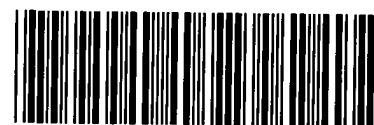


**Company No. 11253475**

**Bamboo Funding Limited**  
Annual report and financial statements  
For the year ended 31 December 2019

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**Bamboo Funding Limited**

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**Bamboo Funding Limited**

**Officers and professional advisers**

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**Directors**

Intertrust Directors 1 Limited	(appointed 13 March 2018)
Intertrust Directors 2 Limited	(appointed 13 March 2018)
Susan Abrahams	(appointed 31 August 2018)

**Company secretary and registered office**

Intertrust Corporate Services Limited  
1 Bartholomew Lane  
London  
United Kingdom  
EC2N 2AX

**Company number**

11253475 (England and Wales)

**Independent auditor**

Grant Thornton UK LLP  
30 Finsbury Square  
London  
United Kingdom  
EC2A 1AG

**Bamboo Funding Limited**  
Company registration No. 11253475

**Strategic report for the year ended 31 December 2019**

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The directors present the strategic report of Bamboo Funding Limited (the "Company") for the year ended 31 December 2019.

**Incorporation, principal activities, business review and future developments**

The Company, with limited liability, was incorporated on 13 March 2018 in the United Kingdom and registered in England and Wales under the Companies Act 2006.

The Company was established as a special purpose vehicle for the principal purpose of raising funding by entering into a senior loan facility agreement (the "Senior Loan"). The proceeds from the Senior Loan are used to acquire the beneficial title to a portfolio of eligible unsecured and guarantor loans and additional such loans from time to time (the "Loan Portfolio") from Bamboo Limited (the "Seller") under a loan sale and purchase agreement (the "Flow Agreement"). Bamboo Limited is the legal title holder of the Loan Portfolio. Both the Senior Loan and Flow Agreement include limited recourse and non-petition provisions common in structured finance and securitisation arrangements such that the Company is a so-called "bankruptcy remote" vehicle.

The Loan Portfolio acquired by the Company from the Seller fails the de-recognition criteria of IAS 39 and therefore the Loan Portfolio remains on the balance sheet of the Seller. Therefore, instead of recognising the Loan Portfolio in the balance sheet, the Company has recognised a loan to the Seller (the "Deemed Loan") on the statement of financial position of the Company (see note 7). The Senior Loan and Deemed Loan are referred to as the "Loans" in these Financial Statements.

It is intended that the Loan Portfolio will be refinanced by a future transaction involving a sale of the Loan Portfolio to a company that at the time of the transfer is, or as a result of the transfer will become, an assets-holding company or a note-issuing company.

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

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Due to the bankruptcy remote nature of the contractual arrangements under the Senior Loan and Flow Agreement the Company has a negligible risk profile.

**Results**

The Statement of Comprehensive Income of the Company account is set out on page 10 and shows the profit for the year.

**Key performance indicators, principal risks and uncertainties**

No impairment provisions are held against the Loan Portfolio at the year end.

The Company provides a full breakdown of the performance of the Loan Portfolio on a monthly basis. Some of the key performance indicators at the statement of financial position date are:

	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>£</b>	<b>£</b>
Outstanding balance of the Loan Portfolio	<b>106,764,704</b>	<b>60,200,165</b>

The gross principal Loan Portfolio acquired since the incorporation is £202,285,593 (2018: £76,190,201). Loan Portfolio amount of £68,291,017 (2018: £15,956,366) have been repaid during the period ended 31 December 2019. During the period £11,239,835, (2018: £33,607) of loans were written off. At the period end the balance of Senior Loan amounted to £66,630,704 (2018: £38,017,090).

The financial principal risks and uncertainties faced by the Company are set out below and under Financial Instruments (note 11).

**Bamboo Funding Limited**

Company registration No. 11253475

**Strategic report for the year ended 31 December 2019 (*continued*)**

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**Financial instruments**

The Company's operations are financed primarily by the Senior Loan. The Company has entered into such loan agreement to finance the acquisition of the Loan Portfolio from the Seller as explained in the business review above.

