



AIB CORPORATE LEASING LIMITED

**Directors' Report and
Annual Financial Statements
for the year ended 31 December 2019**

Company registration number 01483027



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Directors and other information

Directors	John McMullen John Silcox
Secretary	Brian Kearns
Registered office	AIB St. Helen's 1 Undershaft EC3A 8AB United Kingdom
Registered number	01483027
Registered auditor	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2 Ireland
Banker	Allied Irish Banks, p.l.c. 10 Molesworth Street Dublin 2 Ireland

Directors' report

The Directors present herewith their annual report and audited financial statements of AIB Corporate Leasing Limited (the 'Company') for the year ended 31 December 2019. The Directors' responsibilities statement in relation to the financial statements is on page 6.

The Company has chosen, in accordance with Section 414C(11) of the Companies Act 2006, and as noted in this Director's Report, to include certain matters, such as capital management, principal risks and uncertainties and a review of future developments in its strategic report that would otherwise be required to be disclosed in this Directors' report. The strategic report can be found on page 5 of the Annual Report and Financial Statements.

Going concern

The financial statements for the financial year ended 31 December 2019 have been prepared on a going concern basis as the Directors are satisfied, having considered the risks and uncertainties impacting the Company, that it has the ability to continue in business for the period of assessment. The period of assessment used by the Directors is twelve months from the date of approval of these financial statements.

In making its assessment, the Directors have considered a wide range of information relating to present and future conditions of the Company including continuing availability of sufficient resources from Allied Irish Banks, p.l.c. ('AIB'). The Company is dependent on AIB for continued funding and is therefore dependent on the going concern of AIB.

AIB's financial statements for the financial year ended 31 December 2019 were prepared on a going concern basis.

Conclusion

On the basis of the continued availability of funding from AIB, and notwithstanding the potential impact of COVID-19 to impact the performance of the Company, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Directors and secretary during the year

The following were Directors of the Company during the financial year ended 31 December 2019:

John McMullen
John Silcox

The Secretary of the Company from 28 June 2019 for the remainder of the financial year ended 31 December 2019 was Brian Kearns. Iain Hamilton resigned as Secretary of the Company on 28 June 2019 and Brian Kearns was appointed on the same date.

None of the Directors nor Secretary who held office at the end of the year had any disclosable interests, as defined in the UK Companies Act 2006, in the shares of the Company or any other Group undertakings.

No contracts of significance in which a director had a material interest existed at the end of the year or at any time during the year.

Accounting records

The Directors believe that they have complied with the requirements of Section 386 of the Companies Act, 2006 with regard to accounting records by allocating personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at AIB, 10 Molesworth Street, Dublin 2, Ireland.

Disclosure of information to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 487 of the Companies Act 2006.

Directors' report (continued)

Independent auditor

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm have expressed their willingness to continue in office under Section 383(2) of the Companies Act, 2014.

By Order of the Board,



John Silcox
Director

Date: 7 September 2020

Strategic report

Principal activities

The Company was engaged in the business of property leasing. In July 2010, the leasing business was sold and the Company activity is now to act as a holding company. The Company did not trade during the year. The Directors expect the Company to remain dormant for the foreseeable future.

The Company is a wholly owned subsidiary of AIB and receives ongoing resources which enable the Company to meet its obligations as they fall due. The ultimate parent company of the Company and AIB is AIB Group plc.

However 2020 has been impacted by the recent coronavirus outbreak (COVID-19) which is a significant risk that the Company and AIB are monitoring closely. The public policy response, at a national and supra-national level, has been rapid and far ranging. Notwithstanding this there remain many uncertainties regarding the prevalence of the virus and future course of the public health response. This makes it difficult to judge the duration, severity and longer term economic implications arising from both the health crisis and the resultant economic downturn. Consequently there are a wide range of possible outcomes for the economies where AIB operates which in turn will affect the financial performance of AIB.

Business review

The results for the year are set out in the attached financial statements. The Company did not declare nor pay any dividend for the financial year ended 31 December 2019 or in the previous financial year.

The Company's statement of financial position shows negative net equity at 31 December 2019 of £361k (2018: negative net equity £364k).

Strategy and outlook

The Directors expect the Company to remain dormant for the foreseeable future.

