

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2016

Registered office

The Mound
Edinburgh
EH1 1YZ

Registered number

SC335592

Incorporated and Registered in Scotland, United Kingdom

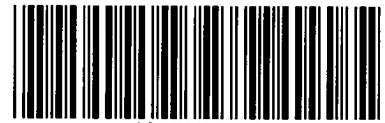
Directors

M R Lickley
J Palmer

Company Secretary

M A A Johnson

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09/09/2017

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COMPANIES HOUSE

Member of Lloyds Banking Group

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2016

The Company qualifies as a small company in accordance with sections 381-383 of the Companies Act 2006 (the "Act") and the Directors' Report has therefore been prepared taking into consideration the entitlement to small companies exemptions provided in sections 414B (as incorporated to the Act by the Strategic Report and Directors' Report Regulations 2013) of the Act.

The Directors of the Company believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the immediate parent company Bank of Scotland plc. The Directors have received confirmation that Bank of Scotland plc intends to support the company for at least one year after these financial statements are signed.

The Directors present their report and the audited financial statements for the year ended 31 December 2016.

Business review and principal activities

Lloyds Bank (Fountainbridge 1) Limited (the "Company") operated as a developer of land and commercial office space. The land owned by the Company was sold in 2011 and there has been no development work undertaken since, and none planned for the future. The results of the Company for the year are set out in the statement of comprehensive income on page 6.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are managed within the framework established for the Group and are not managed separately for the Company. Further detail of the Company's and Group risk management policies are contained in note 3 to the financial statements.

Key performance indicators ("KPIs")

The Directors are of the opinion that the information presented in the financial statements provides the management information necessary for the Directors to understand the development, performance and position of the business of the Company, and therefore no additional KPIs are presented.

Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Future developments of the company

The company will not have any further activity once the remediation works have been completed and signed off. It is anticipated that this will take place within the next 12 months.

Dividends

The Directors do not recommend the payment of a dividend in the year (2015: nil).

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2016

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were;

	Appointed	Resigned
I J Lloyd		08/03/2016
M R Lickley		
J Palmer	01/12/2016	

No Director had any interest in any material contract or arrangement with the Company during or at the end of the year.

Directors' indemnities

Lloyds Banking Group plc has granted to the Directors of the Company, (including former Directors who retired during the year), a deed of indemnity through deed poll which constituted 'qualifying third party indemnity provisions' for the purposes of the Companies Act 2006. The deed was in force during the whole of the financial year and at the date of approval of the financial statements (or from the date of appointment in respect of the Directors who joined the Board of the Company during the financial year). Directors no longer in office but who served on the Board of the Company at any time in the financial year had the benefit of this contract of indemnity during that period of service. The indemnity remains in force for the duration of a Directors' period of office. The deed indemnifies the Directors to the maximum extent permitted by law. The Deed for existing Directors is available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group has in place appropriate Directors and Officers Liability Insurance cover which was in place throughout the financial year.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and 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 company's 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, 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.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2016

Independent auditors and disclosure of information to auditors

Each Director in office at the date the Directors' report is approved confirms 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 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 auditors are aware of that information.

PricewaterhouseCoopers LLP are deemed to be re-appointed as auditors under section 487(2) of the Companies Act 2006.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

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



M R Lickley
Directors

24/08/2017

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

Independent auditors' report to the members of Lloyds Bank (Fountainbridge 1) Limited

Report on the financial statements

Our opinion

In our opinion, Lloyds Bank (Fountainbridge 1) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss 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.

What we have audited

The financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

Independent auditors' report to the members of Lloyds Bank (Fountainbridge 1) Limited (continued)

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.

