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Half-Yearly Financial Report

Ingard Property Bond Designated Activity Company

INGARD

Unaudited interim financial statements

Please find attached the below Announcement.

Attachment:

1. **Announcement**

Regulated

Publication Date: 18/06/2018

Ingard Property Bond Designated Activity Company

Unaudited interim financial statements
for the 6 month period ended 30 June 2017

Ingard Property Bond Designated Activity Company

Unaudited interim financial statements

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Ingard Property Bond Designated Activity Company

Statement of comprehensive income for the 6 months ended 30 June 2017

	<i>Notes</i>	2017	2016
		£	£
<i>Continuing operations</i>			
Interest income	5	96,394	-
Interest expense	6	<u>(71,517)</u>	<u>-</u>
Net interest income		24,877	-
Other operating income – management fee		<u>13,085</u>	<u>-</u>
Total operating income		37,962	-
Operating expenses		<u>(70,541)</u>	<u>-</u>
Loss before tax		(32,579)	-
Taxation charge		<u>-</u>	<u>-</u>
Loss for the period		<u>(32,579)</u>	<u>-</u>

Ingard Property Bond Designated Activity Company

Statement of financial position

as at 30 June 2017

	<i>Notes</i>	2017 £	2016 £
Assets			
<i>Non-current assets</i>			
Loans	8	<u>1,970,000</u>	<u>-</u>
<i>Current assets</i>			
Trade and other receivables	9	122,599	1
Cash and cash equivalents		<u>29,083</u>	<u>-</u>
		<u>151,682</u>	<u>1</u>
Total assets		<u>2,121,682</u>	<u>1</u>
Equity			
Share capital	10	1	1
Retained earnings		<u>(32,579)</u>	<u>-</u>
Total equity		<u>(32,578)</u>	<u>1</u>
Liabilities			
<i>Non-current liabilities</i>			
Loans and borrowings	11	<u>2,145,270</u>	<u>-</u>
<i>Current liabilities</i>			
Trade and other payables	12	<u>8,990</u>	<u>-</u>
Total liabilities		<u>2,154,260</u>	<u>-</u>
Total equity and liabilities		<u>2,121,682</u>	<u>1</u>

Ingard Property Bond Designated Activity Company

Statement of cash flows for the 6 months ended 30 June 2017

	2017 £	2016 £
Operating activities		
(Loss)/profit for the financial year	(32,579)	-
<i>Adjustments to reconcile profit for the year to net cash flow from operating activities:</i>		
Amortisation of Notes' issue costs	30,500	-
<i>Working capital movements:</i>		
(Increase) in trade and other receivables	(122,598)	(1)
Increase in payables	<u>8,990</u>	<u>-</u>
<i>Net cash flow from operating activities</i>	<u>(115,687)</u>	<u>(1)</u>
Financing activities		
Issue of share capital	-	1
Issue of Notes, net of costs	2,114,770	-
Loan advanced	<u>(1,970,000)</u>	<u>-</u>
<i>Net cash flow from financing activities</i>	<u>144,770</u>	<u>1</u>
Increase/(decrease) in cash and cash equivalents	29,083	-
Cash and cash equivalents at 31 December 2016	<u>-</u>	<u>-</u>
Cash and cash equivalents at 30 June 2017	<u>29,083</u>	<u>-</u>

Ingard Property Bond Designated Activity Company

Statement of changes in equity *for the 6 month period ended 30 June 2017*

	Called up share capital £	Retained earnings £	Total £
At 11 December 2015	-	-	-
Total comprehensive income for the financial period	-	-	-
Issue of share capital	1	-	1
	—	—	—
At 31 December 2016	1	-	1
	—	—	—
At 1 January 2017	1	-	1
Total comprehensive income for the financial period	-	(32,579)	(32,579)
	—	—	—
At 30 June 2017	1	(32,579)	(32,578)
	—	—	—

Ingard Property Bond Designated Activity Company

Notes forming part of the unaudited financial statements

1 Reporting entity

Ingard Property Bond Designated Activity Company is domiciled in Ireland. The company's registered office is at 17 Pembroke Street Upper, Dublin 2, D02AT22. The company's primary business is the raising of secured note finance and loaning that money to Ingard Alternative Funding Limited, a subsidiary of the company's parent, Ingard Limited, which uses the capital to fund short term bridging finance, secured on property in the UK.