Principal risks and uncertainties

Information concerning the principal risks and uncertainties facing the Company as required under the terms of the European Accounts Modernisation Directive (2003/51/EEC) is set out in note 10 to the financial statements.

Capital management

The Company is dependent on AIB for its capital and funding.

Political and charitable donations

The Company made no political or charitable contributions during the year 2019 (2018: nil).


Non-adjusting events after the reporting period

Coronavirus outbreak

The recent coronavirus outbreak (COVID-19) is a significant risk that the Company and AIB are monitoring closely. The public policy response, at a national and supra-national level, has been rapid and far ranging. Notwithstanding this there remain many uncertainties regarding the prevalence of the virus and future course of the public health response. This makes it difficult to judge the duration, severity and longer term economic implications arising from both the health crisis and the resultant economic downturn. Consequently there are a wide range of possible outcomes for the economies where AIB operates which in turn will affect the financial performance of AIB.

AIB has established a monitoring group to assess the range of possible impacts, recognising emerging UK and Irish Government supports and regulatory guidance and will continue to respond to the situation as it evolves.

There have been no other significant events affecting the Company since the reporting date which require amendment to, or disclosure in, the financial statements.


John Silcox
Director

Date: 7 September 2020

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

By Order of the Board,



John Silcox

Director

Date: 7 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIB CORPORATE LEASING LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of AIB Corporate Leasing Limited (the 'company'):

- 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of cash flows;
- the statement of changes in equity; and,
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

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 Financial Reporting Council's (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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

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 respect of these matters.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIB CORPORATE LEASING LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.



John McCarroll
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 15 September 2020

Income statement

for the financial year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Profit before taxation		—	—
Taxation	3	3	3
Profit for the financial year		3	3

The operating profit arises from continuing operations.

Statement of comprehensive income

for the financial year ended 31 December 2019

	2019 £'000	2018 £'000
Profit for the year	3	3
Other comprehensive income for the year	—	—
Total comprehensive income for the year	3	3

See accompanying notes which form an integral part of the financial statements.

Statement of financial position

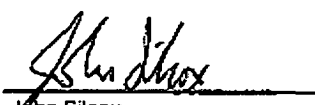
as at 31 December 2019

	Note	2019 £'000	2018 £'000
Assets			
Amounts due from group undertakings	5	13	13
Current taxation	6	3	3
Total assets		16	16
Liabilities			
Amounts due to group undertakings	8	377	380
Total liabilities		377	380
Shareholders' equity			
Insured share capital presented as equity	9	—	—
Revenue reserves		(361)	(364)
Total shareholders' equity		(361)	(364)
Total liabilities and shareholders' equity		16	16

See accompanying notes which form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 7 September 2020.

They are signed on its behalf by:


 John Silcox
 Director

Date: 7 September 2020

Company registration number: 01483027

Statement of cash flows

for the financial year ended 31 December 2019

	2019 £'000	2018 £'000
Cash flows from operating activities		
Change in amounts from group undertakings	—	2,047
Change in amounts due to group undertakings	(3)	(2,052)
Net cash flows from operations before taxation	(3)	(5)
Taxation- group relief received	3	5
Net cash flows from operations	—	—
Net cash flows from investing activities	—	—
Net cash flows from financing activities	—	—
Change in cash and cash equivalents	—	—
Opening cash and cash equivalents	—	—
Closing cash and cash equivalents	—	—

See accompanying notes which form an integral part of the financial statements.

Statement of changes in shareholders' equity

for the financial year ended 31 December 2019

	Ordinary share capital £'000	Revenue reserves £'000	Total shareholders' equity £'000
At 1 January 2019	—	(364)	(364)
Total comprehensive profit for the period	—	3	3
At 31 December 2019	—	(361)	(361)
At 1 January 2018	—	(367)	(367)
Total comprehensive profit for the period	—	3	3
At 31 December 2018	—	(364)	(364)

Notes to the financial statements

1. Reporting entity

AIB Corporate Leasing Limited is a private company domiciled in the United Kingdom and its registered office is St. Helen's, 1 Undershaft, London, EC3A 8AB, United Kingdom. The Company's registered number is 01483027.