The directors monitor the Company's performance by reviewing monthly reports on the performance of the Loan Portfolio. Such review is designed to ensure that the terms of the transaction documentation have been complied with, that no unforeseen risks have arisen and that the Lenders have been paid on a timely basis.

Whilst the directors have overall responsibility for the establishment and oversight of the Company's risk management framework, this obligation has been allocated and managed in accordance with the transaction documents.

The Company is mainly exposed to credit risk, liquidity risk and market risk. The principal nature of such risks is summarised below and in note 11. However, such risks are absorbed by the Deemed Loan and Senior Loan under the bankruptcy remote contractual arrangements.

*Credit risk*

Credit risk reflects the risk that the underlying borrowers will not be able to meet their obligations on the Loan Portfolio as they fall due.

The Company's principal business objective rests on the purchase of the Loan Portfolio. The Company considered the evaluation of a borrower's ability to service a loan according to its terms to be the principal factor in assessing the credit risk.

The recoverability of the Deemed Loan to the Seller is dependent on the collections from the underlying Loan loans. The Deemed Loan is considered impaired when it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the agreement. However, it will not result in an impairment loss if the cash flows from the Loan Portfolio is still expected to be sufficient to meet the Company's obligations. The financial loss incurred on the Loan Portfolio will not trigger an impairment charge as long as they do not exceed the credit enhancement provided by the Seller.

The credit quality of the Loan Portfolio is set out in note 11. The directors have assessed the latest information provided by the servicer, Bamboo Limited, and have decided not to provide an impairment provision against the value of the Deemed Loan at 31 December 2019.

*Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with its financial instruments, should the cash flows from the assets differ from those expected.

The Loans Portfolio are financed principally by the Senior Loan and the Deemed Loan. The financing policy substantially reduces the Company's liquidity risk by matching the payment profile of the Company's funding to the payment profile of the assets being funded.

*Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and interest rate risk.

**Bamboo Funding Limited**

Company registration No. 11253475

**Strategic report for the year ended 31 December 2019 (*continued*)**

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Currency risk

The Company is not exposed to currency risk as all its financial instruments are denominated in GBP.

Interest rate risk

Interest rate risk exists where interest rates on assets and liabilities are set on different bases or reset at different times. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of its assets and liabilities are similar. Underlying loans in Loan Portfolio are based on a fixed interest rate range from 26.9% to 99.9% and are not exposed to market driven fluctuation whereas interest on the loan notes is calculated by reference one month LIBOR plus a margin of 5.25%.

On behalf of the Board



Susan Abrahams

Per pro **Intertrust Directors 1 Limited**

Director

29 May 2020

**Bamboo Funding Limited**  
Company registration No. 11253475

## **Directors' report for the year ended 31 December 2019**

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The directors present their annual report together with the audited financial statements for the Company for the year ended 31 December 2019.

### **Going concern**

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

The Company is obliged to redeem the Loans at their principal amount outstanding upon maturity. However, due to the non-recourse nature of the Loans, the Company's ability to pay amounts due on the Loans is, in substance, limited to the application of the receipts from the Loan Portfolio under the terms of the priority of payments as set out in the terms and conditions of the Senior Loan.

It is the intention of the directors of the Company to continue operations until such a time as the amounts due from the Loan Portfolio have been fully realised. Ultimately, due to the limited recourse nature of the Loans, any shortfall in the proceeds of the Loan Portfolio will be a risk to the Lenders.

If the proceeds from the Loans are insufficient to pay amounts due to the Lenders, such amounts will cease to be due.

Therefore the directors consider that the Company is able to meet its liabilities as they fall due, and accordingly, the financial statements have been prepared on a going concern basis.

### **COVID-19 Coronavirus considerations**

In March 2020 the World Health Organisation declared the outbreak of a unique coronavirus ("COVID-19") as a pandemic.

