

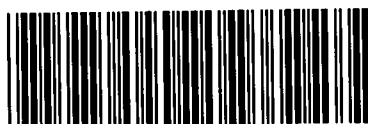


# **AIB CORPORATE LEASING LIMITED**

Directors' Report and  
Annual Financial Statements  
for the year ended 31 December 2022

Company registration number 01483027

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## Directors and other information

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

## Directors' report

The Directors AIB Corporate Leasing Limited (the 'Company') present their annual report and audited financial statements for the year ended 31 December 2022. The Statement of Directors' responsibilities in relation to the financial statements is on page 6.

The Company has chosen, in accordance with Section 414C(11) of the Companies Act 2006, to include certain matters, such as capital management, principal risks and uncertainties, a review of future developments and non-adjusting events after the balance sheet date in its Strategic report that would otherwise be required to be disclosed in this Directors' report. The Strategic report is on page 5.

### Going concern

The financial statements for the financial year ended 31 December 2021 have been prepared on a going concern basis as the Directors are satisfied, having considered the risks and uncertainties impacting the Company, that it has the ability to continue in business for the period of assessment. The period of assessment used by the Directors is twelve months from the date of approval of these financial statements.

In making their assessment, the Directors have considered a wide range of information relating to present and future conditions of the Company, including the continuing availability of sufficient resources from Allied Irish Banks, p.l.c. ('AIB'). The Company is dependent on AIB for capital and funding, if required, and is therefore dependent on the going concern of AIB. The financial statements of AIB for the financial year ended 31 December 2022 were prepared on a going concern basis.

### Conclusion

On the basis of the above factors, the Directors are satisfied that it continues to be appropriate to prepare the financial statements on a going concern basis, having concluded that there are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern over the period of assessment.

### Directors and Secretary during the year

The following were Directors of the Company during the financial year ended 31 December 2022 and up to the date of signing were:

Jonathan Dyer (appointed 1 March 2022)  
John McMullen (resigned 28 February 2022)  
John Silcox

Elizabeth Hallissey resigned as Secretary of the Company on 26 January 2022.

Adrian Kelly was appointed as Secretary of the Company on 27 January 2022.

### Directors and Secretary's interests

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

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

### Directors' loans

None of the Directors received any loans from the Company during the financial year ended 31 December 2022 (2021: nil).

### Accounting records

The Directors have complied with the requirements of Section 386 of the Companies Act 2006 with regard to accounting records by allocating personnel with appropriate expertise and by providing adequate resources to the Finance function. The accounting records of the Company are maintained at AIB, 10 Molesworth Street, Dublin 2, Ireland. The Company's officers have made sufficient arrangements to ensure compliance with Section 388 of the Companies Act 2006.

## Directors' report (continued)

### Disclosure of information to auditor

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

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

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

### Independent auditor

Deloitte Ireland LLP ('Deloitte'), intend to resign as auditor of the ultimate parent company, AIB Group plc, following the conclusion of the 2022 financial year end process, having served as AIB Group plc's statutory auditor for the maximum legally permitted unbroken tenure in office of ten years. Consequently, Deloitte will also step down as auditor of the Company following the conclusion of the 2022 financial year end process.

A formal external audit tender process was completed by the Audit Committee of AIB Group plc, on behalf of the AIB Group plc Board, and PricewaterhouseCoopers ('PwC') have been selected by the Board as the proposed new statutory auditor in respect of the financial year ending 31 December 2023. A shareholder resolution at the annual general meeting of AIB Group plc, to be held on 4 May 2023, is required for the appointment of the new statutory auditor.

Approved by the Board of Directors and signed on its behalf by:



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John Silcox

Director

Date: 27 April 2023

## Strategic report

### Principal activities

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

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

### Business review

The results for the year are set out in the attached financial statements. The Company made a profit after taxation of £3k in 2022 (2021: £4,813k). A dividend of £4,813k was received from the Company's subsidiary, AIB Capital Markets Holdings (U.K.) Limited, during the year ended 31 December 2021.

The Company did not declare nor pay any dividend for the financial year ended 31 December 2022 or in the previous financial year.

The Company's statement of financial position shows net equity at 31 December 2022 of £4,455k (2021: £4,452k).

### Strategy and outlook

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

### Principal risks and uncertainties

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

### Capital management

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

### Political and charitable donations

The Company made no political or charitable contributions during the year 2022 (2021: nil).

