

A & L CF JUNE (2) LIMITED

Registered in England and Wales
Company Number 02582354

ANNUAL REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2018



REPORT OF THE DIRECTORS

The Directors submit their report together with the financial statements for the year ended 30 June 2018.

This Report of the Directors has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions under Sections 415A (1) & (2) of the Companies Act 2006. The Company is also exempt from preparing a Strategic Report in accordance with Section 414B of the Companies Act 2006.

Principal activity and review of the year

The principal activity of A & L CF June (2) Limited (the Company) was that of lessors and financiers of assets for the corporate sector.

In 2014 the Company disposed of its operating lease assets and ceased trading. During the current year, the Company paid an interim dividend to its parent company. The Company is expected to be dormant in accordance with section 1169 of the Companies Act 2006 during the next 12 months. It is the intention of the Directors to liquidate the Company in the foreseeable future.

Results and dividends

The Company has made neither a profit nor loss after tax in the current period (2017: nil). On 10 May 2018, the Company paid an interim ordinary dividend of £21,818.77 per ordinary share amounting to £2,181,877 (2017: nil).

Directors

The Directors who served throughout the year and to the date of this report (except as noted) were as follows:

SD Affleck	
GSS Ashworth	(appointed 23 October 2017)
AM Konter	(appointed 23 October 2017)
AN Mussert	(resigned 24 October 2017)
MW Evans	(resigned 24 October 2017)

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The Directors 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.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the 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 auditors are aware of that information.

Statement of going concern

The financial position of the Company, its cash flows, liquidity position and borrowing facilities are set out in the financial statements.

IAS 1 requires that financial statements for a company that has ceased to trade are prepared on an "other than going concern" basis. Accordingly, the financial statements have been prepared on an "other than going concern" basis. This has had no impact on the amounts reported. It is the intention of the Directors to liquidate the Company in the foreseeable future. The directors of the Company have been provided with a letter of support by a group company, confirming the group company will provide support to the Company for a period of 12 months from the date of signing these financial statements.

The financial statements have been prepared on an "other than going concern basis" using the historical cost convention as modified by the revaluation of financial assets. An assessment of the appropriateness of the adoption of the going concern basis of accounting is disclosed in the Directors' statement of going concern set out in the Report of the Directors.

REPORT OF THE DIRECTORS *(continued)*

Qualifying third party indemnities

Enhanced indemnities are provided to the Directors of the Company by Santander UK plc against liabilities and associated costs which they could incur in the course of their duties to the Company. All of the indemnities remain in force during the financial year and at the date of approval of the Report and Financial Statements. All of the indemnities were qualifying third party indemnities. A copy of each of the indemnities is kept at the registered office address of Santander UK plc.

Independent Auditors

Each of the Directors as at the date of approval of this report has confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the Company's forthcoming annual general meeting.

By Order of the Board



Alexander O'Brien
For and on behalf of
Santander Secretariat Services Limited
Secretary

27 March 2019

Registered Office Address: 2 Triton Square, Regent's Place, London, NW1 3AN

Independent auditors' report to the members of A&L CF June (2)

Report on the audit of the financial statements

Opinion

In our opinion, A&L CF June (2)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its result and cash flows 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, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2018; the statement of comprehensive income, the cash flow statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 30 June 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities In Respect of the Financial Statements set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 30 June 2017, forming the corresponding figures of the financial statements for the year ended 30 June 2018, are unaudited.



Timothy Lawrence (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 March 2019

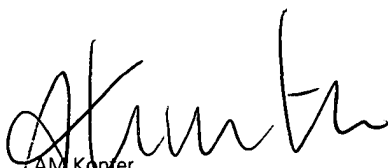
BALANCE SHEET

As at 30 June

	Note	2018 £	2017 £
Current assets			
Amounts due from related parties	2	100	4,684,444
Total current assets		100	4,684,444
Current liabilities			
Amounts due to related parties	2	-	2,502,467
Total current liabilities		-	2,502,467
Net assets		100	2,181,977
Equity			
Issued share capital	3	100	100
Retained earnings		-	2,181,877
Total equity		100	2,181,977

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and were signed on its behalf by:



AM Korter
Director
27 March 2019

STATEMENT OF COMPREHENSIVE INCOME

For the years ended 30 June 2018 and 30 June 2017

There were no transactions in the current or previous year and the Company generated neither a profit nor a loss in either year.

