

Leek Finance Holdings Number Two Limited
Directors' report and financial statements
for the year ended 31 December 2009

Registered Number 3649491



Leek Finance Holdings Number Two Limited

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Leek Finance Holdings Number Two Limited

Directors and advisors

Directors

Capita Trust Corporate Limited
Capita Trust Corporate Services Limited
S Lawrence
PCSL Services No 1 Limited

Secretary

TMF Corporate Administration Services Limited

Registered office

Pellipar House, 1st Floor
9 Cloak Lane
London
EC4R 2RU

Registered number

3649491

Leek Finance Holdings Number Two Limited

Directors' report for the year ended 31 December 2009

The directors present their report and the financial statements of the Company (Registered Company No 3649491) for the year ended 31 December 2009

Principal activities

The principal activity of the Company is that of an investment holding company. The Company has been dormant throughout the current year, and the directors do not anticipate that the Company will trade during 2010.

Review of business and future developments

Leek Finance Holdings Number Two Limited is now a subsidiary of The Co-operative Bank plc following the merger between, The Co-operative Bank plc and Britannia Building Society. The merger became effective on 1 August 2009.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The directors do not consider there to be any principal risks or uncertainties affecting this Company.

As set out more fully in the statement of accounting policies, these financial statements have been prepared under the current International Financial Reporting Standards (IFRS) framework as endorsed by the European Union (EU). All financial information given in this directors' report is taken solely from the statutory results prepared on the above basis.

Results and dividends

The profit for the year, after tax, amounted to nil (2008: nil). The directors do not propose a dividend for the year (2008: nil).

Directors and their interests

The directors who held office during the year are given below:

Capita Trust Company Limited (resigned 21 July 2009)
Capita Trust Corporate Limited (appointed 21 July 2009)
Capita Trust Corporate Services Limited
S Lawrence (appointed 21 July 2009)
PCSL Services No 1 Limited

No director had a beneficial interest in the share capital of the Company or any other company in the Group at any time during the year under review.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' 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 they are elected to prepare the financial statements in accordance with IFRS as adopted by the EU and applicable law.

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 whether they have been prepared in accordance with IFRS as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Leek Finance Holdings Number Two Limited

Directors' report for the year ended 31 December 2009 (continued)

Statement of directors' responsibilities (continued)

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditors

For the year ended 31 December 2009, the Company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.

Financial risk management

The directors have considered the financial risks affecting the Company and believe that there are no direct financial risks relating to Leek Finance Holdings Number Two Limited that require disclosure.

On behalf of the Board

Signed



J Rowan for PCSL Services No.1 Limited
Director

Date 6 May 2010

Leek Finance Holdings Number Two Limited

Balance sheet as at 31 December 2009

			*Restated
	Notes	2009 £	2008 £
Assets			
Investments in available for sale financial assets	5	12,502	12,502
Cash and cash equivalents		1	1
Other receivables	6	26,956	26,956
Total assets		39,459	39,459
Liabilities			
Other payables	7	12,502	12,502
Total liabilities		12,502	12,502
Equity			
Called-up share capital	8	1	1
Retained earnings	9	26,956	26,956
Total equity and liabilities		39,459	39,459

The accounting policies and notes on pages 5 to 8 form part of these financial statements

* The 2008 figures have been reclassified from Investments share in group undertakings to Investment in available for sale financial assets

For the year ended 31 December 2009 the Company was entitled to the exemption under section 480 of the Companies Act 2006 relating to dormant companies

The members have not required the Company to obtain an audit of its accounts for the year in question, in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibility for

- (i) ensuring the Company keeps accounting records which comply with section 386, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with section 394, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

Approved by the Board of directors on 6 May 2010 and signed on its behalf by

Signed 
J Rowan for PCSL Services No 1 Limited
Director

Leek Finance Holdings Number Two Limited

Statement of accounting policies

for the year ended 31 December 2009

Basis of preparation

Leek Finance Holdings Number Two Limited is a Company incorporated and domiciled in England and Wales. The accounts of the Company are presented in sterling unless otherwise stated.

The Company's financial statements have been prepared under the historical cost convention.

The Company is required to prepare its financial statements in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and implemented in the UK, interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to organisations reporting under IFRS.