### Non-adjusting events after the reporting period

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

Approved by the Board of Directors and signed on its behalf by,



John Silcox

Director

Date: 27 April 2023

## Statement of Directors' responsibilities

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditor in relation to the financial statements. It should be read in conjunction with the statement of Auditor's responsibilities set out in their audit report.

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 United Kingdom. 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, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the United Kingdom; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on its behalf by:



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John Silcox  
Director

Date: 27 April 2023

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

### Report on the audit of the financial statements

#### Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in shareholders' equity;
- the statement of cash flows; and
- the related notes 1 to 14, including a summary of significant accounting policies as set out in note 1.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted accounting standards and IFRSs as issued by the IASB.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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 when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Directors' Report and Annual Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Annual Financial Statements. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### Report on other legal and regulatory requirements

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 3 May 2023

## Income statement

for the financial year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Dividend income	2	—	4,813
<b>Total operating income</b>		—	4,813
Administrative expenses	3	—	—
<b>Profit before taxation</b>		—	4,813
Income tax credit	5	3	—
<b>Profit for the financial year</b>		<b>3</b>	<b>4,813</b>

The operating profit arises from continuing operations.

## Statement of comprehensive income

for the financial year ended 31 December 2022

	2022 £'000	2021 £'000
<b>Profit for the year</b>	<b>3</b>	<b>4,813</b>
Other comprehensive income for the year	—	—
<b>Total comprehensive income for the year</b>	<b>3</b>	<b>4,813</b>

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

# Statement of financial position

as at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Assets</b>			
Amounts due from group undertakings	6	4,829	4,829
Current taxation		3	—
<b>Total assets</b>		<b>4,832</b>	<b>4,829</b>
<b>Liabilities</b>			
Amounts due to group undertakings	8	377	377
<b>Total liabilities</b>		<b>377</b>	<b>377</b>
<b>Shareholders' equity</b>			
Share capital	9	—	—
Revenue reserves		4,455	4,452
<b>Total shareholders' equity</b>		<b>4,455</b>	<b>4,452</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,832</b>	<b>4,829</b>

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

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2023.

They are signed on its behalf by:



John Silcox  
Director

Date: 27 April 2023

Company registration number: 01483027

## Statement of changes in shareholders' equity

for the financial year ended 31 December 2022

	Share capital	Revenue reserves	Total shareholders' equity
	£'000	£'000	£'000
<b>At 1 January 2022</b>	—	4,452	4,452
Total comprehensive income for the year	—	3	3
<b>At 31 December 2022</b>	—	4,455	4,455
<b>At 1 January 2021</b>	—	(361)	(361)
Total comprehensive income for the year	—	4,813	4,813
<b>At 31 December 2021</b>	—	4,452	4,452

# Statement of cash flows

for the financial year ended 31 December 2022

	2022 £'000	2021 £'000
<b>Cash flows from operating activities</b>		
Profit before taxation for the year	—	4,813
Adjustments for:		
Investment income	—	(4,813)
	—	—
<b>Changes in operating assets and liabilities</b>		
Change in amounts from group undertakings	—	(4,813)
<b>Net cash flows from operations before taxation</b>	—	(4,813)
Taxation - group relief received	—	—
<b>Net cash flows from operating activities</b>	—	(4,813)
<b>Cash flows from investing activities</b>		
Dividends received from Group undertakings	—	4,813
<b>Net cash flows from investing activities</b>	—	4,813
<b>Net cash flows from financing activities</b>	—	—
<b>Change in cash and cash equivalents</b>	—	—
Opening cash and cash equivalents	—	—
<b>Closing cash and cash equivalents</b>	—	—

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

# Notes to the financial statements

## 1. Accounting policies

The significant accounting policies that the Company applied in the preparation of the financial statements are set out in this section.

### 1.1. Reporting entity

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

### 1.2. Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards (collectively 'IFRSs') as issued by the International Accounting Standards Board ('IASB') and International Financial Reporting Standards and subsequently adopted by the United Kingdom and applicable for the financial year ended 31 December 2022. The accounting policies have been consistently applied by the Company and are consistent with the previous year, unless otherwise described.

Consolidated financial statements have not been prepared by the Company for the financial year ended 31 December 2022 as it is itself a wholly owned subsidiary of AIB and it meets all the conditions set out under IFRS 10 *Consolidated Financial Statements* to avail of this exemption.

### 1.3. Basis of preparation

#### Functional and presentation currency

The financial statements are presented in pound sterling, which is the functional currency of the Company, rounded to the nearest thousand.