2. Summary of significant accounting policies

The accounting policies that the Company applied in the preparation of the financial statements for the year ended 31 December 2019 are set out below.

2.1. Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards (collectively 'IFRSs') as issued by the International Accounting Standards Board ('IASB') and International Financial Reporting Standards and subsequently adopted by the European Union ('EU') and applicable for the financial year ended 31 December 2019.

The accounting policies have been consistently applied by the Company and are consistent with the previous year, unless otherwise described.

Consolidated financial statements have not been prepared by the Company for the financial year ended 31 December 2019 as it is itself a wholly owned subsidiary of AIB and it meets all the conditions set out under IFRS 10 to avail of this exemption.

2.2. Basis of preparation

(a) Going concern

The financial statements for the financial year ended 31 December 2019 have been prepared on a going concern basis as the Directors are satisfied, having considered the risks and uncertainties impacting the Company, that it has the ability to continue in business for the period of assessment. The period of assessment used by the Directors is twelve months from the date of approval of these annual financial statements. The Company is dependent on its parent AIB for continued funding and is therefore dependent on the going concern status of the parent.

AIB's financial statements for the financial year ended 31 December 2019 were prepared on a going concern basis.

Conclusion

On the basis of the continued availability of funding from AIB to the Company, the AIB Board approved financial plans in base and alternative scenarios, and notwithstanding the potential impact of COVID-19 to impact the performance of the Company, the Directors of the Company consider that it is appropriate to prepare these financial statements on a going concern basis.

(b) Accounting convention

The financial statements are presented in pound sterling, which is the functional currency of the Company and have been prepared under the historical cost basis.

(c) Critical accounting judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses, and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement involves making estimates concerning the likelihood of future events, the actual results could differ from those estimates.

(d) Adoption of new accounting standards

The following new standard and amendments to standards have been adopted by the Company during the year ended 31 December 2019.

Notes to the financial statements

2. Summary of significant accounting policies (continued)

2.2. Basis of preparation (continued)

Definition of Material (Amendments to IAS 1 and IAS 8)

The amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policy, Changes in Accounting Estimates and Errors* which were issued in October 2018 and effective for reporting periods beginning on or after 1 January 2020 with earlier application permitted, clarify the definition of material as follows:

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity".

The amendments are aimed at improving the understanding of the existing requirements rather than to significantly impact current materiality judgements. The new definition of material is to be used to assess whether information, either individually or in combination with other information, is material in the context of the financial statements. The amendments are not expected to significantly impact on the Company's interpretation of material. The Company early adopted these amendments with effect from 1 January 2019.

Other amendments resulting from improvements to IFRSs which the Company adopted in 2019 did not have a material impact on the accounting policies, financial position or performance of the Company.

2.3. Income tax, including deferred income tax

Income tax comprises current tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income. Income tax relating to items in equity is recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the financial year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous financial years.

2.4. Financial assets

Recognition and initial measurement

The Company initially recognises financial assets on the trade date, being the date on which the Company commits to purchase the assets. Loan assets are recognised when cash is advanced to borrowers.

Business model assessment

The Company makes an assessment of the objective of the business model at a portfolio level, as this reflects how portfolios of assets are managed to achieve a particular objective, rather than management's intentions for individual assets.

The assessment considers the following:

- The strategy for the portfolio as communicated by management;
- How the performance of the portfolio is evaluated and reported to senior management;
- The risks that impact the performance of the business model, and how those risks are managed;
- How managers of the business are compensated (i.e. based on fair value of assets managed or on the contractual cash flows collected); and
- The frequency, value and timing of sales in prior periods, reasons for those sales, and expectations of future sales activity.

Characteristics of the contractual cash flows

An assessment ('SPPI test') is performed on all financial assets at origination that are held within a 'hold-to-collect' or 'hold-to-collect and- sell' business model to determine whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Classification and subsequent measurement

On initial recognition, a financial asset is classified and subsequently measured at amortised cost, FVOCI or FVTPL.

The classification and subsequent measurement of financial assets depend on:

- The Company's business model for managing the asset; and
- The cash flow characteristics of the asset (for assets in a 'hold-to-collect' or 'hold-to-collect-and-sell' business model).

