Registered number: 02075756

BANK OF IRELAND BRITAIN HOLDINGS LIMITED

Annual Report and Financial Statements for the year ended 31 December 2020

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DIRECTORS AND OTHER INFORMATION

Directors at date of signing

John-Anthony Greer
Thomas McAreavey
Ian Sheppard

Company Secretary

Hill Wilson Secretarial Limited
Bank of Ireland
Head Office
40 Mespil Road
Dublin 4

Registered Office

1 Temple Back East
Temple Quay
Bristol
England
BS1 6DX

Registered Number

02075756

Independent Auditor

KPMG
1 Harbourmaster Place
IFSC
Dublin 1

The Directors present their annual report and the audited financial statements of Bank of Ireland Britain Holdings Limited (the "Company") for the year ended 31 December 2020. The Company is a private company limited by shares. It is incorporated and domiciled in the UK.

Principal activities
The Company's principal activity is to act as a holding company for certain UK subsidiaries of Bank of Ireland Group plc (the "Ultimate Parent") and its subsidiaries (together the "Group" or "Bank of Ireland Group"), which engage in leasing and holding of certain other investments.

Business review and future developments
The Company undertook no new activity or acquired no new subsidiary holdings during the year ended 31 December 2020. Management expects this to remain the case for the foreseeable future.

Results and dividends
The Company made profit before tax for the financial year ended 31 December 2020 of £38,425 (year ended 31 December 2019: £133,151).

The Directors do not recommend the payment of a dividend (year ended 31 December 2019: £nil).

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

The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the financial statements for the year to 31 December 2020 is a period of twelve months from the date of approval of these financial statements ("the period of assessment").

Financial risk management
The principal risks and uncertainties arising from the Company's operations are set out below. These risks are monitored and managed under the overall governance framework of the Bank of Ireland Group. Further details are set out below. Copies of the financial statements of Bank of Ireland Group plc for the year ended 31 December 2020 may be obtained from the Company Secretary at Bank of Ireland, Head Office, 40 Mespil Road, Dublin 4, Republic of Ireland.

Credit risk
Credit risk is defined as the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Company in respect of loans or other financial transactions. Credit exposure arises from amounts owed by Bank of Ireland Group undertakings. Credit ratings are set out as follows:

Rating Agency 31 December 2020	**Bank of Ireland Group Plc**	**Governor and Company of the Bank of Ireland**
Moody's	Baa2	A2
Standard & Poor's	BBB-	A-

Liquidity risk
Liquidity risk is the risk that the Company will experience difficulty in meeting its contractual payment obligations as they fall due. The Company has sufficient liquid assets of cash at bank and short term one month rolling deposits placed with Group undertakings to meet its creditors as they fall due.

Operational Risk
The Company outsources its key operations to the Bank of Ireland Group and, as a result, operational risk is managed by the Bank of Ireland Group. The Group manages operational risk through accountable executives overseen by the Bank of Ireland Group Audit Committee. In addition there is oversight by the Group Operational Risk Committee. The effective management of operational risk is primarily the responsibility of business management.

The Bank of Ireland Group has established a formal approach to the management of regulatory and compliance risk and the objective is the identification, assessment, monitoring and management of regulatory and compliance risks.

Ongoing uncertainty surrounding the UK's departure from the European Union (EU) continues to affect the markets in which the Company operates including interest rates and credit demand. The Bank of Ireland Group has a longstanding Brexit programme to identify, monitor and mitigate risks associated with Brexit.

Directors
The Directors, who served during the year ended 31 December 2020, and up to the date of signing the financial statements, are set out below. Except where indicated, they served as Directors for the entire period.

John-Anthony Greer
Thomas McAreavey
Ian Sheppard

Qualifying third party indemnity provision
A qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006) was and remains in force for the benefit of all Directors of the Company and former Directors who held office during the year and at the approval date of the financial statements. The indemnity is granted under Regulation 118 of Table A (as amended by Companies (Table A to F) (Amendment) Regulations 1985) forming part of the Company's Articles of Association.

Statement of directors' responsibilities in respect of the directors' report and the financial statements
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Post balance sheet events
There have been no significant events affecting the Company since the year end.

Statement of disclosure of information to auditor

So far as each of the Directors in office at the date of approval of these financial statements are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- they 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.

Small companies' exemption

The Company qualifies as a small company in accordance with sections 381-383 of the Companies Act 2006 (the "Act") and the Directors' Report has therefore been prepared taking into consideration the entitlement to small companies exemptions provided in sections 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2014) of the Act.