Since the year end the Covid-19 pandemic has occurred with a significant impact from Mid-March when the UK Government instructed a lock down to minimise the spread of the virus and fatalities from it. As stated above, given the non-recourse nature of the Senior Loan and the Deemed Loan the Company's ability to pay amounts due on the Loans is, in substance, limited to the application of the receipts from the Loan Portfolio under the terms of the priority of payments as set out in the terms and conditions of the Senior Loan and as a result of this does not impact the going concern assumption.

### **Future developments**

Information on future developments is included in the Incorporation, principal activities, business review and future developments section of the Strategic report.

### **Financial risk management**

Information on financial risk management is included in the financial instruments section of the Strategic report.

### **Share capital**

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

### **Directors and their interests**

The directors of the Company during the year, and subsequently, were:

Intertrust Directors 1 Limited  
Intertrust Directors 2 Limited  
Susan Abrahams

None of the directors has any beneficial interest in the ordinary share capital of the Company.

None of the directors had any interest during the year in any material contract or arrangement with the Company.

The directors do not recommend the payment of a dividend.

**Bamboo Funding Limited**

Company registration No. 11253475

**Directors' report for the year ended 31 December 2019 (continued)**

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**Third party 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 annual reports and financial statements.

**Company secretary**

Intertrust Corporate Services Limited was appointed on 13 March 2018 and served as the company secretary subsequently.

**Statement of disclosure of information to the auditor**

The directors at the date of approval of this report confirms that:

- (a) so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

**Independent auditor**

The auditor, Grant Thornton UK LLP, were appointed by the directors as the first auditor of the Company. Auditor has indicated their willingness to continue in the office. Pursuant to Section 489 of Companies Act 2006, a resolution for the re-appointment of Grant Thornton UK LLP will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board



Susan Abrahams

Per pro **Intertrust Directors 1 Limited**

Director

29 May 2020



**Bamboo Funding Limited**

Company registration No. 11253475

**Directors' responsibilities statement**

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The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with the Companies Act 2006, 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 Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102").

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 year. In preparing these 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 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 Act. They are 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.

On behalf of the Board



Susan Abrahams

Per pro **Intertrust Directors 1 Limited**

Director

29 May 2020

## **Independent Auditor's Report to the Members of Bamboo Funding Limited**

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### **Opinion**

We have audited the financial statements of Bamboo Funding Limited (the 'company') for the year ended 31<sup>st</sup> December 2019, which comprise the Statement of comprehensive income, Statement of financial position, the Statement of changes in equity, 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

### **The impact of macro-economic uncertainties on our audit**

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

## **Independent Auditor's Report to the Members of Bamboo Funding Limited**

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However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 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.

### **Matter on which we are required to report under the Companies Act 2006**

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

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

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, 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.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 7, 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 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 company or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's Report to the Members of Bamboo Funding Limited**

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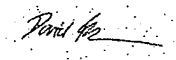
### **Auditor's responsibilities for the audit of the financial statements**

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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.



David Pearson

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London  
29 May 2020

**Bamboo Funding Limited****Statement of comprehensive income for the year ended 31 December 2019**

	Notes	1 January to 31 December 2019 £	13 March 2018 to 31 December 2018 £
Interest receivable and similar income	2	6,595,698	1,874,744
Interest payable and similar charges	3	(3,400,924)	(882,703)
<b>Net interest receivable</b>		<b>3,194,774</b>	<b>992,041</b>
Other operating expenses		(3,190,574)	(990,641)
<b>Profit before taxation</b>	6	<b>4,200</b>	<b>1,400</b>
Tax on loss on ordinary activities	6	(1,197)	(266)
<b>Profit after taxation</b>		<b>3,003</b>	<b>1,134</b>
Other comprehensive income		-	-
<b>Profit and other comprehensive income for the year/period</b>		<b>3,003</b>	<b>1,134</b>

All amounts relate to continuing activities.

The notes on pages 13 to 22 form part of these financial statements.

