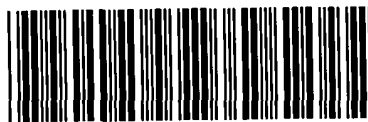


Company No. 04311952

IBRC EQUITY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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IBRC EQUITY LIMITED

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IBRC EQUITY LIMITED

Directors

F G Parker
T P Walsh

Secretary

F G Parker

Auditor

Deloitte LLP
London
United Kingdom

Bankers

Barclays Bank plc
Barclays Corporate
Level 11
1 Churchill Place
London
E14 5HP

Registered office

C/o Hold Store Limited
Unit 33A, Enterprise House
44-46 Terrace Road
Walton on Thames
Surrey
KT12 2SD

Registered number

04311952

Country of incorporation

The United Kingdom

IBRC EQUITY LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of IBRC Equity Limited ('the Company') together with the financial statements and audit report for the year ended 30 June 2016. We draw the readers attention to the fact that these financial statements have been produced for the year ended 30 June 2016 and are therefore not directly comparable to the preceding period which was for the 18 month period to 30 June 2015.

1. PARENT COMPANY

The Company is a wholly owned subsidiary of Irish Bank Resolution Corporation Limited - in special liquidation ('IBRC'), incorporated in the Republic of Ireland, the parent undertaking. The registered address of IBRC is at 1 Stokes Place, St. Stephens Green, Dublin 2, Ireland.

On 7 February 2013, the Irish Minister for Finance, made an Order pursuant to Section 4 of the Irish Bank Resolution Corporation Act, 2013 (the "Act") providing for the winding-up of the parent undertaking, IBRC, under the provisions of the Act. Pursuant to the same Order, Mr. Kieran Wallace and Mr. Eamonn Richardson (the "Joint Special Liquidators") of KPMG, 1 Stokes Place, St. Stephen's Green, Dublin 2 were appointed joint special liquidators of IBRC with all of the duties and powers conferred upon them by the Act.

2. STRATEGIC REPORT

The Company is entitled to the small companies exemption under Section 414B Companies Act 2006 permitting it not to have to prepare a strategic report.

3. RESULTS FOR THE YEAR AND STATE OF AFFAIRS AS AT 30 JUNE 2016

The results for the year and the statement of financial position at 30 June 2016 are set out, respectively, on pages 7 and 8. The loss after taxation for the period amounted to £7,491 (2015: loss after taxation for the year of £206,945). Total shareholders' equity as at 30 June 2016 amounted to £139,593 (2015: £147,084).

4. DIVIDEND

The directors do not propose the payment of a dividend in respect of the year ended 30 June 2016 (2015: £Nil).

5. GOING CONCERN

During 2015, the Joint Special Liquidators of IBRC have decided that, contrary to previous indications, amounts will now be paid to unsecured creditors of IBRC although the percentage payable is currently unknown. As the Company has amounts due from IBRC which were fully provided for in 2013, the directors will continue to operate the Company until this matter is resolved. We still await admission of amounts due from IBRC into its special liquidation. Once admitted and a decision has been made on the distributions to unsecured creditors of IBRC and these are appropriately dealt with it is the directors' intentions to dissolve the Company.

On the basis of the above assessment, the Directors have prepared the annual financial statements on a basis other than that of a going concern.

6. FUTURE DEVELOPMENTS

As indicated in section 5 - Going Concern, the key focus of the Company going forward will be the orderly realisation of its assets.

IBRC EQUITY LIMITED

DIRECTORS' REPORT continued

7. RISK MANAGEMENT

Details of the principal risks facing the Company and the management of such risks are detailed in note 10 of these financial statements.

8. DIRECTORS AND SECRETARY

F G Parker and T P Walsh served as directors throughout the year and will continue in office in accordance with the articles of association. F G Parker served as secretary throughout the year. The directors and secretary had no interest in the shares of the Company during the year.