Independent auditor

KPMG has expressed willingness to be re-appointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board of Directors on 4 June 2021 and signed on its behalf by:

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Thomas McAreavey
Director

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BANK OF IRELAND BRITAIN HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bank of Ireland Britain Holdings Limited ('the Company') for the year ended 31 December 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 Reduced Disclosure Framework.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its financial performance for the year then ended;
- have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council; 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's member, 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 member 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 member, as a body, for our audit work, for this report, or for the opinions we have formed.

N. Marshall

04 June 2021

N. Marshall
for and on behalf of
KPMG Statutory Auditor
1 Harbourmaster Place,
IFSC,
Dublin 1
Ireland

BANK OF IRELAND BRITAIN HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Interest receivable and similar income		**30,424**	113,492
Interest payable and similar charges	3	**(2,081)**	(2,476)
Net interest income		**28,343**	111,016
Fee income		**9,627**	9,347
Total operating income		**37,970**	120,363
Other income		**89**	13,438
Operating profit before net impairment gains / (losses) on financial instruments		**38,059**	133,801
Net impairment gains / (losses) on financial instruments	4	**366**	(650)
Profit on ordinary activities before taxation	5	**38,425**	133,151
Taxation	6	**(7,259)**	(25,257)
Profit for the financial year		**31,166**	107,894
Total comprehensive income for the financial year		**31,166**	107,894

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	31 December 2020 £	31 December 2019 £
Fixed assets			
Investments	7	**500,002**	500,102
Current assets			
Amount due from Group companies	8	**17,495,984**	17,320,646
Cash at bank and in hand	9	**774,845**	772,599
Other debtors		**345**	-
		18,271,174	18,093,245
Creditors: amounts falling due within one year	10	**(8,111,421)**	(7,948,375)
Net current assets		**10,159,753**	10,144,870
Total assets less current liabilities		**10,659,755**	10,644,972
Creditors: amounts falling due after one year	11	**(79,007)**	(95,390)
Net assets		**10,580,748**	10,549,582
Capital and reserves			
Called up share capital	12	**100**	100
Profit and loss account		**10,580,648**	10,549,482
Total shareholder's funds		**10,580,748**	10,549,582

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Thomas McAreavey
Director

4 June 2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total shareholder's funds
	£	£	£
At 1 January 2019	100	10,441,588	10,441,688
Total comprehensive income for the financial year	-	107,894	107,894
At 31 December 2019	100	10,549,482	10,549,582
Total comprehensive income for the financial year	-	31,166	31,166
At 31 December 2020	100	10,580,648	10,580,748

1 Summary of significant accounting policies

The significant accounting policies adopted by Bank of Ireland Britain Holdings ('the Company') are as follows:

1.1 Basis of preparation and going concern

The financial statements comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the notes to the financial statements.

The financial statements of Bank of Ireland Britain Holdings Limited (the "Company") have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. In preparing these statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards, as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements are presented in pounds sterling (£) which is the functional and presentational currency of the Company, except where otherwise indicated.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The Company has no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of transactions with wholly owned subsidiaries of the Bank of Ireland Group;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of capital management;
- disclosures in respect of the compensation of key management personnel; and
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures'.

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

1.2 Adoption of new accounting standards

The following new amendments to standards have been adopted by the Company during the year ended 31 December 2020:

Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

These amendments are aimed at improving the understanding of the existing requirements rather than significantly impacting current materiality judgements. They provide a new definition of material which shall be used to assess whether information, either individually or in combination with other information, is material in the context of the financial statements. These amendments have not had a significant impact on the Company at the reporting date.

No other new standards, amendments or interpretations, effective for the first time for the financial year beginning on 1 January 2020 have had a material impact on the Company.

1.3 Consolidation

These financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent undertaking of a group. The Company is exempt under Section 400 (for EEA immediate parents) of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it, and its subsidiary undertakings, are included by full consolidation in the consolidated financial statements of its intermediate undertaking, The Governor and Company of the Bank of Ireland, a corporation established in the Republic of Ireland.

1 Summary of significant accounting policies (continued)

1.4 Income recognition

Income is recognised as it accrues. Fees receivable, which represent a return for services provided, are credited to income when the service is performed or over the period of the product as appropriate.

