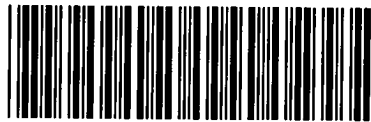


Company No. 04311953

IBRC COMMERCIAL PROPERTIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

FRIDAY



A963Y528

A15

29/05/2020

#141

COMPANIES HOUSE

IBRC COMMERCIAL PROPERTIES LIMITED

Contents

Pages

Corporate information	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Statement of comprehensive loss	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 18

IBRC COMMERCIAL PROPERTIES LIMITED

Directors

F G Parker
T P Walsh

Secretary

F G Parker

Auditor

Deloitte LLP
London
United Kingdom

Bankers

Barclays Bank Plc
UK Banking
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

04311953

Country of incorporation

The United Kingdom

IBRC COMMERCIAL PROPERTIES LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of IBRC Commercial Properties Limited ('the Company') together with the financial statements and audit report for the year ended 30 June 2019.

1. PARENT COMPANY AND ULTIMATE PARENT UNDERTAKING

The Company is a wholly owned subsidiary of CDB (U.K.) Limited, a company incorporated in the United Kingdom, which in turn is a wholly owned subsidiary of Irish Bank Resolution Corporation Limited - in special liquidation ("IBRC"), incorporated in the Republic of Ireland, the ultimate parent undertaking. The registered address of CDB (U.K.) Limited is at c/o Hold Store Limited, Unit 33A, Enterprise House, 44-46 Terrace Road, Walton on Thames, Surrey, KT12 2SD.

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 ultimate 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 AND PRINCIPAL ACTIVITY

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. The principal activity of the Company is to recover its remaining assets, deal with its remaining liabilities and to complete an orderly dissolution of the Company.

3. RESULTS FOR THE YEAR AND STATE OF AFFAIRS AS AT 30 JUNE 2019

The results for the year and the statement of financial position at 30 June 2019 are set out, respectively, on pages 8 and 9. The loss after taxation for the year amounted to £308 (2018: loss for the year of £7). Total shareholders' deficit amounted to £870,400 as at 30 June 2019 (2018: shareholders deficit of £870,092).

4. DIVIDEND

The directors do not propose the payment of a dividend in respect of the year ended 30 June 2019 (2018: £nil).

5. GOING CONCERN

The remaining assets in the Company will not be capable of covering the Company's liabilities all of which are inter company balances with IBRC and other group companies of CDB (U.K.) Limited. Once the remaining cash is paid to creditors, it is the intention of the directors to seek 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. The directors have considered the impact of COVID-19, as detailed in note 11, on their going concern assessment and have concluded that it does not change the basis of preparation for these financial statements.

IBRC COMMERCIAL PROPERTIES LIMITED

DIRECTORS' REPORT (Continued)

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, dealing with its remaining liabilities and the subsequent closure of the Company.

7. RISK MANAGEMENT

Details of the principal risks facing the Company and the management of such risks are detailed in note 8 of these financial statements.

8. DIRECTORS AND SECRETARY

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

10. POST BALANCE SHEET EVENTS

Information on post balance sheet events affecting the Company are set out in note 11 of these financial statements.

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: 25 May 2020

IBRC COMMERCIAL PROPERTIES 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 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBRC COMMERCIAL PROPERTIES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of IBRC Commercial Properties Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss 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 statement of comprehensive loss;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 11.

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.

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

We draw attention to note 1.3 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBRC COMMERCIAL PROPERTIES LIMITED (Continued)

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.

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 Financial Reporting Council'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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBRC COMMERCIAL PROPERTIES LIMITED (Continued)

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; 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 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.



Christopher Mather FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

Date: 26 May 2020

IBRC COMMERCIAL PROPERTIES LIMITED

Statement of comprehensive loss

For the year ended 30 June 2019

		Year ended 30 Jun 2019	Year ended 30 Jun 2018
	Notes	£	£
Discontinued operations:			
Revenue		-	-
Administrative expenses		(30)	(112)
Foreign exchange (loss) / gain		(278)	105
Loss before taxation	4	(308)	(7)
Taxation	5	-	-
Loss for the year		(308)	(7)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to the equity holders of the Company		(308)	(7)

The notes on pages 12 - 18 form part of these financial statements.