9. AUDITOR

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

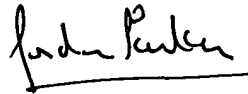
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

REGISTERED OFFICE:
C/o Hold Store Limited
Unit 33A, Enterprise House
44-46 Terrace Road
Walton on Thames
Surrey
KT12 2SD

ON BEHALF OF THE BOARD:



F G Parker - Director
Date: 30 March 2017

IBRC EQUITY LIMITED

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 such financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International 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 require 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 of 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBRC EQUITY LIMITED

We have audited the financial statements of IBRC Equity Limited ('the Company') for the year ended 30 June 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

Respective responsibilities of directors and independent auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.3 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBRC EQUITY LIMITED continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion;

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



Caroline Britton (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date: 30 March 2017

IBRC EQUITY LIMITED**Statement of comprehensive income****For the year ended 30 June 2016**

		Year ended 30 Jun 2016	18 month period ended 30 Jun 2015
	Note	£	£
Discontinued operations			
Revenue	3	-	129,961
Administrative expenses		(7,664)	(99,786)
Impairment loss	7	-	-
(Loss) / profit before taxation	5	(7,664)	30,175
Taxation credit / (charge)	6	173	(237,120)
Loss for the year / period		(7,491)	(206,945)
Other comprehensive income for the year / period		-	-
Total comprehensive income and loss for the year / period attributable to the equity holders of the Company		(7,491)	(206,945)

The notes on pages 11 - 17 form part of these financial statements.

IBRC EQUITY LIMITED**Statement of financial position****As at 30 June 2016**

		30 June 2016	30 June 2015
	Notes	£	£
Current assets			
Other assets	7	-	5,333
Cash at Bank		145,593	151,951
Total assets		<u>145,593</u>	<u>157,284</u>
Current liabilities			
Other liabilities	8	-	4,200
Accruals		6,000	6,000
Total liabilities		<u>6,000</u>	<u>10,200</u>
Shareholders' equity			
Share capital	9	1	1
Retained earnings		139,592	147,083
Shareholders' funds		139,593	147,084
Total shareholders' equity and liabilities		<u>145,593</u>	<u>157,284</u>

The notes on pages 11 - 17 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2017.

They were signed on its behalf by:



F.G. Parker

Director

Date: 30 March 2017

Company number: 04311952

IBRC EQUITY LIMITED**Statement of changes in equity****For the year ended 30 June 2016**

	Share Capital	Retained Earnings	Total
	£	£	£
Balance at 01 January 2014	1	354,028	354,029
Total comprehensive income and loss for the period	-	(206,945)	(206,945)
Balance at 30 June 2015	1	147,083	147,084
Total comprehensive income and loss for the year	-	(7,491)	(7,491)
Balance at 30 June 2016	<u>1</u>	<u>139,592</u>	<u>139,593</u>

The notes on pages 11 - 17 form part of these financial statements.

IBRC EQUITY LIMITED
Statement of cash flows
For the year ended 30 June 2016

	Year ended 30 Jun 2016	18 month period ended 30 Jun 2015
	£	£
(Loss) / profit before taxation	(7,664)	30,175
Adjustment for non-cash items		
Profit share due from investments	-	(129,961)
Decrease in other liabilities	(4,200)	(117,374)
Increase in accruals	-	1,800
Net cash flows operating activities before taxation	(11,864)	(215,360)
Taxation received / (paid) - overseas	5,506	(263,305)
Net cash flows used in operating activities after taxation	(6,358)	(478,665)
Cash flows from investing activities		
Profit share received from investments	-	593,821
Repayment of Investment in Limited Partnerships	-	19,067
Net cash flow from investing activities	-	612,888
Net (decrease) / increase in cash and cash equivalents	(6,358)	134,223
Opening cash and cash equivalents	151,951	-
Foreign exchange movements	-	17,728
Closing cash and cash equivalents	145,593	151,951

The notes on pages 11 - 17 form part of these financial statements.