1.5 Investment in subsidiaries

The Company's carrying value of investments in its subsidiary undertakings are recognised at cost less accumulated impairment losses. The Company assesses at the end of each reporting period whether there is any indication that the investment in subsidiary asset may be impaired. If any such indication exists, the Company performs full impairment testing which involves the comparison of the carrying value of the investment with its recoverable amount. The recoverable amount is the higher of the investment's fair value or its value in use. Value in use is the present value of expected future cash flows from the investment. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. An impairment charge arises if the carrying value exceeds the recoverable amount.

1.6 Income taxes

Current income tax
Income tax payable on profits is recognised as an expense in the year in which profits arise.

1.7 Financial Assets

A. Recognition, classification and measurement
The Company applies the following accounting policies to the classification, recognition and measurement policies relating to financial assets.

A financial asset is recognised in the balance sheet when the Company becomes a party to its contractual provisions. At initial recognition, a financial asset is measured at fair value (plus, in the case of a financial asset not at fair value through profit or loss, directly attributable transaction costs) and is assigned one of the following classifications for the purposes of subsequent measurement:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income; or
- financial assets at fair value through profit or loss.

The Company determines the appropriate classification based on the contractual cash flow characteristics of the financial asset and the objective of the business model within which the financial asset is held. In determining the business model for a group of financial assets, the Company considers factors such as how performance is evaluated and reported to key management personnel; the risks that affect performance and how they are managed; how managers are compensated; and the expected frequency, value and timing of sales of financial assets.

In considering the contractual cash flow characteristics of a financial asset, the Company determines whether the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In this context, 'principal' is the fair value of the financial asset on initial recognition and 'interest' is consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin. In making the determination, the Company assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers contingent events, leverage features, prepayment and term extensions, terms which limit the Company's recourse to specific assets and features that modify consideration of the time value of money.

Financial assets at amortised cost

Debt instruments
A debt instrument is measured, subsequent to initial recognition, at amortised cost where it meets both of the following conditions and has not been designated as measured at fair value through profit or loss:

1 Summary of significant accounting policies (continued)

1.7 Financial Assets (continued)

Debt instruments (continued)

- the financial asset has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model whose objective is achieved by holding financial assets to collect contractual cash flows.

Loans measured at amortised cost are recognised when cash is advanced to the borrowers. Interest revenue using the effective interest method is recognised in the income statement. An impairment loss allowance is recognised for expected credit losses with corresponding impairment gains or losses recognised in the income statement.

The Company has no financial assets at fair value through other comprehensive income or fair value through profit or loss.

Reclassification

When the Company changes its business model for managing financial assets, it reclassifies all affected financial assets. Reclassification is applied prospectively from the reclassification date, which is the first day of the first reporting period following the change in business model that results in the reclassification. Any previously recognised gains, losses or interest are not restated.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or the Company has transferred substantially all the risks and rewards of ownership. Where a modification results in a substantial change to the contractual cash flows of a financial asset, it may be considered to represent expiry of the contractual cash flows, resulting in derecognition of the original financial asset and recognition of a new financial asset at fair value. The Company reduces the gross carrying amount of a financial asset and the associated impairment loss allowance when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

1.8 Impairment of financial instruments

Assets carried at amortised cost

Scope

The Company recognises impairment loss allowances for expected credit losses (ECL) on financial assets.

Basis for measuring impairment

The Company allocates financial instruments into the following categories at each reporting date to determine the appropriate accounting treatment.

Stage 1: 12-month ECL (not credit-impaired)

These are financial instruments where there has not been a significant increase in credit risk since initial recognition. An impairment loss allowance equal to 12-month ECL is recognised. This is the portion of lifetime ECL resulting from default events that are possible within the next 12 months.

Stage 2: Lifetime ECL (not credit-impaired)

These are financial instruments where there has been a significant increase in credit risk since initial recognition but which are not credit-impaired. An impairment loss allowance equal to lifetime ECL is recognised. Lifetime ECL are the ECL resulting from all possible default events over the expected life of the financial instrument.

Stage 3: Lifetime ECL (credit-impaired)

These are financial instruments which are credit-impaired at the reporting date but were not credit-impaired at initial recognition. An impairment loss allowance equal to lifetime ECL is recognised.

1 Summary of significant accounting policies (continued)

1.8 Impairment of financial instruments (continued)

Basis for measuring impairment (continued)

Purchased or originated credit-impaired financial assets
These are financial assets that were credit-impaired at initial recognition. They are not subject to any initial impairment loss allowance but an impairment loss allowance is subsequently recognised for the cumulative changes in lifetime ECL since initial recognition. A purchased or originated credit-impaired financial asset remains classified as such until it is derecognised, even if assessed as no longer credit-impaired at a subsequent reporting date.