#### Basis of measurement

The financial statements have been prepared under the historical cost basis.

#### Use of judgements and estimates

The preparation of financial statements requires management to make judgements, in the application of accounting policies, and estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues and expenses, and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management judgement may involve making estimates concerning the likelihood of future events, the actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

There is no accounting policy that is deemed critical to the Company's results and financial position, in terms of the materiality of the items to which the policy is applied, and there are no key sources of estimation of uncertainty.

#### Going concern

The financial statements for the financial year ended 31 December 2021 have been prepared on a going concern basis as the Directors are satisfied, having considered the risks and uncertainties impacting the Company, that it has the ability to continue in business for the period of assessment. The period of assessment used by the Directors is twelve months from the date of approval of these financial statements.

In making their assessment, the Directors have considered a wide range of information relating to present and future conditions of the Company, including the continuing availability of sufficient resources from Allied Irish Banks, p.l.c. ('AIB'). The Company is dependent on AIB for capital and funding, if required, and is therefore dependent on the going concern of AIB. The financial statements of AIB for the financial year ended 31 December 2022 were prepared on a going concern basis.

#### Conclusion

On the basis of the above factors, the Directors are satisfied that it continues to be appropriate to prepare the financial statements on a going concern basis, having concluded that there are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern over the period of assessment.

#### First time adoption of new accounting standards/amendments to stand

There were no new accounting standards/amendments to standards effective for annual periods beginning 1 January 2022 apart from minor amendments to IFRSs through both standalone amendments and through the Annual Improvements to IFRS Standards 2018 – 2020 cycle. None of these had a significant impact on reported results or disclosures.

The Company has not early adopted any standard or amendment that has been issued but is not yet effective.

# Notes to the financial statements

## 1. Accounting policies

### 1.4. Income tax

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

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

### 1.5. Financial assets

#### Recognition and initial measurement

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

#### Classification and subsequent measurement

On initial recognition, a financial asset is classified and subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL').

The classification and subsequent measurement of financial assets depend on:

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

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

#### – Amortised cost

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

#### Business model assessment

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

The assessment considers the following:

- The strategy for the portfolio as communicated by management;
- How the performance of the portfolio is evaluated and reported to senior management; and
- The risks that impact the performance of the business model, and how those risks are managed.

#### Characteristics of the contractual cash flows

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

#### Due from Group undertakings

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



# Notes to the financial statements

## 1. Accounting policies

### 1.6. Financial liabilities

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

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

Financial liabilities are initially recognised at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Financial liabilities are subsequently measured at amortised cost, any difference between the proceeds net of transaction costs and the redemption value is recognised in the income statement using the effective interest rate method.

The Company derecognises a financial liability when its contractual obligation is discharged, cancelled or expired. Any gain or loss on the extinguishment or remeasurement of a financial liability is recognised in the income statement.

#### Due to Group undertakings

Amounts due to Group undertakings are classified as financial liabilities at amortised cost and are recognised and measured accordingly.

### 1.7. Derecognition

#### Financial assets

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

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

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

#### Financial liabilities

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

### 1.8. Impairment of financial assets

The Company recognises loss allowances for expected credit losses at each balance sheet date for the following financial instrument category that is not measured at FVTPL:

- Financial assets at amortised cost.

ECLs are the weighted average of credit losses. When measuring ECLs, the Company takes into account:

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

Financial assets at amortised cost were assessed for an ECL at 31 December 2022 and 2021. The ECL amounted to nil (2021: nil).

### 1.9. Investment in Group undertakings

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

Dividends from subsidiary undertakings are recognised in the income statement when the Company's right to receive the dividend is established.

# Notes to the financial statements

## 1. Accounting policies

### 1.9. Investment in Group undertakings (continued)

#### Impairment of investments in Group undertakings

The Company's investments in subsidiary undertakings are reviewed for impairment at the end of each accounting period to determine if there are indications that impairment losses may have occurred. If any such indications exist, the Company undertakes an impairment review by comparing the carrying value of the investment in the subsidiary with its estimated recoverable amount, with any shortfall being recognised as an impairment charge in the Company's income statement. The estimated recoverable amount is based on value-in-use (VIU) calculations.

In addition, an assessment is carried out where there are indicators that impairment recognised in prior periods may no longer exist or may have decreased.

For previously impaired investments, where the assessment indicates an increase in the recoverable amount, the impairment loss recognised in earlier periods is reversed, up to the maximum level of the original investment amount.

