashflows from the financial assets expire or the Company has either transferred the contractual right to receive the cashflows from that asset or has assumed an obligation to pay those cashflows to one or more recipients.

Financial liabilities

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs. The Company classifies its financial liabilities, at initial recognition and for subsequent measurement, as financial liabilities held at amortised cost.

Amortised cost

Financial liabilities recognised in the Company's statement of financial position as either loans and borrowings or trade and other payables are classified as financial liabilities held at amortised cost. After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method with all movements recognised in the statement of comprehensive income.

Taxation

The tax expense comprises current and deferred tax. Current tax is recognised in the statement of comprehensive income and is provided at the amount expected to be paid (or recovered) applying tax rates and laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using a temporary difference approach, and is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated applying tax rates and laws enacted or substantively enacted at the end of the reporting period. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Provisions for liabilities

Provisions are recognised when the Company has a legal or constructive present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value.

Capital Contributions

Throughout the period, capital contributions were received from the Retail Money Market Ltd via a commission agreement and were recognised on an accruals basis. These capital contributions are recorded in the Capital contributions reserve. In November 2020 the Company received a capital contribution of £4,803,000 from its parent company, RateSetter Motor Limited, which was used to repay the Company's external debt. Upon the repayment of the external debt, the commission agreement with Retail Money Market Ltd ceased, as per the terms of the agreement.

2. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with FRS 101 requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Measurement of impairment provision

The Company exercises judgement in measuring and recognising provisions related to loans made to the motor trade to acquire vehicles under hire purchase contracts. An estimation technique is adopted in assessing the likelihood that a liability will arise, and to quantify the possible range of the financial settlement. Due to the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. At the reporting date, the gross loan receivables balance of £3.4m was fully impaired.

3. Segmental analysis

The Company's operations are carried out solely in the UK and are considered by the director to consist of a single business unit. The results and net liabilities of the Company are derived from its principal activity.

4. Employees

The average number of employees (including key management personnel) of the Company during the period was nil (Mar-20: nil). The Company has no employees and the employee services provided to the Company have been borne by Retail Money Market Ltd and were not re-charged.

5. Director's remuneration

The director is the only member of management that meets the definition of 'key management personnel' and during the period he did not receive any emoluments for services provided to the Company (Mar-20: £nil). The emoluments of the director have been borne by Retail Money Market Ltd and were not re-charged to the Company on the basis that the activity that the director performs as a director of the Company is not deemed to be material relative to the services he provides to the wider RateSetter group and, as a result, it is not considered possible to attribute a proportion of the director's overall remuneration to the Company.

6. Operating loss

	Dec-20 £	Mar-20 £
Operating loss for the period/year is stated after charging:		
Auditors' remuneration (audit fees only)	16,000	13,500
Profit on sale of property, plant and equipment	-	(2,276)

7. Tax on loss

The standard UK corporation tax rate was 19% for the period (Mar-20: 19%).

	Dec-20	Mar-20
	£	£
Current tax		
Current tax on loss for the period/year	-	-
Adjustment in respect of prior years	-	-
Tax charge	-	-
Factors affecting the tax charge for the current period:		
Loss for the period	(253,481)	(190,665)
Tax on loss at standard UK tax rate of 19% (Mar-20: 19%)	(48,161)	(36,226)
Effects of:		
Income not taxable	-	(679)
Movement in deferred tax not recognised	48,161	36,906
Tax charge for the period	-	-
Unrecognised deferred tax:		
Fixed Assets	(44,923)	(48,437)
Losses	(1,569,523)	(1,520,304)
	(1,614,446)	**(1,568,741)**

The current UK corporation tax rate is 19% and is not expected to change in the foreseeable future, therefore the unrecognised deferred tax asset of £1,614,446 (Mar 20: £1,568,741) has been calculated at a rate of 19% (Mar-20: 19%).

8. Trade and other receivables

	Dec-20	Mar-20
	£	£
Current assets:		
Prepayments	7,711	2,498
	7,711	**2,498**

The table below provides further detail of the loan receivables balance of nil (Mar-20: £nil):

	Dec-20	Mar-20
	£	£
Gross loan receivables	3,397,167	3,423,864
Impairment provisions	(3,397,167)	(3,423,864)
	-	-

9. Trade and other payables

	Dec-20	Mar-20
	£	£
Current liabilities:		
Trade creditors	1,896	4,222
Accruals	32,094	10,658
Amounts owed to group	-	267,850
Corporation tax liability	-	49
Other creditors	-	1,351
	33,990	**284,130**

10. Loans & borrowings

	Dec-20	Mar-20
	£	£
Current liabilities:		
Loans and borrowings	-	4,626,780

Loans and borrowings represent secured debt repayable to the RateSetter investors, with an average interest charge of 7%. The debt amortises monthly and had an original maturity of August 2022, which was extended to August 2024 in the prior year. In November 2020 the debt was repaid in full.

11. Provisions

	Dec-20 £	Mar-20 £
At the beginning of the period / year	230,298	425,748
Released in the period	-	(195,450)
Utilised in the period	(230,298)	-
At the end of the period / year	-	**230,298**

The provision figure at 31 March 2020 represents the amount due to HMRC in relation to historical VAT obligations. The provision release during the period followed the agreement with HMRC of the final amount payable.

12. Called up share capital

Ordinary share capital (authorised, issued and fully paid)	Dec-20 £	Mar-20 £
3,000,100 Ordinary shares of £1 each	3,000,100	3,000,100

13. Operating lease commitments

At the reporting date, the Company had no outstanding commitments for future minimum lease payments under non-cancellable operating leases.

14. Related party transactions

There are no other related party balances except those already disclosed within the notes of these accounts.

15. Ultimate controlling entity

At the reporting date, the ultimate controlling entity was Metro Bank PLC (company number: 06419578), a company incorporated in England and Wales. The registered office of Metro Bank PLC is One Southampton Row, London, WC1B 5HA. The Company's financial statements are included within the consolidated group accounts prepared by Metro Bank PLC.