With the exception of purchased or originated credit-impaired financial assets, a financial instrument may migrate between stages from one reporting date to the next.

Significant increase in credit risk
In determining if a financial instrument has experienced a significant increase in credit risk since initial recognition, the Company assesses whether the risk of default over the remaining expected life of the financial instrument is significantly higher than had been anticipated at initial recognition, taking into account changes in prepayment expectations where relevant. The Company uses reasonable and supportable information available without undue cost or effort at the reporting date, including forward-looking information. For certain financial assets, the Company assumes that no significant increase in credit risk has occurred if credit risk is 'low' at the reporting date.

Credit-impaired
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event - instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Measurement of ECL and presentation of impairment loss allowances
ECL are measured in a way that reflects:
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; 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.

ECL are measured as follows:
- financial assets that are not credit-impaired at the reporting date: the present value of the difference between all contractual cash flows due to the Company in accordance with the contract and all the cash flows the Company expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows.

For financial assets, the discount rate used in measuring ECL is the effective interest rate (or 'credit-adjusted effective interest rate' for a purchased or originated credit-impaired financial asset) or an approximation thereof.

Impairment loss allowances for ECL are presented in the financial statements for financial assets at amortised cost as a deduction from the gross carrying amount in the balance sheet.

1 Summary of significant accounting policies (continued)

1.8 Impairment of financial instruments (continued)

Utilisation of impairment loss allowances
The Company reduces the gross carrying amount of a financial asset and the associated impairment loss allowance when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Indicators that there is no reasonable expectation of recovery include the collection process having been exhausted or it becoming clear during the collection process that recovery will fall short of the amount due to the Company.

The Company considers on a case by case basis whether enforcement action in respect of an amount that has been written off from an accounting perspective is, or remains, appropriate. Any subsequent recoveries are included in the income statement as an impairment gain.

1.9 Financial liabilities
The Company has only one category of financial liability: those that are carried at amortised cost. Financial liabilities are initially recognised at fair value (normally the issue proceeds i.e. the fair value of the consideration received) less transaction costs. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the income statement using the effective interest method.

Financial liabilities are derecognised when they are extinguished, that is, when the obligation is discharged, cancelled or expires.

2 Directors' emoluments

The Directors received no emoluments in respect of their services to the Company (2019: £nil). There was no compensation to Directors for loss of office during the year. The average number of employees during the year was nil (2019: nil).

3 Interest payable and similar charges

	2020 £	2019 £
Interest payable on loans from Group undertakings	**2,081**	2,476

4 Net impairment gains / (losses) on financial instruments

	2020 £	2019 £
Debtors (Note 8)	**1,006**	(653)
Cash at bank and in hand (Note 9)	**(640)**	3
Net impairment gains / (losses) on financial instruments	**366**	(650)

5 Profit on ordinary activities before taxation

Audit fees of £5,637 (2019: £5,637) are borne by the Bank of Ireland Group. The Company did not incur any fees relating to non-audit services during the year (2019: £nil).

6 Taxation

	2020	2019
	£	£
Current Tax	7,259	25,257

The reconciliation of tax on profit before taxation at the standard UK corporation tax rate to the Company's actual tax charge for 2020 and 2019 is as follows:

	2020	2019
	£	£
Profit on ordinary activities before taxation	38,425	133,151
Profit multiplied by standard rate in the UK of 19% (2019: 19%)	7,301	25,299
Non-taxable income	(42)	(42)
Total tax charge	7,259	25,257

7 Investments

	2020	2019
	£	£
Investments in subsidiaries	500,002	500,102

The Company's investment in subsidiaries is reviewed if events or circumstances indicate that impairment may have occurred by comparing the carrying value of each investment to its recoverable amount. An impairment charge arises if the carrying value exceeds the recoverable amount. No impairment was identified in 2020 or 2019. The subsidiary undertakings of the Company are as follows:

Company	Registered Address	Country of Registration	Principal Activities	Statutory Period end	Equity shareholding	Class of Share ownership	Nominal Value
L&B (No. 16)	Bank of Ireland, 1 Donegall Square South, Belfast, BT1 5LR	Northern Ireland	Leasing of assets	31 December	100%	Ordinary	£1 per share
Bank of Ireland Direct Marketing Limited	1 Temple Back East, Temple Quay, Bristol, BS1 6DX, UK	Great Britain	Non trading	31 December	100%	Ordinary	£1 per share

The subsidiary, College Green Limited, which had been in members' voluntary liquidation in 2019, was dissolved during 2020.