**Bamboo Funding Limited**

Company registration No. 11253475

**Statement of financial position as at 31 December 2019**

	Notes	2019 £	2018 £
<b>Current assets</b>			
Deemed Loan	7	57,031,538	33,308,703
Debtors	8	2,196,519	1,369,147
Cash at bank and in hand		8,504,558	4,263,086
		<u>67,732,615</u>	<u>38,940,936</u>
<b>Creditors: amount falling due within one year</b>	9	(1,097,773)	(922,711)
<b>Net current assets</b>		<u>66,634,842</u>	<u>38,018,225</u>
<b>Total assets less current liabilities</b>		66,634,842	38,018,225
<b>Creditors: amounts falling due after more than one year</b>	9	(66,630,704)	(38,017,090)
<b>Net assets</b>		<u><u>4,138</u></u>	<u><u>1,135</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account		4,137	1,134
<b>Total shareholders' deficit</b>		<u><u>4,138</u></u>	<u><u>1,135</u></u>

The notes on pages 13 to 22 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 29 May 2020 and signed on their behalf by:



Susan Abrahams  
Per pro **Intertrust Directors 1 Limited**  
Director

**Bamboo Funding Limited****Statement of changes in equity for the year ended 31 December 2019**

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	<b>Called up share Capital £</b>	<b>Profit and loss account £</b>	<b>Total shareholders' funds £</b>
Issue shares capital	1	-	1
Profit for the financial period and total comprehensive income	-	1,134	1,134
Balance as at 31 December 2018	<b>1</b>	<b>1,134</b>	<b>1,135</b>
Profit for the financial period and total comprehensive income	-	3,003	3,003
Balance as at 31 December 2019	<b>1</b>	<b>4,137</b>	<b>4,138</b>

The notes on pages 13 to 22 form part of these financial statements.

**Bamboo Funding Limited****Notes to the financial statements for the year ended to 31 December 2019**

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**1) Accounting policies***General information*

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office is 11 Bartholomew Lane, London, EC2N 2AX.

*Statement of compliance*

The financial statements are prepared on a going concern basis under the historical cost convention as modified by revaluation of certain financial instruments in accordance with the Companies Act 2006 (the "Act") and applicable accounting standards in the United Kingdom. The Company has adopted and is in compliance with Financial Reporting Standard 102. The Company has adopted in full IAS 39 with respect to the recognition and measurement of financial instruments. The accounting policies which have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements are set out below.

The presentation currency of these financial statements is sterling.

*Going concern*

The financial statements have been prepared on a going concern basis.

The Company is obliged to redeem the Loans at their principal amount outstanding upon maturity. However, due to the non-recourse nature of the Loans, the Company's ability to pay amounts due on the Loans are, in substance, limited to the application of the receipts from the Loan Portfolio under the terms of the priority of payments as set out in the terms and conditions of the Senior Loan.

It is the intention of the directors of the Company to continue operations until such a time as the amounts due from the Loan Portfolio have been fully realised. Ultimately, due to the limited recourse nature of the Loans, any shortfall in the proceeds of the Loan Portfolio will be a risk to the Lenders.

If the proceeds from the Loans are insufficient to pay amounts due to the Lenders, such amounts will cease to be due.

Therefore the directors consider that the Company is able to meet its liabilities as they fall due, and accordingly, the financial statements have been prepared on a going concern basis.

***Interest income and expense***

The Company accounts for interest income and expense on an accruals basis. Interest income on financial assets that are classified as loans and receivables and interest expense on financial liabilities other than those at fair value through profit or loss is determined using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount.

***Segmental analysis***

All of the Company's operations are carried out in the UK and the results and net liabilities are derived from its purchase of the Loan Portfolio.



**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (*continued*)**

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**1) Accounting policies (*continued*)*****Financial instruments***

The Company's financial instruments comprise the Deemed Loan (net of deferred consideration) and Senior Loan, cash and various receivables and payables that arise from its operations. These financial instruments are classified as described below.