IBRC EQUITY LIMITED

Notes to the financial statements

1 General information and accounting policies

1.1 General information

The Company is a private limited company registered in England and Wales and incorporated in the United Kingdom and acted as a general partner to a Limited Partnership.

1.2 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS') and applied in accordance with the Companies Act 2006, and as applicable at 30 June 2016.

The financial statements have been prepared under the historical cost convention. They are presented in Sterling.

These financial statements are for the year ended 30 June 2015 and are therefore not directly comparable to the preceding period which was for the 18 month period to 30 June 2015.

The reported results of the Company are sensitive to the accounting policies, assumptions and estimates that underline the preparation of the financial statements, to select multiple accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. The description of the significant accounting estimates and judgements is set out in note 1.10.

1.3 Going concern

During 2015, the Joint Special Liquidators of IBRC have decided that, contrary to previous indications, amounts will now be paid to unsecured creditors of IBRC although the percentage payable is currently unknown. As the Company has amounts due from IBRC which were fully provided for in 2013, the directors will continue to operate the Company until this matter is resolved. We still await admission of amounts due from IBRC into its special liquidation. Once admitted and a decision has been made on the distributions to unsecured creditors of IBRC and these are appropriately dealt with it is the directors' intentions to dissolve the Company.

On the basis of the above assessment, the Directors have prepared the annual financial statements on a basis other than that of a going concern.

1.4 Adoption of new accounting standards

In the current year the Company has not applied any new and revised IFRS's issued by the International Accountancy Standards Board that are mandatorily effective for an accounting period that begins on or after 1 July 2015.

1.5 Revenue recognition

Revenue represents the partnership profits receivable including income and gains on investment interests, and is stated net of Value Added Tax. The Company's revenue derived from its investment in Anglo Irish Federal Street UK LP. Revenue is increased for the amount of overseas withholding tax paid on behalf of the Company with the related withholding tax shown as an increase to the taxation charge.

IBRC EQUITY LIMITED

Notes to the financial statements continued

1 General information and accounting policies continued

1.6 Foreign currency translation

Functional and presentational currency

The financial statements are presented in Sterling, which is the Company's functional and presentational currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the statement of financial position date. All differences are recognised in the statement of comprehensive income. Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

1.7 Financial assets

Financial assets are classified as loans and receivables and relate to amounts due from the parent undertaking. Management determines the classification of its investments at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money to a counterparty with no intention of trading the receivables. Loans and receivables are initially recognised at fair value, including direct and incremental costs, and are subsequently carried on an amortised cost basis. The best evidence of the fair value at initial recognition is the transaction price (i.e. the fair value of the consideration given or received).

1.8 Impairment of financial assets

The carrying amounts of the Company's financial assets are reviewed at each reporting date to determine whether there is any indication of permanent impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of a financial asset exceeds its long-term estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

1.9 Financial liabilities

Financial liabilities are initially recognised at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Financial liabilities are subsequently measured at either amortised cost or fair value through profit or loss. All liabilities, other than those designated at fair value through profit or loss, are subsequently carried at amortised cost. For financial liabilities measured at amortised cost, any difference between initial fair value and the redemption value is recognised in the statement of comprehensive income using the effective interest rate method.

1.10 Accounting estimates and judgements

The reported results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The particular accounting policies adopted by the company are not subject to estimates and judgements which would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, other than as described in these financial statements.

IBRC EQUITY LIMITED

Notes to the financial statements continued

1 General information and accounting policies continued

1.11 Standards issued but not yet effective

The Company has not applied the following new standards, amendments to standards and interpretations (IFRICs) that have been approved by the International Accounting Standards Board and which would be applicable to the Company with an effective date after the date of these financial statements:

- IFRS 9 (Amendment) - Financial Instruments - effective for periods beginning on or after 1 January 2018.

The Company will apply this standard as it becomes effective.

1.12 Statement of cash flows

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits.