Claire Turner

Claire Turner (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

24th August 2017

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Note	2016 £	2015 £
Other expenses	5	(2,500)	(2,500)
Interest Income		4	15
Remediation works costs	6	<u>(2,503)</u>	<u>(16)</u>
Loss before income tax		(4,999)	(2,501)
Income tax (charge)/credit	8	<u>(506)</u>	<u>506</u>
Loss for the year attributable to owners of the parent, being total comprehensive expense		<u>(5,505)</u>	<u>(1,995)</u>

The accompanying notes to the financial statements are an integral part of these financial statements.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2016

	Issued capital £'000	Accumulated Losses £'000	Total Equity £'000
Balance at 1 January 2015	1,500,000	(7,892,804)	(6,392,804)
Loss and total comprehensive expense for the year	-	(1,995)	(1,995)
Balance at 31 December 2015	1,500,000	(7,894,799)	(6,394,799)
Loss and total comprehensive expense for the year	-	(5,505)	(5,505)
Balance at 31 December 2016	1,500,000	(7,900,304)	(6,400,304)

The accompanying notes to the financial statements are an integral part of these financial statements.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

BALANCE SHEET

As at 31 December 2016

	Note	2016 £	2015 £
Assets			
Current assets			
Trade and other receivables	9	5,230	8,300
Tax recoverable		-	506
Total current assets		<u>5,230</u>	<u>8,806</u>
Total assets		<u>5,230</u>	<u>8,806</u>
Equity			
Share capital	10	1,500,000	1,500,000
Accumulated losses		<u>(7,900,304)</u>	<u>(7,894,799)</u>
Total equity		<u>(6,400,304)</u>	<u>(6,394,799)</u>
Liabilities			
Current liabilities			
Amounts due to group undertakings	12	6,400,270	6,397,770
Trade and other payables	11	<u>5,264</u>	<u>5,835</u>
Total current liabilities		<u>6,405,534</u>	<u>6,403,605</u>
Total liabilities		6,405,534	6,403,605
Total equity and liabilities		<u>5,230</u>	<u>8,806</u>

The financial statements on pages 6 to 17 were approved by the Board of Directors and signed on its behalf by:



M R Lickley
Directors

24/08/2017

The accompanying notes to the financial statements are an integral part of these financial statements.

Company number: SC335592

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED**STATEMENT OF CASH FLOWS**

For the year ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from non-operating activities			
Loss before income tax		(4,999)	(2,501)
Adjustments for:			
(Decrease)/Increase in trade and other payables	11	(571)	22
Decrease/(Increase) in trade and other receivables	9	3,070	(21)
Tax received via group relief		-	443
		-----	-----
Net cash used in non-operating activities		(2,500)	(2,057)
Cash flows from financing activities			
Increase in loan from group undertakings	12	2,500	2,057
		-----	-----
Net cash generated from/(used in) financing activities		2,500	2,057
		-----	-----
Net movement in cash and cash equivalents			
Cash and cash equivalents at beginning of the year		-	-
		-----	-----
Cash and cash equivalents at end of the year		-	-
		-----	-----

The accompanying notes to the financial statements are an integral part of these financial statements.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1 General information

Lloyds Bank (Fountainbridge 1) Limited is a Company domiciled in Scotland.

2 Summary of significant accounting policies

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

2.1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). IFRS comprises accounting standards prefixed IFRS issued by the International Accounting Standards Board (IASB) and those prefixed IAS issued by the IASB's predecessor body as well as interpretations issued by the IFRS Interpretations Committee (IFRS IC) and its predecessor body. The EU endorsed version of IAS 39 Financial Instruments: Recognition and Measurement relaxes some of the hedge accounting requirements; the Group has not taken advantage of this relaxation, and therefore there is no difference in application to the Group between IFRS as adopted by the EU and IFRS as issued by the IASB. The financial statements have been prepared in accordance with The Companies Act 2006 as applicable to companies using IFRS.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The financial information has been prepared under the historical cost convention. As stated on page 11, the directors consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

2 Summary of significant accounting policies (continued)

2.1.2 Implementation of new standards and amendments to published standards and interpretations

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2016 that have a material impact on the Company.