IBRC COMMERCIAL PROPERTIES LIMITED

Statement of financial position

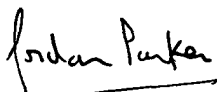
As at 30 June 2019

	Notes	30 June 2019 £	30 June 2018 £
Current Assets			
Cash at Bank		19,419	19,449
Total assets		<u>19,419</u>	<u>19,449</u>
Current Liabilities			
Loans and borrowings	6	<u>889,819</u>	<u>889,541</u>
		<u>889,819</u>	<u>889,541</u>
Shareholders' Deficit			
Share capital	7	<u>1,125,000</u>	<u>1,125,000</u>
Retained earnings		<u>(1,995,400)</u>	<u>(1,995,092)</u>
Shareholders' deficit		<u>(870,400)</u>	<u>(870,092)</u>
Total shareholders' deficit and liabilities		<u>19,419</u>	<u>19,449</u>

The notes on pages 12 - 18 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 25 May 2020.

They were signed on its behalf by:



F G Parker
Director

Date: 25 May 2020

Company number: 04311953

IBRC COMMERCIAL PROPERTIES LIMITED

Statement of changes in equity **For the year ended 30 June 2019**

	Share Capital £	Retained Earnings £	Total £
Balance at 1 July 2017	1,125,000	(1,995,085)	(870,085)
Total comprehensive loss for the year	-	(7)	(7)
Balance at 30 June 2018	1,125,000	(1,995,092)	(870,092)
Total comprehensive loss for the year	-	(308)	(308)
Balance at 30 June 2019	<u>1,125,000</u>	<u>(1,995,400)</u>	<u>(870,400)</u>

The notes on pages 12 - 18 form part of these financial statements.

IBRC COMMERCIAL PROPERTIES LIMITED

Statement of cash flows

For the year ended 30 June 2019

	Year ended 30 Jun 2019 £	Year ended 30 Jun 2018 £
Loss before taxation	(308)	(7)
Changes in operating assets and liabilities		
Decrease in other assets	-	78
Net (decrease) / increase in cash flows from operating activities	(308)	71
Net (decrease) / increase in cash and cash equivalents	(308)	71
Opening cash and cash equivalents	(687,411)	(687,482)
Closing cash and cash equivalents (Note A)	(687,719)	(687,411)
Note A:		
Cash and cash equivalents		
Cash at Bank	19,419	19,449
Amounts due to ultimate parent undertaking (note 6)	(707,138)	(706,860)
	(687,719)	(687,411)

The notes on pages 12 - 18 form part of these financial statements.

IBRC COMMERCIAL PROPERTIES 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. The principal activity of the Company is to recover its remaining assets, deal with its remaining liabilities and complete an orderly dissolution of the Company.

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 2019.

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

The reported results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of the financial statements, to select multiple accounting policies, apply them consistently and make judgement and estimates that are reasonable and prudent. A description of the significant accounting estimates and judgements is set out in note 1.12.

1.3 Going concern

The remaining assets in the Company will not be capable of covering the Company's liabilities all of which are inter company balances with IBRC and other group companies of CDB (U.K.) Limited. Once the remaining cash is paid to creditors, it is the intention of the directors to seek 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. The directors have considered the impact of COVID-19, as detailed in note 11, on their going concern assessment and have concluded that it does not change the basis of preparation for these financial statements. No adjustments arose as a result of ceasing to apply the going concern basis.

1.4 Adoption of new accounting standards

The accounting policies applied this financial year are set out in this note and are consistent with those of the previous financial year except in relation to the adoption of IFRS 9 - Financial Instruments, which was effective from 1 July 2018. IFRS 9 replaces IAS 39 Financial Instruments Recognition and Measurement. There are significant changes in the accounting for financial instruments, particularly with regard to impairment.

In accordance with the requirements of IFRS 9, comparative information has not been restated and transitional adjustments have been accounted for through retained earnings at 1 July 2018, the date of initial application. There is no impact on the Company's financial statements as the only financial asset remaining are cash at bank. Therefore there are no transitional adjustments.

1.5 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 loss 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.

1.6 Cash and cash equivalents

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits including any loans to or from the ultimate parent undertaking which acted as the Company's banker.