***Deemed Loan***

Where a transfer of a financial asset does not qualify for de-recognition, the transferee does not recognise the transferred asset as its asset. The transferee derecognises the cash or other consideration paid and recognises a receivable from the transferor. In relation to the Loan Portfolio transferred to the Company, de-recognition is considered to be inappropriate for the portfolio's seller (Bamboo Limited) as they have retained significant risks and rewards of that financial asset. The Company's financial statements are therefore prepared on the basis that its acquisitions of beneficial interests in the Loan Portfolio are recognised as a collateralised non-recourse loan to the Seller, based on the amount the Company paid to the Seller to acquire the Loan Portfolio net of deferred consideration due to Seller.

The Loan Portfolio acquired by the Company from the Seller fails the de-recognition criteria of IAS39 and therefore the Loan Portfolio remains on the balance sheet of the Seller. Therefore instead of recognising the Loan Portfolio in the balance sheet, the Company has recognised a loan to the Seller (the "Deemed Loan") on the statement of financial position of the Company.

The Company retains the right to receive £350 each month of available revenue receipts from the beneficial interest in the Loan Portfolio. Available revenue receipts are defined by the transaction documentation and include interest on the Loan Portfolio and interest received on the bank accounts. Interest receipts on the Loan Portfolio in excess of those required by the Company to meet its obligations under the transaction documents, including in relation to retained profit accrued to the Seller of the Loan Portfolio as deferred consideration. The payments of deferred consideration are strictly governed by the priority of payments that sets out how cash can be utilised. The deferred consideration has been incorporated with the Deemed Loan, due to its linkage with the cash flows associated with the Loan Portfolio.

The Deemed Loan is subject to impairment reviews in accordance with IAS 39. A charge for impairment would be recognised where there is a risk that the income on the Deemed Loan will be significantly reduced. This could occur if the credit quality of the Loan Portfolio that are pledged as collateral for the Deemed Loan deteriorated significantly. Currently the directors consider that no impairment exists.

***Senior Loan***

The senior loan (the "Senior Loan") are classified as other financial liabilities and are initially recognised at fair value at the date of issuance of the liability, and are subsequently measured at amortised cost using the effective interest rate method.

***Cash at bank and in hand***

Cash at bank and in hand comprise cash at bank.

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (*continued*)**

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**1) Accounting policies (*continued*)*****Taxation***

Current tax, including UK corporation tax and foreign 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 statement of financial position date.

Under the powers conferred by the Finance Act 2005 (the "Act"), secondary legislation was enacted in 2006 which ensures that, subject to certain conditions being met and an election being made, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the profit of the securitisation company required to be retained in accordance with the relevant capital market arrangement.

The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both the Act and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise.

***Use of estimates and judgments***

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future periods if the revision affects both current and future periods.

The judgments and estimates involved in the Company's accounting policies that are considered by the directors to be the most important to the portrayal of the Company's financial condition and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Impairment**

The recoverability of the Deemed Loan to the Seller is dependent on the collections from the underlying loans. The Loan Portfolio is considered impaired when it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the agreement. The key assumptions for recoverability relate to estimates of the probability of any account going into default, cash flows from borrowers' accounts, their timing and expected proceeds from the sale of repossessed collateral. These key assumptions are based on observed data from historical patterns and are updated by the servicer as new data becomes available.

In addition, the directors consider how appropriate past trends and patterns could impact the current economic climate and may make any adjustments they believe are necessary to reflect the current economic and market conditions.

The accuracy of impairment calculations would therefore be affected by unexpected changes to the economic situation, variances between the models used and the actual results, or assumptions which differ from the actual outcomes.