The following pronouncements will not be relevant to the Company and were not effective as at 31 December 2016:

<u>Pronouncement</u>	<u>Nature of change</u>	<u>IASB effective date</u>
IFRS 9 Financial Instruments	IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 requires financial assets to be classified into one of three measurement categories, fair value through profit or loss, fair value through other comprehensive income and amortised cost, on the basis of the objectives of the entity's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. IFRS 9 also replaces the existing 'incurred loss' impairment approach with an expected credit loss approach. The hedge accounting requirements of IFRS 9 are more closely aligned with risk management practices and follow a more principle-based approach than IAS 39. Impact on the company is being assessed.	Annual periods beginning on or after 1 January 2018.
IFRS 15 Revenue Contracts with Customers	IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. IFRS establishes principles for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled to exchange for goods and services. Financial instruments, leases and insurance contracts are out of scope and so this standard is not expected to have a significant impact on the company. Impact on the company is being assessed.	Annual periods beginning on or after 1 January 2018.
IFRS 16 Leases 1	Replaces IAS 17 Leases and requires lessees to recognise a right of use asset and a liability for future payments arising from a lease contract. Lessees will recognise a finance charge on the liability and a depreciation charge on the asset which could affect the timing of the recognition of expenses on leased assets. Impact on the company is being assessed.	Annual periods beginning on or after 1 January 2019

2.1.3 Going Concern

The Directors of the Company believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the immediate parent company Bank of Scotland plc. The Directors have received confirmation that Bank of Scotland plc intends to support the company for at least one year after these financial statements are signed.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

2 Summary of significant accounting policies (continued)

2.2 Financial assets and liabilities

Financial assets and liabilities comprise trade and other receivables and amounts due to group undertaking.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognised when the rights to received cash flows, or obligation to pay cash flows, have expired.

Interest bearing financial assets and liabilities are recognised and measured at amortised cost inclusive of transaction costs, using the effective interest rate method.

2.3 Trade and other receivables

Trade and other receivables represent a cash float held by a third party.

Trade and other receivables are classified as current assets if payment is due within one year or less. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.4 Share capital

Ordinary shares are classified as equity.

2.5 Trade and other payables

Trade and other payable represent accruals.

Accruals are recognised initially at fair value and subsequently measured at amortised costs using the effective interest method.

Accruals are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

2 Summary of significant accounting policies (continued)

2.6 Current and deferred income tax

The tax charge for the period comprises current tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

3 Financial risk management

3.1 Financial risk factors

The Company's operations expose it to liquidity risk and business risk; It is not exposed to any significant foreign exchange risk, interest rate risk or market risk. Responsibility for the control of overall risk lies with the board of Directors, operating within a management framework established by the ultimate parent company, Lloyds Banking Group plc.

Liquidity risk is the risk that the Company is unable to meet its obligations when they fall due as a result of cash requirements from contractual commitments or other cash flows. Prudent liquidity risk management implies maintaining the continuing financial support from the parent company.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 year £	Between 1 and 2 years £	Between 2 and 5 years £	Over 5 years £
At 31 December 2016				
Amounts due to group undertakings	6,400,270	-	-	-
At 31 December 2015				
Amounts due to group undertakings	6,397,770	-	-	-

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

3 Financial risk management (continued)

3.2 Fair value estimation

The carrying value of trade and other receivables and amounts payable to group undertakings are assumed to approximate their fair values.

4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of profit or loss on disposal of investment property and operating expenses during the year. Although those estimates are based on management's best knowledge of the amount, actual results ultimately may differ from those estimates.

There are no significant accounting estimates or judgements that have been used in preparation of these statements.

5 Other expenses

	2016 £	2015 £
Audit fees	(2,500)	(2,500)
	<u>(2,500)</u>	<u>(2,500)</u>

No other fees were payable to the auditors and their associates for services other than the statutory audit. All other costs are borne by the Company's parent company, and are not recharged.