Notes to the financial statements

Summary of significant accounting policies (continued)

2.4. Financial assets (continued)

Based on these factors, the Company classifies its financial assets into the following category:

Amortised cost

Assets that have not been designated as at FVTPL, and are held within a 'hold-to-collect' business model whose objective is to hold assets to collect contractual cash flows; and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest. The carrying amount of these assets is calculated using the effective interest method and is adjusted on each measurement date by the expected credit loss allowance for each asset, with movements recognised in profit or loss.

Amounts due from group undertakings are classified as financial assets and are recognised and measured accordingly. They are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

2.5. Financial liabilities

The Company categorises financial liabilities as at amortised cost or as at fair value through profit or loss. The Company recognises a financial liability when it becomes party to the contractual provisions of the contract.

Financial instruments and their components are classified as liabilities where the substance of the contractual agreement results in the Company having a present obligation to either deliver cash or another financial asset to the holder or to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares.

Financial liabilities are initially recognised at fair value, being the issue proceeds (fair value of consideration received) net of transaction costs incurred. Financial liabilities are subsequently measured at amortised cost with any difference between the proceeds net of transaction costs and the redemption value is recognised in the income statement using the effective interest rate method. The Company derecognises a financial liability when its contractual obligation is discharged, cancelled or expired.

Any gain or loss on the extinguishment or re-measurement of a financial liability is recognised in the income statement.

Amounts due to group undertakings are classified as financial liabilities and are recognised and measured accordingly.

2.6. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI, is recognised in profit or loss. Relevant costs incurred with the disposal of a financial asset are deducted in computing the gain or loss on disposal.

The write-off of a financial asset constitutes a derecognition event. Where a financial asset is partially written off, and the portion written off comprises specifically identified cash flows, this will constitute a derecognition event for that part written off.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Notes to the financial statements

2. Summary of significant accounting policies (continued)

2.7. Impairment of financial assets

The Company recognises loss allowances for expected credit losses ('ECLs') at each balance sheet date for the following financial instruments that are not measured at FVTPL:

- Financial assets at amortised cost.

ECLs are the weighted average of credit losses with the respective risks of a default occurring as the weights. These are an estimate of credit losses over the life of a financial instrument. When measuring ECLs, the Company takes into account:

- probability-weighted outcomes;
- the time value of money so that ECLs are discounted to the reporting date; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets at amortised cost were assessed for an ECL. It was determined that the ECL on the intercompany loans at 31 December 2019 and 31 December 2018 was nil, as the Directors expect to fully recover the amounts owed from the Group entity.

2.8. Investment in subsidiary undertakings

The Company accounts for investments in subsidiary and associated undertakings that are not classified as held for sale at cost less provisions for impairment. If the investment is classified as held for sale, the Company accounts for it at the lower of its carrying value and fair value less costs to sell.

2.9. Shareholders' equity

Issued financial instruments, or their components, are classified as equity where they meet the definition of equity and confer on the holder a residual interest in the assets of the Company.

Called up share capital

Share capital represents funds raised by issuing shares in return for cash or other consideration. Share capital comprises ordinary shares and preference shares of the entity.

Revenue reserves

Revenue reserves represent retained earnings of the Company.

Notes to the financial statements

3. Taxation

	2019 £'000	2018 £'000
Current taxation		
Current tax credit on income for the year	—	—
Transfer pricing adjustment	3	3
Total tax credit for the period	3	3

Reconciliation of total tax credit based on applying the standard rate of tax to the profit per the financial statements and the total tax credit reported in the financial statements.

	2019 £'000	2018 £'000
Profit before tax	—	—
Corporation tax in the UK 19.00% (2018: 19.00%)	—	—
Transfer pricing adjustment	3	3
Total income tax credit	3	3

4. Auditor's fees

Auditor's remuneration including: Audit fees, Other assurance services, Tax advisory services and Other non-audit services is borne by AIB.

5. Amounts due from group undertakings

	2019 £'000	2018 £'000
Amounts due from group undertakings	13	13
	13	13

Amounts due from group undertakings are non-interest bearing and repayable on demand. Financial assets at amortised cost were assessed for an ECL. It was determined that the ECL on the intercompany loans at 31 December 2019 and 31 December 2018 was nil.