1.13 Taxation (current and deferred)

Current tax is the expected tax payable (shown as a liability) or the expected tax receivable (shown as an asset) on the taxable income for the period adjusted for changes to previous years and is calculated based on the applicable tax law in the United Kingdom. Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities for taxation purposes and their carrying amounts in the financial statements. Current and deferred taxes are determined using tax rates based on legislation enacted or substantively enacted at the financial reporting date and expected to apply when the related tax asset is realised or the related tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profits will be available against which temporary differences will be utilised.

Current and deferred taxes are recognised in the statement of comprehensive income in the period in which the profits or losses arise except to the extent that they relate to items recognised directly in equity, in which case taxes are also recognised in equity. Deferred and current tax assets and liabilities are only offset where there is both the legal right and intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2 Segmental reporting

The Company only has one reporting segment which is investment and one geographic segment which for reporting purposes is the United Kingdom.

IBRC EQUITY LIMITED

Notes to the financial statements continued

	Year ended 30 Jun 2016	18 month period ended 30 Jun 2015
	£	£
3 Revenue		
Investment income and profit share	-	129,961

Revenue arose from the Company being entitled as a general partner to Anglo Irish Federal Street UK LP ("AIFS") to a fixed profit share as defined in the Limited Partnership Agreement for Anglo Irish Federal Street UK LP. The Company ceased to be the general partner of AIFS on 1 September 2014.

4 Directors' emoluments

Key management personnel who consist of directors of the Company were remunerated by the parent undertaking, Irish Bank Resolution Corporation Limited - in special liquidation ('IBRC'). These directors were full time employees of IBRC and received no additional remuneration for their services to the Company. The directors ceased to be employed by IBRC in 2014. The Company has no employees (2015: none).

5 (Loss) / profit before taxation

The audit fee relating to the Company was £5,000 (2015: £5,000). Included in the Statement of Comprehensive Income are net foreign exchange gains of £173 (2015: net losses of £17,728).

	Year ended 30 Jun 2016	18 month period ended 30 Jun 2015
	£	£
6 Taxation		
Corporation tax		
- Current year	-	237,120
- Prior year	(173)	-
	<u>(173)</u>	<u>237,120</u>
Effective tax rate	<u>2%</u>	<u>786%</u>

Taxation of other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction under the applicable requirements of that jurisdictions' tax code.

The reconciliation of total tax on (loss)/ profit on ordinary activities at the standard corporation tax rate to the Company's actual total tax charge is analysed as follows:

(Loss) / profit before taxation	<u>(7,664)</u>	<u>30,175</u>
(Loss) / profit on ordinary activities before taxation at 20.00% (2015: 21.16%)	(1,533)	6,385
Effects of:		
Share of partnership profits	-	(5,521)
Double tax relief	-	(864)
Effect of tax (recoverable from) / payable in other jurisdictions	(173)	237,120
Current year losses where no deferred tax asset is recognised	1,533	-
Total taxation	<u>(173)</u>	<u>237,120</u>

The UK has passed legislation to reduce the UK tax rate from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. As the Company has neither a deferred tax asset nor a deferred tax liability, there is no impact on the Company's results.

IBRC EQUITY LIMITED

Notes to the financial statements continued

7 Other assets	30 Jun 2016	30 Jun 2015
	£	£
Profit share due from Anglo Irish Federal Street UK Limited Partnership	-	-
Taxation due from overseas authorities	-	5,333
Amount due from parent undertaking	-	-
	<u>-</u>	<u>5,333</u>

The amounts due from the parent undertaking are provided interest free and with no fixed terms of repayment. Full provision was made against amounts due from IBRC in 2013 of £513,982 under the heading "Impairment Loss". This provision was created in 2013 given the fact that IBRC entered special liquidation on 7 February 2013.

Given the fact that the joint special liquidators of IBRC decided during 2015 that amounts will now be payable to unsecured creditors of IBRC, it is likely that part or all of the provisions made in 2013 will be reversed in subsequent periods depending on the level of payment made to unsecured creditors by IBRC. These amounts have not been admitted into the liquidation by the joint special liquidators and no details have yet been made available as to the likely level of payment to this unsecured creditor of IBRC. Therefore, the directors have not recognised any reversal of the provisions until such information is available with certainty.