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)**

	<b>1 January 2019 to 31 December 2019 £</b>	<b>13 March 2018 to 31 December 2018 £</b>
<b>2) Interest receivable and similar income</b>		
Deemed Loan Interest	6,595,698	1,874,744
	<b>6,595,698</b>	<b>1,874,744</b>

	<b>1 January 2019 to 31 December 2019 £</b>	<b>13 March 2018 to 31 December 2018 £</b>
<b>3) Interest payable and similar charges</b>		
Interest on Senior Loan	3,102,921	776,485
Amortisation of issue cost	298,003	106,218
	<b>3,400,924</b>	<b>882,703</b>

	<b>1 January 2019 to 31 December 2019 £</b>	<b>13 March 2018 to 31 December 2018 £</b>
<b>4) Profit on ordinary activities before taxation</b>		
This has been arrived at after changing:		
Auditors' remuneration -		
- audit of the Company's annual financial statements	15,000	15,000
	<b>15,000</b>	<b>15,000</b>

**5) Directors and employees**

The Company has no employees and services required are contracted from third parties.

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

	<b>1 January 2019 to 31 December 2019 £</b>	<b>13 March 2018 to 31 December 2018 £</b>
<b>6) Taxation on profit on ordinary activities</b>		
<b>a) Analysis of Company tax charge for the period</b>		
Current tax:		
UK corporation tax charge on profit on ordinary activities	1,197	266
	<b>1,197</b>	<b>266</b>

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)****6) Taxation on profit on ordinary activities (continued)****b) Factors affecting tax charge for period**

The charge in respect of taxation for the period is based on the UK standard rate of corporation tax of 19%.

The differences are explained below:

	<b>1 January 2019 to 31 December 2019 £</b>	<b>13 March 2018 to 31 December 2018 £</b>
Loss on ordinary activities before tax	4,200	1,400
Current tax charge at 19%	798	280
Effects of:		
Accounting profits not taxed in accordance with SI 2006/3296	(798)	(280)
Cash retained profit taxed in accordance with SI 2006/3296	1,197	266
<b>Total tax</b>	<b>1,197</b>	<b>266</b>

For UK corporation tax purposes, the Company has been considered as a Securitisation company under the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296). Therefore, the Company is not required to pay corporation tax on its accounting profit nor recover tax on its loss. Instead, the Company is required to pay tax based on its retained profits of £350 for each interest payment date.

**7) Deemed loan**

	<b>2019 £</b>	<b>2018 £</b>
Opening balance	33,308,703	-
Gross deemed loan to the Seller arising from purchase of loan Portfolio	126,095,392	76,190,201
Redemption of loan Portfolio	(68,291,017)	(15,956,366)
Loans written off during the period	(11,239,835)	(33,670)
Suspense receipts	15,964	-
EIR Adjustment	(5,326,460)	2,664,573
Gross deemed loan to the Seller	74,562,747	62,864,738
Deferred consideration	(17,531,209)	(29,556,035)
<b>Net deemed loan to the Seller</b>	<b>57,031,538</b>	<b>33,308,703</b>

	<b>2019 £</b>	<b>2018 £</b>
The maturity profile of the deemed loan was as follows:		
In one year or less (see note 8)	45,511,307	25,022,548
In more than one year	11,520,231	8,286,155
	<b>57,031,538</b>	<b>33,308,703</b>

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)**

<b>8) Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Prepayment	18,745	6,603
Other debtors	2,177,774	1,362,544
	<u>2,196,519</u>	<u>1,369,147</u>

<b>9) Creditors: Amounts falling due within one year:</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accrued interest payable on Senior Loan	165,359	89,513
Corporation tax creditor	798	266
Accrued expenses	931,616	832,932
	<u>1,097,773</u>	<u>922,711</u>

<b>Creditors: Amounts falling due after one year:</b>	<b>2019</b>	<b>2018</b>
Senior Loan	66,630,704	38,017,090
	<u>66,630,704</u>	<u>38,017,090</u>

The maturity profile of the Notes is detailed below under Note 11 – 'Liquidity Risk'.

<b>10) Called up share capital</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<i>Called up, allotted and issued</i>		
1 ordinary share of £1: fully paid	1	1
	<u>1</u>	<u>1</u>

Intertrust Corporate Services Limited is the sole member of the Company.

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)****11) Financial instruments**

The narrative disclosure required by Financial Reporting Standard 102 in relation to the nature of the financial instruments used during the period to mitigate credit, interest rate and liquidity exposure is shown in the Strategic report under the heading 'Financial instruments'.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken.