STATEMENT OF CHANGES IN EQUITY

For the years ended 30 June

	Issued share capital £	Retained earnings £	Total equity £
Balance at 1 July 2017	100	2,181,877	2,181,977
Interim ordinary dividends paid	-	(2,181,877)	(2,181,877)
Balance at 30 June 2018	100	-	100

	Issued share capital £	Retained earnings £	Total Equity £
Balance at 1 July 2016	100	2,181,877	2,181,977
Balance at 30 June 2017	100	2,181,877	2,181,977

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENT

For the years ended 30 June

	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	-	-
Decrease in trade and other receivables	4,684,344	-
Decrease in trade and other payables	(2,502,467)	-
NET CASH FROM OPERATING ACTIVITIES	2,181,877	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Interim dividends paid	(2,181,877)	-
NET CASH USED IN FINANCING ACTIVITIES	(2,181,877)	-
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	-	-
Cash and cash equivalents at start of year	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	-	-

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES

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

A & L CF June (2) Limited is a company incorporated in England and Wales. The nature of the Company's operations and its principal activities are set out in the Report of the Directors.

The functional and presentation currency of the Company is sterling.

Basis of preparation

The financial statements of A & L CF June (2) Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost basis and subsequently measured at net realisable value.

Going concern

IAS 1 requires that financial statements for a company that has ceased to trade are prepared on an "other than going concern" basis. Accordingly, the financial statements have been prepared on an "other than going concern" basis. This has had no impact on the amounts reported. It is the intention of the Directors to liquidate the Company in the foreseeable future. The directors of the Company have been provided with a letter of support by a group company, confirming the group company will provide support to the Company for a period of 12 months from the date of signing these financial statements.

The financial statements have been prepared on an other than going concern basis using the historical cost convention as modified by the revaluation of financial assets. An assessment of the appropriateness of the adoption of the going concern basis of accounting is disclosed in the Directors' statement of going concern set out in the Report of the Directors.

Critical accounting estimates and Judgements

The preparation of the Company's financial statements requires management to make estimates and judgements that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the reporting period. Management evaluates its estimates and judgements on an on-going basis. Management bases its estimates and judgements on historical experience and on other factors that are believed to be reasonable under the circumstances. Management do not consider there to be any areas requiring significant management judgement throughout the current or prior year.

2. RELATED PARTY TRANSACTIONS

	2018 £	2017 £
Amounts due from related parties:		
Santander Asset Finance plc	100	4,684,444
Amounts due to related parties:		
Abbey National Treasury Services plc (Current tax group relief)	-	2,502,467

During the year, an interim ordinary dividend of £2,181,877 was paid by the Company to its parent undertaking, Santander Asset Finance plc.

The audit fee for the current year of £5,500 has been paid on the Company's behalf by the parent company, Santander Asset Finance plc (see note 6) for which no recharge has been made. There was no audit fee for the prior year as the company was unaudited.

3. ISSUED SHARE CAPITAL

	2018 £	2017 £
Issued and fully paid:		
100 ordinary shares of £1 each	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

4. FINANCIAL RISK MANAGEMENT

The Company's risk management focuses on the major areas of credit risk and liquidity risk. Risk management is carried out by the central risk management function of the Santander UK Group. Authority flows from the Santander UK plc Board to the Chief Executive Officer and from him to his direct reports. Delegation of authority is to individuals. Formal standing committees are maintained for effective management of oversight.

Credit risk

Credit risk is the risk that counterparties will not meet their financial obligations and may result in the Company losing the principal amount lent, the interest accrued and any unrealised gains, less any security held. It occurs in intercompany assets held by the Company.

The maximum exposure to credit risk without taking into account collateral or credit enhancements is the carrying amount of the amount owed by group undertakings as disclosed in note 2.

Liquidity risk

Liquidity risk is the potential that, although remaining solvent, the Company does not have sufficient liquid financial resources to enable it to meet its obligations as they fall due, or can secure them only at excessive cost.

The Company manages liquidity risk with the support of its immediate controlling party, ensuring that the Company will have sufficient liquid resources to ensure it can meet its obligations as they fall due.

5. CAPITAL MANAGEMENT AND RESOURCES

Capital held by the Company and managed centrally as part of the Santander UK group, comprises share capital.

6. PARENT UNDERTAKING AND CONTROLLING PARTY

As at 30 June 2017, the Company's immediate parent company was Santander Asset Finance plc a company registered in England and Wales.

On 10 May 2018, an agreement was entered into to transfer the company from Santander Asset Finance plc to Santander Equity Investments Limited, a subsidiary of Abbey National Treasury Services plc until 2 November 2018. On 2 November 2018, Santander Equity Investments Limited became a subsidiary of Santander UK Group Holdings plc.

The Company's ultimate parent undertaking and controlling party is Banco Santander SA, a company registered in Spain. Banco Santander SA is the parent undertaking of the largest Group of undertakings for which Group accounts are drawn up and of which the Company is a member. Santander UK Group Holdings Plc is the parent undertaking of the smallest Group of undertakings for which Group accounts are drawn up and of which the Company is a member.

Copies of all sets of Group accounts which include the results of the Company, are available from Secretariat, Santander UK plc, 2 Triton Square, Regent's Place, London, NW1 3AN.