6. Tax receivable

	2019 £'000	2018 £'000
Opening balance	3	5
Current tax credit for period	3	3
Payment for group relief received	(3)	(5)
Current tax receivable	3	3

It is AIB policy that where a company uses tax losses from another AIB company to shelter its tax liability, then it will pay the surrendering company for the use of the losses at the corporation tax rate prevailing. The settlement will be paid either in cash or through the intercompany account. This balance represents amounts recoverable from other AIB group undertakings in relation to tax losses surrendered.

Notes to the financial statements

7. Investment in subsidiary undertakings

AIB Capital Markets Holdings (U.K.) Limited, an investment holding company incorporated in the United Kingdom, is a subsidiary of the Company. The Company holds 100% of the equity in AIB Capital Markets Holdings (U.K.) Limited.

AIB Asset Management Holdings Limited, an investment holdings company incorporated in the United Kingdom, is a subsidiary of Allied Irish Banks, p.l.c.. The Company holds less than 1% of the equity in AIB Asset Management Holdings Limited.

The value of these investments is £2.

8. Amounts due to group undertaking

	2019	2018
	£'000	£'000
Amounts due to group undertaking	377	380
	377	380

Amounts due to group undertaking are repayable on demand and bear no interest.

9. Called up share capital presented as equity

	2019	2018
	£	£
Authorised:		
74 ordinary shares of £1 each	74	74
26 preference shares of £1 each	26	26
Issued:		
74 ordinary shares of £1 each	74	74
26 preference shares of £1 each	26	26

10. Risk management

The financial risk management of the Company is fully integrated with the risk management function of AIB. As a result the policies and procedures used to manage the risk have been incorporated within those of AIB. The Directors consider that the Company's credit risk is minimal, as its exposure is limited to its ultimate holding company, AIB.

The Directors consider that the Company's business is not exposed to any foreign exchange risk, market risk or liquidity risk.

11. Employees

The monthly average number of persons employed by the Company during the year was nil (2018: nil).

12. Key management

The Company is a subsidiary of AIB. The time and costs of executives and other staff who are primarily employed by AIB are not specifically recharged. In the Company, key management comprises of the directors of the Company. The emoluments of the Directors are met by AIB. They do not receive remuneration for services provided by the Company.

13. Capital resources

The Company's capital consists of equity comprising issued share capital and retained earnings. The Company is an AIB company which has regulatory disciplines over the use of capital. The Company is governed by AIB's policy to maintain a strong capital base. It is not separately regulated.

14. Related party transactions

The Company has related party relationships with AIB and other AIB entities. Amounts due to parent undertaking were £377k (2018: £380k). All related party transactions have been carried out on an arms length basis. The details of transactions and balances with AIB and other AIB entities are disclosed in notes 5, 6, 7 and 8.

Notes to the financial statements

15. Ultimate parent company

The immediate parent company is AIB, a company registered in the Republic of Ireland.

AIB Group plc, a company registered in the Republic of Ireland is the holding company of AIB and the ultimate parent company of AIB Corporate Leasing Limited. AIB Group plc is the largest group, of which AIB Corporate Leasing Limited is a member, for which consolidated accounts are prepared.

The financial statements of AIB and of AIB Group plc are available from its registered address at 10 Molesworth Street, Dublin 2, Ireland. Alternatively, information can be viewed by accessing AIB Group's website at www.aib.ie/investorrelations.

16. Non-adjusting events after reporting period

Coronavirus outbreak

The recent coronavirus outbreak (COVID-19) is a significant risk that the Company and AIB are monitoring closely. The public policy response, at a national and supra-national level, has been rapid and far ranging. Notwithstanding this there remain many uncertainties regarding the prevalence of the virus and future course of the public health response. This makes it difficult to judge the duration, severity and longer term economic implications arising from both the health crisis and the resultant economic downturn. Consequently there are a wide range of possible outcomes for the economies where AIB operates which in turn will affect the financial performance of AIB.

AIB has established a monitoring group to assess the range of possible impacts, recognising emerging UK and Irish Government supports and regulatory guidance and will continue to respond to the situation as it evolves.

There have been no other significant events affecting the Company since the reporting date which require amendment to, or disclosure in, the financial statements.