8 Amount due from Group undertakings

Amounts owed by Group undertakings primarily relate to one month rolling interest bearing deposits.

	2020 £	2019 £
Amounts due from Group companies	**17,496,899**	17,322,567
Less: impairment loss allowance	**(915)**	(1,921)
Total amounts due from Group companies	**17,495,984**	17,320,646

The following table shows the movement in both the gross carrying amount and impairment loss allowance which are subject only to 12 month expected credit losses (ECL) on amounts due from Group companies at amortised cost for 2020.

Movement in amounts due from Group companies	**Gross Carrying Amount £**	**Impairment Loss Allowance £**
Opening balance at 1 January 2019	16,902,632	(1,268)
Net changes in exposure	419,935	-
Net impairment losses in income statement	-	(653)
Measurement classification and other movements	-	-
Closing balance at 31 December 2019	**17,322,567**	**(1,921)**
Net changes in exposure	174,332	-
Net impairment gains in income statement	-	1,006
Measurement classification and other movements	-	-
Closing balance as at 31 December 2020	**17,496,899**	**(915)**

9 Cash at bank and in hand

	2020 £	2019 £
Cash at bank	**775,543**	772,657
Less: impairment loss allowance	**(698)**	(58)
Total cash at bank and in hand	**774,845**	772,599

The cash at bank balance is deposited with Bank of Ireland on demand and earns interest at market rates.

9 Cash at bank and in hand (continued)

The following table shows the movement in both the gross carrying amount and impairment loss allowance which are subject only to 12 month expected credit losses (ECL) on cash at bank and in hand at amortised cost for 2020 and 2019.

Movement in Cash at bank and in hand	Gross Carrying amount £	Impairment Loss Allowance £
Opening balance at 1 January 2019	810,901	(61)
Net changes in exposure	(38,244)	-
Net impairment gains in income statement	-	3
Measurement classification and other movements	-	-
Closing balance at 31 December 2019	772,657	(58)
Net changes in exposure	2,886	-
Net impairment losses in income statement	-	(640)
Measurement classification and other movements	-	-
Closing balance as at 31 December 2020	**775,543**	**(698)**

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to Group undertakings within one year	**8,078,905**	7,920,238
Taxation	**32,516**	28,137
	8,111,421	7,948,375

Amounts owed to Group undertakings at 31 December 2020 include a fixed rate interest bearing loan of £16,383 (2019: £18,988). The remaining amount owed to Group undertakings of £8,062,522 (2019: £7,901,250) is non-interest bearing and repayable on demand.

11 Creditors: amounts falling due after one year

	2020 £	2019 £
Amounts owed to Group undertakings	**79,007**	95,390

Amounts owed to Group undertakings at 31 December 2020 represent a fixed rate interest bearing loan of £79,007 (2019: £95,390) of which £37,915 (2019: £54,298) is repayable between 1 and 5 years and £41,092 (2019: £41,092) is payable in more than 5 years.

12 Called up share capital

	2020 £	2019 £
Allotted and fully paid		
100 ordinary shares of £1 each	**100**	100

13 Commitments and contingencies

There was no capital expenditure or other financial commitments contracted for but not provided at the balance sheet date (2019: £nil).

There are no contingent liabilities which require disclosure in the financial statements (2019: £nil).

14 Related party transactions

The Company has availed of the FRS 101 exemption relating to the disclosure of transactions with other wholly owned subsidiaries of the Bank of Ireland Group. There are no other transactions with related parties.

15 Controlling parties

The Company is a wholly owned subsidiary of Bank of Ireland UK Holdings plc, a company registered in Northern Ireland.

The largest group of which the Company is a member and for which group financial statements are prepared is Bank of Ireland Group plc, a public limited company incorporated and registered in the Republic of Ireland. Copies of the consolidated financial statements of Bank of Ireland Group plc for the year ended 31 December 2020 may be obtained from the Group Secretary, Bank of Ireland, 40 Mespil Road, Dublin 4, Republic of Ireland.

16 Post balance sheet events

There have been no significant events affecting the Company since the year end.

17 Approval of financial statements

The Board of Directors approved the financial statements on 4 June 2021.