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

1 General information and accounting policies continued

1.7 Financial assets

Financial assets are classified at initial recognition on the basis of the business model within which they are managed and their contractual cash flow characteristics. The classification categories are amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). The Company currently only has financial assets classified as amortised cost.

Financial assets that are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Initial recognition is at fair value plus directly attributable transaction costs.

The following was applied in the previous financial year under IAS 39:

The Company has only one category of financial assets, namely loans and receivables. The Directors determine the classification of its financial assets 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.

1.8 Impairment of financial assets

'IFRS 9's impairment requirements use more forward looking information to recognise expected credit losses - the 'expected credit loss ('ECL') model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include loans, including amounts due from the ultimate parent undertaking, and other debt type financial instruments measured at amortised cost.

'Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition ('Stage 1'), and
- financial instruments that have deteriorated significantly in credit quality since initial recognition ('Stage 2').

'Stage 3' would cover financial assets that are deemed to be credit impaired at the reporting date.

'12-month expected credit losses' are recognised for Stage 1 assets while 'lifetime expected credit losses' are recognised for Stage 2 and Stage 3 assets.

Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

All increases in expected credit losses are recorded in the income statement under the heading 'impairment losses on financial assets'. A financial asset is written off against the related provisions where there is no reasonable expectations of further recovery action. Subsequent recoveries of amounts previously written off decrease the amount of impairment losses recorded in the income statement.

In the event that a financial asset 'cures', so that it is transferred back to either Stage 2 or Stage 1, then any reversal of expected credit losses will be recorded as a reduction of impairment losses or if greater than the amount of impairment losses in the period shown under the heading 'impairment gains / (losses) on financial assets'. As none of the financial assets carry an interest rate there is no impact on interest income when a financial asset cures.

The following was applied in the previous financial year under IAS 39:

Provision is made for impairment of financial assets to reflect the losses inherent in those assets at the end of the reporting period.

The Company assesses at each financial reporting period whether there is objective evidence that a financial asset or a portfolio of financial assets is impaired. A financial asset or portfolio of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more loss events that occurred after the initial recognition of the asset ('a loss event') and that loss event (or events) has had an impact such that the estimated present value of future cash flows is less than the current carrying value of the financial asset, or portfolio of financial assets, and can be reliably measured.

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

1 General information and accounting policies continued

1.9 Financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9.

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. Any difference between proceeds net of transaction costs and the redemption value is recognised in the statement of comprehensive loss using the effective interest rate method.

The classification of an instrument as a financial liability or an equity instrument is dependent on the substance of the contractual arrangement. Instruments which carry a contractual obligation to deliver cash or another financial asset to another entity are classified as financial liabilities. Interest on these instruments is recognised in the statement of comprehensive loss as an expense.

1.10 Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. If substantially all the risk and rewards have been neither retained nor transferred the assets continue to be recognised to the extent of the Company's involvement.

Financial liabilities are derecognised when they are extinguished.

1.11 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 end of the reporting period. All differences are recognised in the statement of comprehensive loss. 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 loss. 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.

1.12 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 the directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the end of each reporting date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes may differ from those estimates.

There were no key sources of estimation uncertainty.

The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Deferred Tax Asset

The Company has deferred tax assets which are not being recognised as it is not anticipated that the Company will generate taxable profits in the foreseeable future. Further details are given in note 5.

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

1 General information and accounting policies continued

1.13 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 16 - Leases - effective for periods beginning on or after 1 January 2019.

This standard is not expected to have any impact on the Company as it has no leases.

2 Segmental reporting

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

3 Directors' emoluments and employees

The directors received no remuneration for their services during the year (2018: £nil). The Company has no employees (2018: none).

4 Auditor's remuneration

The audit fee for the statutory accounts is borne by the parent undertaking of the Company, CDB (U.K.) Limited, for both years. The audit fee relating to the Company was £4,500 (2018: £5,000).