There are no significant uncertainties or key estimates applied in the basis of preparing these financial statements.

Interest receivable and payable

Interest is accrued in the statement of comprehensive income on a receivable and payable basis.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise balances with less than three months to maturity from the date of acquisition.

Taxation

Corporation tax and any group tax relief arising is provided at current rate on the taxable profits for the year.

Leek Finance Holdings Number Two Limited

Notes to the financial statements

for the year ended 31 December 2009

1 Statement of comprehensive income

No statement of comprehensive income has been prepared as the Company received no income, incurred no expenditure and, consequently, the Company has made neither a profit nor a loss in either the current or prior year

2 Statement of changes in equity

The Company had no changes of equity in the year ended 31 December 2009 or 2008 and, therefore, no statement of changes in equity has been prepared

3 Statement of cash flows

The Company did not trade, nor did it receive any cash inflows or incur any cash outflows in the current or prior year, accordingly it did not make or use any cash in either year

4 Directors' emoluments and employees

The directors received no emoluments for services rendered during the current or prior year

There are no directors to whom benefits are accruing under The Co-operative Bank plc or Britannia Building Society pension schemes (2008 nil)

The Company had no employees during the current or prior year

5 Investments in available for sale financial assets

The Company's investment in equity securities are classified as available for sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein other than impairment losses and foreign exchange gains and losses on available for sale monetary items are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured shall be measured at cost.

	2009	Restated 2008
	£	£
Fair value at beginning and end of the year	12,502	12,502
	12,502	12,502

Leek Finance Holdings Number Two Limited
Notes to the financial statements
for the year ended 31 December 2009 (continued)

6 Other receivables

	2009	2008
	£	£
Amounts owed by Leek Finance Number Two plc	26,956	26,956
	26,956	26,956

7 Other payables

	2009	2008
	£	£
Amounts owed to The Co-operative Bank plc	12,502	12,502
	12,502	12,502

8 Called-up share capital

	2009	2008
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
Issued and fully paid		
1 ordinary share of £1	1	1

9 Retained earnings

There were no movements in retained earnings during the current or prior year

Leek Finance Holdings Number Two Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

10 Ultimate parent undertaking and controlling entity

The Company's immediate parent undertaking is Royal Exchange Trust Company Limited which holds 100% of the issued share capital of Leek Finance Holdings Number Two Limited, subject to the terms of a declaration of trust for general charitable purposes

The Company meets the definition of a special purpose entity under IFRS. In accordance with the requirements of SIC 12 "Consolidation- Special Purpose Entities", the Company's accounts are consolidated within the group accounts of The Co-operative Bank plc for the year ended 31 December 2009

The ultimate parent undertaking of Leek Finance Number Two Limited is The Co-operative Bank plc by virtue of amendments introduced by the Companies Act 1985 (International Accounting Standards and Other Accounting Amendments) Regulations 2004. The Co-operative Bank plc is wholly owned by The Co-operative Group Limited

The largest group in which the results of the Company are consolidated is that headed by The Co-operative Group Limited. The Co-operative Group Limited is a mutual organisation owned by its members and consequently has no controlling body. It is incorporated in Great Britain and registered in England and Wales under the Industrial and Provident Society Acts 1965 to 2002. The Co-operative Group Limited is the ultimate parent Company and ultimate controlling party. The financial statements of the ultimate parent company are available from New Century House, Manchester, M60 4ES. The smallest group in which they are consolidated is that headed by The Co-operative Bank PLC, which is incorporated in Great Britain. The financial statements of this group are available from 1 Balloon Street, Manchester, M60 4EP

11 Related party disclosures

As stated in the note above, the Company is a subsidiary of The Co-operative Group Limited. Consequently the directors of the Company consider The Co-operative Group Limited and its subsidiaries to be related parties of the Company. Transactions with The Co-operative Group Limited and its subsidiaries are disclosed in the financial statements below

	Balance due to/(from) LFH2 £
Year ended 31 December 2009	
The Co-operative Bank plc	(12,052)
Leek Finance Number Two plc	26,956
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Year ended 31 December 2008	£
The Co-operative Bank plc (formerly 'Britannia Building Society')	(12,052)
Leek Finance Number Two plc	26,956
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All related party transactions were made on terms equivalent to those that prevail in arm's length transactions