

**COMMERZBANK LEASING DECEMBER (1) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**Year ended 31 December 2020**



Company Registered No. 2184416

## **COMMERZBANK LEASING DECEMBER (1) LIMITED**

### **DIRECTORS' REPORT**

The directors submit their annual report and the financial statements for the year ended 31 December 2020.

### **PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS**

The principal activity of the Company was the leasing of commercial properties, commercial vehicles, plant and equipment. On 11 January 2019, the Company's remaining finance lease was terminated with the agreement of all parties and all outstanding rentals were received which enabled the Company to repay its funding loans. Following the above transactions, the company became dormant.

The directors do not expect the Company to enter into any new transactions in the foreseeable future.

### **RESULTS AND DIVIDENDS**

The results of the Company for the year are set out in detail on page 2. As the Company was dormant throughout the year it made neither a gain nor a loss (2019: profit of £15,237). The directors do not recommend the payment of a dividend (2019: £nil).

### **DIRECTORS**

The directors of the Company who held office throughout the year and up to the date of signing the financial statements were as follows:

N G Aiken  
P R Burrows  
R A Birch  
A D Levy

The directors benefited from qualifying third party indemnity provisions in place during the year and up to the date of signing the financial statements.

Approved by the Board of Directors  
and signed by order of the Board



J C Wall  
Secretary

Commerzbank Leasing December (1) Limited  
Company Registered No. 2184416

22 September 2021

**COMMERZBANK LEASING DECEMBER (1) LIMITED****STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2020**

|  | Note | 2020<br>£ | 2019<br>£ |
|--|------|-----------|-----------|
| Finance lease income   | 3    | -         | 15,720    |
| Cost of sales – interest payable to Commerzbank AG London Branch |      | -         | (517)     |
| <b>OPERATING PROFIT</b>  | 4    | -         | 15,203    |
| Release of impairment provisions                                 |      | -         | 34        |
| <b>PROFIT BEFORE TAXATION</b>                                    |      | -         | 15,237    |
| Tax on profit  | 5    | -         | -         |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                             |      | -         | 15,237    |
| Other comprehensive income after tax                             |      | -         | -         |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                   |      | -         | 15,237    |

All amounts stated above are derived from discontinued activities.

**STATEMENT OF CHANGES IN EQUITY****For the year ended 31 December 2020**

|  | Called up<br>share<br>capital<br>£ | Accumulated<br>losses<br>£ | Total<br>shareholder'<br>s funds<br>£ |
|--|------------------------------------|----------------------------|---------------------------------------|
| <b>Balance as at 1 December 2019</b>                       | 510,000                            | (193,897)                  | 316,103                               |
| Profit and total comprehensive income for the year         | -                                  | 15,237                     | 15,237                                |
| <b>Balance as at 31 December 2019 and 31 December 2020</b> | 510,000                            | (178,660)                  | 331,340                               |

The accounting policies and notes on pages 4 to 6 form an integral part of these financial statements.

**COMMERZBANK LEASING DECEMBER (1) LIMITED****STATEMENT OF FINANCIAL POSITION****As at 31 December 2020**

|                                     | Note | 2020<br>£ | 2019<br>£ |
|-------------------------------------|------|-----------|-----------|
| <b>CURRENT ASSETS</b>               |      |           |           |
| Amounts due from group undertakings |      | 331,340   | 331,340   |
|                                     |      | <hr/>     | <hr/>     |
| <b>NET CURRENT ASSETS</b>           |      | 331,340   | 331,340   |
|                                     |      | <hr/>     | <hr/>     |
| <b>CAPITAL AND RESERVES</b>         |      |           |           |
| Called up share capital             | 6    | 510,000   | 510,000   |
| Accumulated losses                  |      | (178,660) | (178,660) |
|                                     |      | <hr/>     | <hr/>     |
| <b>TOTAL SHAREHOLDER'S FUNDS</b>    |      | 331,340   | 331,340   |
|                                     |      | <hr/>     | <hr/>     |

**Statements:**

- a) For the year ended 31 December 2020 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.
- b) Members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- d) These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounting policies and notes on pages 4 to 6 form an integral part of these financial statements.

These financial statements on pages 2 to 6 were approved by the Board of Directors and signed on its behalf by:



A D Levy  
Director

22 September 2021

# COMMERZBANK LEASING DECEMBER (1) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 1. GENERAL INFORMATION

The Company was the lessor of commercial vehicles and plant and equipment through finance lease transactions and remained the legal owner and lessor of assets on lease to a third party, for the benefit of other third parties and group undertakings. The leasing business ceased during 2019 as a result of the termination of the remaining lease held, following which the Company became dormant.