The Company's exposure to risk on its financial instruments and the management of such risk is largely determined from inception of the transaction. The Company's activities and the role of each party to the transaction is clearly defined and documented.

<b>Categories of financial instruments</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Financial assets</b>		
Deemed Loan	57,031,538	33,308,703
Cash and cash equivalent	8,504,558	4,263,086
Other debtors	2,196,519	1,369,147
	<b>67,732,615</b>	<b>38,940,936</b>
<b>Financial liabilities</b>		
Senior Loan	66,630,704	38,017,090
Other creditors	1,097,773	922,711
	<b>67,728,477</b>	<b>38,939,801</b>

**Credit risk**

Credit risk reflects the risk that the underlying borrowers will not be able to meet their obligations on the Loan Portfolio as they fall due and will cause a financial loss by failing to discharge an obligation.

The Company's business objective rests on the purchase of a Loan Portfolio. The Company considers the evaluation of the underlying borrower's ability to service the Loan Portfolio according to its terms to be the principal factor in assessing credit risk and the decision to acquire the Loan Portfolio.

The recoverability of the Deemed Loan to the Seller is dependent on the collections from the underlying Loan loans. The Deemed Loan is considered impaired when it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the agreement. However, it will not result in an impairment loss if the cash flows from the Loan Portfolio is still expected to be sufficient to meet the Company's obligations. The financial loss incurred on the Loan Portfolio will not trigger an impairment charge as long as they do not exceed the credit enhancement granted by the Seller.

The directors have assessed the latest information provided by the servicer, Bamboo Limited, and have decided to provide no impairment provision.

The maximum exposure to credit risk pre-collateral as stated above arising on the Company's financial assets at the reporting date is disclosed in the table below and is equivalent to the book value of the financial assets.

	<b>Carrying Value</b> <b>2019</b> <b>£</b>	<b>Maximum Exposure</b> <b>2019</b> <b>£</b>	<b>Carrying Value</b> <b>2018</b> <b>£</b>	<b>Maximum Exposure</b> <b>2018</b> <b>£</b>
<b>Assets:</b>				
Deemed loan	57,031,538	57,031,538	33,308,703	33,308,703
Cash and cash equivalents	8,504,558	8,504,558	4,263,086	4,263,086
	<b>65,536,096</b>	<b>65,536,096</b>	<b>37,571,789</b>	<b>37,571,789</b>

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)****11) Financial instruments (continued)****Credit risk (continued)**

The credit quality of the underlying Loan Portfolio is summarised as followed:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Loans</b>		
Neither past due nor impaired	93,578,704	55,183,165
Past due but not impaired	6,384,000	3,318,000
Individually impaired	6,802,000	1,699,000
	<b><u>106,764,704</u></b>	<b><u>60,200,165</u></b>

**Market risk**

Market risk is defined as the potential loss in value or earnings of an organisation arising from changes in external market factors.

**Interest rate risk**

Interest rate risk exists where assets and liabilities have interest rates set under a different basis or which reset at different times.

Interest on the book value of the liabilities is determined and payable monthly in arrears. As at 31 December 2018 the following rates were applicable:

	<b>2019</b>	<b>2018</b>	<b>Interest rate</b>
	<b>£</b>	<b>£</b>	
Senior Loan	67,472,794	39,023,850	LIBOR + 5.25%
	<b><u>67,472,794</u></b>	<b><u>39,023,850</u></b>	
Accrued interest on Senior Loans	165,359	89,513	
	<b><u>67,638,153</u></b>	<b><u>39,113,363</u></b>	

Under the terms of the documentation governing the transaction, payments of interest are limited to the extent that sufficient revenue receipts are available.

**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)****11) Financial instruments (continued)****Liquidity risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at an unacceptably high cost. The Company's ability to meet payments on the Loans as they fall due is dependent on timely receipt of funds on the Loan Portfolio.

The table below reflects the undiscounted contractual cash flows of non-derivative financial liabilities at the statement of financial position date.