5 Taxation

	Year ended 30 Jun 2019 £	Year ended 30 Jun 2018 £
Corporation tax		
- current year charge	-	-
- prior year charge	-	-
Deferred tax		
- current year charge	-	-
	-	-
Total taxation charge	-	-
Effective tax rate	0%	0%

The reconciliation of tax on loss on ordinary activities at the average corporation tax rate to the Company's total tax charge is analysed as follows:

	Year ended 30 Jun 2019 £	Year ended 30 Jun 2018 £
Loss on ordinary activities before taxation	(308)	(7)
Tax charge on loss on ordinary activities before taxation at 19% (2018: 19%)	(59)	(1)
Effects of:		
Group Relief	59	1
Current tax credit	-	-

Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will not now occur and the Corporation Tax Rate will be held at 19%. As substantive enactment is after the balance sheet date, deferred tax balances continue to be measured at a rate of 17%. As the Company has neither a deferred tax asset nor a deferred tax liability, there is no impact on the Company's results.

The Company has not recognised a deferred tax asset of £134,610 in respect of losses carried forward (2018: £134,610). This is due to no profits being anticipated in the future. The gross value of the unutilised taxation losses carried forward is £791,824 (2018: £791,824).

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

6 Loans and Borrowings	30 Jun 2019	30 Jun 2018
	£	£
Repayable on demand	<u>889,819</u>	<u>889,541</u>
Amounts include:		
Amounts due to ultimate parent undertaking	707,138	706,860
Amounts due to group undertakings	<u>182,681</u>	<u>182,681</u>
	<u>889,819</u>	<u>889,541</u>

Amounts owed to the ultimate parent undertaking are provided by Irish Bank Resolution Corporation Limited - in special liquidation ('IBRC'). The facilities are provided interest free and have no fixed terms of repayment.

Amounts owed to group undertakings are provided by fellow group undertakings of the CDB (U.K.) Limited Group. The facilities are provided on an interest free basis with no fixed terms of repayment. Further details are provided in note 10.

7 Share capital	30 Jun 2019	30 Jun 2018
	£	£
Ordinary share capital		
Authorised:		
2,000,000 Ordinary shares of £1 each (2018: 2,000,000)	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid:		
1,125,000 Ordinary share of £1 each (2018: 1,125,000)	<u>1,125,000</u>	<u>1,125,000</u>

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

8 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 amounts owed by the Company's bankers. The other risks facing the Company are operational and compliance risks.

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 credit risk of funds held with the Company's bankers is mitigated by the strong credit rating of the bank.

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 interest rates and exchange rates.

The Company's loans and borrowings from its ultimate parent undertaking are primarily denominated in sterling but also include \$10,000 denominated in US dollars. All other financial assets and liabilities are denominated in Sterling.

All financial assets and liabilities have no interest rates applied to them and are held at amortised cost.

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.

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

Capital Management

The objectives of the Company's capital management policy are 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 provided.

IBRC COMMERCIAL PROPERTIES LIMITED

Notes to the financial statements continued

9 Controlling party

In the opinion of the directors, the Company's ultimate parent Company and ultimate controlling party is Irish Bank Resolution Corporation Limited - in special liquidation, a company incorporated in the Republic of Ireland. The parent undertaking of the largest group, which includes the Company and for which group accounts are prepared is CDB (U.K.) Limited, a company incorporated in Great Britain and registered in England and Wales. The registered office of CDB (U.K.) Limited is c/o Hold Store Limited, Unit 33A, Enterprise House, 44-46 Terrace Road, Walton on Thames, Surrey, KT12 2SD. Copies of the group financial statements of CDB (U.K.) Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The Company's immediate controlling party is CDB (U.K.) Limited.

10 Related party transactions

The ultimate parent undertaking of the Company, IBRC, has provided loans to the Company. The balance on these loans at 30 June 2019 were £707,138 (2018: £706,860). The loans are interest free with no fixed terms of repayment.

Various fellow subsidiary undertakings have provided loans to the Company. The balance on these loans at 30 June 2019 was £182,681 (2018: £182,681). The loans are interest free with no fixed terms of repayment. The following is the amount due by entity:

<u>Name of group undertaking</u>	<u>30 Jun 2019</u> £	<u>30 Jun 2018</u> £
IBRC Asset Finance Limited	63,844	63,844
IBRC Property Lending Limited	118,837	118,837
	<u>182,681</u>	<u>182,681</u>

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

11 Events after the balance sheet date

The Company does not expect the outbreak of COVID-19 and the various government actions to curtail the spread of the virus to have any impact on the Company's cash flows, liquidity, profitability or the carrying value of the assets on the statement of financial position given the nature of the Company's current activities. Consequently, the directors do not expect COVID-19 to have a material impact on the results of the Company.