The Company is a private company limited by shares and is domiciled and incorporated in the UK. The Company's Registered Office is situated at 30 Gresham Street, London, EC2V 7PG.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101), which took effect from 1 January 2015. The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The directors are of the opinion that there are no accounting policies that are deemed critical to the Company's results and financial position. The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IAS 7, 'Statement of cash flows'; and
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

#### Changes in accounting policy and disclosures

New and amended standards adopted - there were no IFRSs or IFRIC interpretations that were effective for the first time for the financial year beginning on or after 1 January 2020 that would be expected to have a material impact on the Company.

There are no new standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not early adopted that will have any impact on the Company.

#### Revenue

Revenue represents gross earnings net of rental rebates, impairments and the profit or loss on disposal, in the ordinary course of business, of finance leases.

#### Finance leases

Assets leased to clients are classified as finance leases if the lease agreement transfers substantially all of the risks and rewards of ownership to the lessee. The Company provides funding in the form of finance leases to corporate clients. The leases are based on providing the Company with a return appropriate to the credit risk on each client and do not expose the Company to residual value risk on the equipment or contingent liabilities.

Investments in finance leases are stated at the gross amount of minimum future rental payments less gross earnings allocated to future periods.

Income from finance leases is recognised over the periods of the leases so as to give a constant rate of return on the net investment in the leases. This method of income recognition is considered most appropriate for the leases held by the Company and is in compliance with recommended practice.

## COMMERZBANK LEASING DECEMBER (1) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Impairments of financial assets

The impairment requirements apply to all financial assets. In accordance with IFRS 9 the Company has applied an expected credit loss ('ECL') model, with any impairment charge resulting recognised in the statement of comprehensive income.

The ECL model contains a three-stage approach which is based on the change in credit quality of financial assets since initial recognition. Under Stage 1, where there has not been a significant increase in credit risk since initial recognition, an amount equal to 12 months ECL will be recorded. Under Stage 2, where there has been a significant increase in credit risk since initial recognition, but the assets are not considered credit impaired, an amount equal to the default probability weighted lifetime ECL will be recorded. Under Stage 3, where there is objective evidence of impairment at the reporting date these assets will be classified as credit impaired and an amount equal to the lifetime ECL will be recorded.

The assessment of credit risk and the estimation of ECL are required to be unbiased and probability weighted and should incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date. In addition, the estimation of ECL should take into account the time value of money.

##### Taxation

The tax expense for the year comprises current tax and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. In circumstances where the Company has either taxable profits or losses and group relief is surrendered from or to other group companies, the group relief is surrendered for nil consideration.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

| 3. FINANCE LEASE INCOME                         | 2020 | 2019   |
|---|------|--------|
|   | £    | £      |
| Income from finance leases                      | -    | 15,672 |
| Rental rebates – interest variations            | -    | 48     |
| Interest and similar income from finance leases | -    | 15,720 |

#### 4. OPERATING PROFIT

All administrative expenses, including auditors' remuneration for services to the Company, were borne by Commerzbank AG London Branch. The Company had no employees during the year (2019: None). None of the directors received any emoluments and no director was entitled to receive any pension contributions in respect of their services to the Company (2019: £Nil). The directors were remunerated by associated undertakings. The audit fee applicable in respect of this Company's financial statements was £Nil (2019: £10,650), with no further services provided to the Company by the Company's auditors.

**COMMERZBANK LEASING DECEMBER (1) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended 31 December 2020****5. TAX ON PROFIT**

| 2020 | 2019 |
|------|------|
| £    | £    |

Taxation is based on the loss for the year and comprises:

Current tax charge

|   |   |
|---|---|
| - | - |
|---|---|

**Factors affecting the tax charge for the year:**

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

Profit before taxation

|   |        |
|---|--------|
| - | 15,237 |
|---|--------|

Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19%

|   |       |
|---|-------|
| - | 2,895 |
|---|-------|

Effects of:

IFRS 9 adjustment

|   |       |
|---|-------|
| - | (252) |
|---|-------|

Group relief claimed at no charge

|   |         |
|---|---------|
| - | (2,643) |
|---|---------|

Tax charge

|   |   |
|---|---|
| - | - |
|---|---|

**6. CALLED UP SHARE CAPITAL**

| 2020 | 2019 |
|------|------|
| £    | £    |

Allotted, called up and fully paid

510,000 ordinary shares of £1 each

|         |         |
|---------|---------|
| 510,000 | 510,000 |
|---------|---------|

**7. ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking of the Company is Commerzbank Holdings (UK) Limited, a company incorporated in England & Wales.

Commerzbank AG, a company incorporated in Germany under German law, is the ultimate parent undertaking and controlling party. Financial statements of Commerzbank AG are available from Commerzbank AG, Investor Relations, Kaiserplatz, D-60261 Frankfurt am Main, Germany.

The only company within the Commerzbank AG Group that prepares consolidated group accounts is that headed by Commerzbank AG. However, the Company is no longer consolidated into that group on the grounds of materiality.