2 Basis of accounting

The financial statements have been prepared in accordance with IFRS.

3 Functional and presentation currency

The currency used in these financial statements is the Pound Sterling (£), which is the company's functional currency.

4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

5 Revenue

	2017	2016
	£	£
Interest income	<u>96,394</u>	-

All revenue was derived within the EU.

6 Interest expense

	2017	2016
	£	£
Interest expense	<u>71,517</u>	-

The interest expense arises on secured note financing issued by the company.

7 Directors' remuneration

The aggregate amount paid to or receivable by directors in respect of qualifying services during the financial period were

	2017	2016
	£	£
For services as directors	25,266	-
For services relating to Notes' issue	<u>5,000</u>	-
Total	<u>30,266</u>	-

Ingard Property Bond Designated Activity Company

Notes forming part of the financial statements (continued....)

8 Loans receivable

	2017	2016
	£	£
Secured loans provided to related parties (<i>Note 13</i>)	<u>1,970,000</u>	-

The company has provided a secured loan to Ingard Alternative Funding Limited, which is a company controlled by Ingard Limited, the company's parent. The loan is secured on property assets and is repayable 28 days before 30 November 2023. It has been advanced on a commercial basis. In the opinion of the directors the receivable is not stated at greater than its fair value.

9 Trade and other receivables

	2017	2016
	£	£
Trade receivables due from related parties (<i>Note 13</i>)	109,479	-
Prepayments and other debtors	<u>13,120</u>	-
	<u>122,599</u>	-

10 Called up share capital

	2017	2016
	£	£
<i>Authorised</i>		
100,000 ordinary shares of €1 each	<u>88,841</u>	<u>88,841</u>
<i>Allotted, called up and fully paid</i>		
1 ordinary share of €1	<u>1</u>	<u>1</u>

11 Loans and borrowings

	2017	2016
	£	£
<i>Non-current liabilities</i>		
7% Secured Notes due 2023	<u>2,145,270</u>	-
Capital sum repayable	2,625,000	-
Unamortised issue costs	<u>(479,730)</u>	-
	<u>2,145,270</u>	-

The 7% Secured Notes are secured by a first fixed charge over property, plant and machinery, shares and investments, insurances, book debts, bank balances, intellectual property, authorisations and compensation, etc, goodwill and uncalled capital and charged contracts. The company assigned all of its rights, title and interest in insurances and insurance proceeds, intellectual property and any associated rights not the subject of a valid fixed charge. The security deed contains negative pledge and crystallisation provisions.

Ingard Property Bond Designated Activity Company

Notes forming part of the financial statements (continued....)

12 Trade and other payables

	2017	2016
	£	£
Payables due to related parties (Note 13)	5,355	-
Other payables and accruals	<u>3,635</u>	-
	<u>8,990</u>	-

13 Related parties

The company is owned and controlled by Ingard Limited, a company incorporated in the United Kingdom. Ingard Limited is owned and controlled by David Ewing. The company has provided a secured loan of £1,970,000 to Ingard Alternative Funding Limited, which is a company owned and controlled by Ingard Limited. The loan is repayable 28 days before 30 November 2023 and was advanced on a normal commercial basis. There were interest and fee amounts of £109,479 (2016: £nil) owed to the company by Ingard Alternative Funding Limited at 31 June 2017.

The company considers its directors to be the key management personnel of the company. Key management personnel compensation for the year to 30 June 2017, including amounts paid to and receivable by key management personnel, comprised short term employee benefits of £55,266 (2016: £nil) (Note 7). At 30 June 2017, amounts totalling £5,355 were payable to key management personnel (2016: £nil).

The company used the legal services of a firm in which one of its directors was a partner in relation to the issue of 7% Secured Notes and the advancing of a secured loan. Amounts were billed at market rates for such services and payable under normal billing terms. The company paid fees to a company controlled by one of its directors in relation to the issue of 7% Secured Notes and the advancing of a secured loan. The fees were billed at the market rate for such services and payable under normal billing terms.

14 Subsequent events

There have been no significant events affecting the company since the reporting date.