

Country by Country Reporting for the year ended 31 December 2018

A Country by Country Reporting ('CBCR') obligation was introduced through Article 89 of the EU Directive 2013/36/EU, otherwise known as the Capital Requirements Directive IV ('CRD IV'). This document satisfies our reporting obligations for the year ended 31 December 2018.

Name, nature of activities and geographical location

These disclosures relate to Kingdom Bank Limited ("the Bank"). The Bank is located in Nottingham in the UK. The registered office address is Ruddington Fields Business Park, Mere Way, Ruddington, Nottingham NG11 6JS.

The principal business of the Bank continues to be secured lending to churches, charities and individuals. The church and charity loans are focussed on helping the organisations to deliver their mission to their local communities. The loans to individuals are either for similar purposes or to provide housing for church workers now or in the future. The Bank is particularly interested in financing projects which provide practical help and support to people in need both physically and spiritually. This is funded from customer deposits in a range of savings and investment accounts. These savings products are designed to be easy to understand, whilst offering sufficiently competitive interest rates and easy access. In conjunction with this the Bank operates an insurance broking service specialising in churches and charities.

Turnover

The Bank's turnover for the year ended 31 December 2018 was £2,537,000.

Average number of employees on a full time equivalent basis

The average number of employees on a full time equivalent basis during the year ended 31 December 2018 was 28.

Profit or loss before tax

The profit before tax for the year ended 31 December 2018 was £178,000.

Corporation tax paid on profits

The amount of corporation tax paid in the year ended 31 December 2018 was £32,000.

Public subsidies received

No public subsidies were received during the year ended 31 December 2018.

Basis of preparation

The information above is prepared on the following basis for the year ended 31 December 2018:

- The CBCR is prepared on a solus basis for Kingdom Bank Limited.
- Turnover represents total interest receivable from borrowers and banking counterparties together with insurance commission income.
- The average number of employees is an average of monthly total full time equivalent employees, based on employees legally employed by the Bank excluding contractors. The disclosure is inclusive of 4 non-executive directors who are employed under a contract for services.
- Corporation tax paid on profits shows the total amount of UK corporation tax paid to HM Revenue & Customs in 2018. An element of the payments will relate to prior years and therefore the figures will not represent corporation tax charged in the period.



20 March 2019



Independent auditors' report to the directors of Kingdom Bank Limited

We have audited the 'Country by Country Reporting for the year ended 31 December 2018' of Kingdom Bank Limited ("the schedule"). The schedule has been prepared by the directors, based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' responsibility for the schedule

The directors are responsible for the preparation of the schedule, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal control as the directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Country-by-Country information in the schedule as at 31 December 2018 is prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Basis of preparation and restriction on distribution

Without modifying our opinion, we draw attention to the Basis of Preparation note to the schedule, which describes the basis of preparation. The schedule is prepared to assist the directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result, the schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors of Kingdom Bank Limited. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
East Midlands
20 March 2019

PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ

T: +44 (0) 1509 604 000, F: +44 (0) 1509 604 010, www.pwc.co.uk