	Carrying value £	Expected gross cash flows £	In less than 1 month	1-3 months £	3 -12 months £	1 year to 5 years £	After 5 years £
<b>As at 31 December 2019</b>							
Senior Loan	67,472,794	67,472,794	-	-	-	67,472,794	-
Interest payable on Senior Loan	165,359	10,395,580	341,742	650,413	3,031,585	6,371,840	-
<b>Total financial liabilities</b>	<b>67,638,153</b>	<b>77,868,374</b>	<b>341,742</b>	<b>650,413</b>	<b>3,031,585</b>	<b>73,844,634</b>	<b>-</b>
<b>As at 31 December 2018</b>							
Senior Loan	39,023,850	39,023,850	-	-	-	39,023,850	-
Interest payable on Senior Loan	89,513	8,363,043	198,207	377,232	1,758,285	6,029,319	-
<b>Total financial liabilities</b>	<b>39,113,363</b>	<b>47,386,893</b>	<b>198,207</b>	<b>377,232</b>	<b>1,758,285</b>	<b>45,053,169</b>	<b>-</b>

The Loans do not have any contractual cash flows as they are repaid based on the cash received from the Loan Portfolio. The contractual cash flows included in tables above relate to the contractual cash flows on the Loan Portfolio. Interest payable on the Loans has been based on current LIBOR rates.

**Currency profile**

All of the Company's financial assets and liabilities are denominated in Sterling.

**Fair value of financial assets and liabilities**

Financial Reporting Standard 102 in relation to the nature of the financial instruments that are measured in the balance sheet at fair value requires them to be put into a fair value measurement hierarchy based on fair value measurement as detailed below:

level 1 - prices (unadjusted) in active markets for identical assets or liabilities.

level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There are no financial instruments included in the Company's statement of financial position that are measured at fair value.



**Bamboo Funding Limited****Notes to the financial statements for the year ended 31 December 2019 (continued)**

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**12) Ultimate parent undertaking**

The entire issued share capital of the Company is held by the legal parent company Intertrust Corporate Services Limited ("ICSL") a company incorporated in the United Kingdom and registered in England and Wales. ICSL holds the share on a discretionary trust basis under a share trust deed. As the trustees are not entitled to any economic benefit and the beneficiaries do not have any decision making power, there is no controlling party.

Copies of the financial statements of Intertrust Corporate Services Limited may be obtained from 35 Great St Helen's, London EC3A 6AP.

**13) Related party transactions**

A number of transactions have been entered into with the related parties as part of the Company's normal business. The related parties are Bamboo Limited and Intertrust Management Limited, by the virtue of their various roles and input into securitisation arrangements to which the Company is a party.

During the period, fees of £38,676 (2018: £30,900) were paid to Intertrust Management Limited in respect of corporate services fees provided to the Company. As at the period end £18,748 (2018: £6,603) were overpaid included within prepayments.

Intertrust Corporate Services Limited is a wholly owned subsidiary of Intertrust Management Limited.

The balance of the Deemed Loan purchased from Bamboo Limited is £57,031,538 (2018: £33,308,585) which includes the deferred consideration of £17,531,209 (2018: £29,556,035). Interest received during the period on the Deemed Loan amounted to £6,595,698 (2018: £1,874,744).

**14) Post balance sheet events**

In March 2020 the World Health Organisation declared the Covid-19 outbreak as a pandemic. Since the year end the Covid-19 pandemic has occurred with a significant impact from Mid-March when the UK Government instructed a lock down to minimise the spread of the virus and fatalities from it.

Given the non-recourse nature of the Senior Loan and the Deemed Loan the Company's ability to pay amounts due on the Loans is, in substance, limited to the application of the receipts from the Loan Portfolio under the terms of the priority of payments as set out in the terms and conditions of the Senior Loan and as a result this does not impact the going concern assumption.

Consequently, the directors' assessment of potential post balance sheet events did not reveal any events that require adjustment to be made to the financial statements.