### 1.10. Shareholders' equity

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

#### Share capital

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

#### Revenue reserves

Revenue reserves represent retained earnings of the Company.

### 1.11. Prospective accounting changes

There are no new standards and amendments to existing standards which have been approved by the IASB, but not early adopted by the Company, that will impact the Company's financial reporting in future periods.

## 2. Dividend income

	2022	2021
	£'000	£'000
Dividend received from subsidiary undertaking	—	4,813
	—	4,813

The dividend of £4,813k was received from the Company's subsidiary, AIB Capital Markets Holdings (U.K.) Limited, in October 2021.

## 3. Administrative expenses

Accounting and administration services are provided by AIB.

None of the Directors received any fees or other emoluments in respect of either year. The Company was administered on behalf of its Directors by AIB.

The Company had no employees in 2022 (2021: nil).

## 4. Auditor's remuneration

Remuneration payable to the Company's auditor (Deloitte Ireland LLP) for services relating to the audit of the Company's financial statements is borne by AIB. No tax assurance, other assurance or advisory fees were paid to the external auditor.

# Notes to the financial statements

## 5. Taxation

	2022 £'000	2021 £'000
<b>Current tax</b>		
Adjustments in respect of prior years	3	—
<b>Total tax credit for the year</b>	<b>3</b>	<b>—</b>

### Factors affecting the effective tax rate

The following table explains the difference between the tax charge that would result from applying the standard corporation tax rate in the UK of 19% (2021: 19%) and the actual tax charge for the year:

	2022 £'000	2021 £'000
Operating profit before taxation	—	4,813
Tax charge at standard corporation tax rate in UK of 19% (2021: 19%)	—	(914)
<i>Effects of:</i>		
Tax exempted income	—	914
Adjustments to tax charge in respect of prior years	3	—
Effects of Capital Gains relieved against capital losses carried forward <sup>(1)</sup>	(196)	—
Transfer pricing adjustment	5	1
Losses carried forward not recognised	191	(1)
<b>Tax credit</b>	<b>3</b>	<b>—</b>

<sup>(1)</sup>The Company has capital losses brought forward that have not been recognised. In 2022 these losses were used to shelter chargeable gains from a fellow subsidiary.

## 6. Amounts due from group undertakings

	2022 £'000	2021 £'000
Amounts due from group undertakings	4,829	4,829
	<b>4,829</b>	<b>4,829</b>

Amounts due from group undertakings are non-interest bearing and repayable on demand. These loans were assessed for an ECL at 31 December 2022 and 2021. It was determined that the ECL on the intercompany loans at 31 December 2022 was £nil (2021: £nil), as the Directors expect to fully recover the amounts owed by the group entity.

## 7. Investment in Group undertakings

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

AIB Capital Markets Holdings (U.K.) Limited ceased trading and was dissolved on 2 August 2022.

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

The value of the investments is £nil (2021: £2).

## Notes to the financial statements

### 8. Amounts due to group undertaking

	2022	2021
	£'000	£'000
Amounts due to group undertaking	377	377
	<b>377</b>	<b>377</b>

Amounts due to group undertaking are repayable on demand and non-interest bearing.

### 9. Share capital

	2022	2021
	£	£
<b>Authorised:</b>		
74 ordinary shares of £1 each	74	74
26 preference shares of £1 each	26	26
<b>Issued:</b>		
74 ordinary shares of £1 each	74	74
26 preference shares of £1 each	26	26

### 10. Risk management

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

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

### 11. Related party transactions

The Company has related party relationships with AIB and other AIB entities. All related party transactions are carried out at arms length. The following amounts represent the transactions and outstanding balances with AIB and other AIB entities:

	2022	2021
	£'000	£'000
<b>Statement of financial position</b>		
Amounts due from group undertakings	4,829	4,829
Amounts due to group undertakings	(377)	(377)

### Compensation of key management personnel

In the Company, Key Management Personnel ('KMP') comprises of the Directors of the Company. The Company is a subsidiary of AIB. The time and costs of executives and other staff who are primarily employed by AIB are not specifically recharged. The emoluments of the Directors are met by AIB. They do not receive remuneration for services provided to the Company.

### Transactions with key management personnel

There were no transactions between the Company and KMP during the financial years ended 31 December 2022 and 2021.

## Notes to the financial statements

### 12. Capital resources

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

### 13. Ultimate parent company

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

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

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

### 14. Non-adjusting events after reporting period

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