8 Other liabilities	30 Jun 2016	30 Jun 2015
	£	£
Amount due to group undertakings	-	4,200
	<u>-</u>	<u>4,200</u>

Amounts due to group undertakings are provided interest free and with no fixed terms of repayment. They were repaid during the year.

9 Share capital	30 Jun 2016	30 Jun 2015
	£	£
Ordinary share capital		
Ordinary shares of £1 each		
Authorised: 1,000 Ordinary shares of £1	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid	<u>1</u>	<u>1</u>

IBRC EQUITY LIMITED

Notes to the financial statements continued

10 Risk management and control

The Company is subject to a variety of risks and uncertainties in the normal course of its business activities. The principal risks and uncertainties facing the Company relate to credit risk on its amounts due from the ultimate parent undertaking and liquidity risk for payment obligations.

Credit risk

Credit risk is the risk that the Company will suffer financial loss from a counterparty failure to pay interest, repay capital or meet a commitment. The Company's only credit risk relates to amounts due from its parent undertaking, Irish Bank Resolution Corporation Limited - in special liquidation ('IBRC').

Market risk

Market risk is the risk of a potential adverse change in income or financial position arising from movements in interest rates, exchange rates or other market prices. Market risk arises from the structure of the statement of financial position. Market risk primarily arises from exposure to changes in exchange rates and interest rates.

All of the Company's unimpaired assets and liabilities are denominated in sterling. Hence there is minimal levels of currency risk exposure.

The Company's financial assets and liabilities have no interest rates applied to them so the Company does not suffer interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources available at all times to meet its contractual and contingent cash flow obligations or can only secure these resources at excessive cost.

Operational risk

Operational risk is the risk of loss arising from inadequate controls and procedures, unauthorised activities, outsourcing, human error, systems failure and business continuity. Due to the limited nature of the Company's activities it is difficult for the Company to suffer an operational error.

The management of operational risk is monitored by the Board of Directors.

Compliance risk

The directors are responsible for ensuring that the Company is compliant with all relevant laws and best practice guidelines. Non compliance can give rise to reputational loss, legal or regulatory sanctions or material financial loss.

The Directors monitor the activities of the Company and take appropriate advice to ensure that the Company continues to be compliant with all of its obligations.

11 Capital management

The objectives of the Company's capital management policy is to efficiently manage the capital base to optimise the return of the Company.

The responsibility for capital adequacy rests with the directors. The directors manage the capital structure and make adjustments to it in light of changes in economic conditions or changes in the risk profile of assets.

Given the limited activity of the Company, no capital position is presented.

IBRC EQUITY LIMITED

Notes to the financial statements continued

12 Parent company and ultimate parent undertaking

The Company is a wholly owned subsidiary of Irish Bank Resolution Corporation Limited - in special liquidation, incorporated in the Republic of Ireland, the parent company and ultimate parent undertaking.

13 Related party transactions

The Company has provided a loan to the parent undertaking of the company, IBRC. The balance before impairment on this loan at 30 June 2016 was £632,900 (2015: £513,982). The loans are interest free with no fixed term of repayment. The movement in the balance before impairment between 2015 and 2016 represents the FX movements in the gross balances matched by an equal and opposite movement in FX differences on the impairment provision.

Full provision was made against the net amounts due from IBRC in 2013 given the entry of IBRC into special liquidation on 7 February 2013. In due course once there is certainty around payments to unsecured creditors of IBRC part or all of these provisions, and credits thereto, will be reversed as detailed in note 7.

The Company had a loan from a fellow subsidiary company, CDB (U.K.) Limited. The balance on this loan at 30 June 2016 was £nil (2015: £4,200). The loan was interest free and has no fixed terms of repayment and was repaid during the year.

There were no other related party transactions or balances requiring disclosure.