The Company did not employ any persons during the year (2015: none)

6 Remediation works costs

The cost relates to remediation works required following the sale of land previously held by the company

7 Directors' emoluments

Neither the Directors nor key management personnel received emoluments in the year, or previous year, from the company. Directors are employed by other companies in the group and consider that their services are incidental to their other responsibilities within the group.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

8 Income tax credit/(charge)

(a) Analysis of credit/(charge) for the year

	2016 £	2015 £
UK Corporation tax – tax credit for prior year	-	-
UK Corporation tax – tax (charge)/credit for the year	(506)	506
	<u>(506)</u>	<u>506</u>

The tax (charge)/credit on the Company's (loss)/profit for the year is calculated at a rate of 20% (2015: 20.25%) of taxable (loss)/profit for the year.

(b) Factors affecting the tax (charge)/credit for the year

A reconciliation of the (charge)/credit that would result from applying the standard UK corporation tax rate to profit before tax to the tax (charge)/credit for the year is given below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before taxation	(4,999)	(2,501)
Tax credit thereon at UK corporation tax rate of 20% (2015: 20.25%)	1,000	506
Factors affecting credit/(charge):		
Capital gains transferred out	-	-
Losses arising where no deferred tax set up	(1,000)	-
Adjustment in respect of previous years	(506)	-
Total taxation credit/(charge)	<u>(506)</u>	<u>506</u>

The Finance Act 2013 which was substantively enacted on 2 July 2013 reduced the main rate of corporation tax to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015.

The Finance (No. 2) Act 2015 which was substantively enacted on 26 October 2015 reduced the main rate of corporation tax to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020.

The Finance Act 2016, which was substantively enacted on 6 September 2016, further reduced the corporate tax rate to 17% with effect from 1 April 2020.

A deferred tax asset of £1,278 (2015: nil) has not been recognised in respect of losses carried forward as there are no predicted future profits. Losses can be carried forward indefinitely.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

9 Trade and other receivables

	2016 £	2015 £
Other trade receivables	5,230	8,300

Other trade receivables represent a float held by a firm of solicitors and Edinburgh City Council, on which interest is earned. The float is drawn down to pay for remedial work following the sale of the land in 2012.

10 Share Capital

	2016 £	2015 £
Issued and fully paid: 1,500,000 (2015:1,500,000) ordinary shares of £1 each	1,500,000	1,500,000

Holders of the Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company.

11 Trade and other payables

	2016 £	2015 £
Accrued expenses	5,264	5,835

Accrued expenses represent accrued development costs and fees.

12 Amounts due to group undertakings

The Company has a related party relationship with its immediate parent company Bank of Scotland plc.

Details of the related party transactions during the year are disclosed in the table below.

Nature of transaction	Related Party	Balance at 31 December 2016 £	Balance at 31 December 2015 £	Disclosure in financial statement
Intercompany balance	Bank of Scotland plc	6,400,270	6,397,770	Intercompany funding

The intercompany balance is unsecured, bears no interest and has no fixed repayment date.

LLOYDS BANK (FOUNTAINBRIDGE 1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

13 Ultimate parent undertaking

The Company's immediate parent company is Bank of Scotland plc. The company regarded by the Directors as the ultimate parent company is Lloyds Banking Group plc (formerly Lloyds TSB Group plc), a public limited company incorporated and domiciled in Scotland, which is also the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Bank of Scotland plc is the parent undertaking of the smallest such group of undertakings. Copies of the financial statements of Bank of Scotland plc can be obtained from its registered office at The Mound, Edinburgh, EH1 1YZ.

Lloyds Banking Group plc have produced consolidated financial statements for the year ended 31 December 2016. Copies of the annual report and financial statements of Lloyds Banking Group plc for the year ended 31 December 2016 may be obtained from Lloyds Banking Group's head office at 25 Gresham Street, London, EC2V 7HN or downloaded via www.lloydsbankinggroup.com.

14 Contingent liabilities and capital commitments

There were no contingent liabilities or contracted capital commitments at the balance sheet date (2015: £nil).

15 Post balance sheet events

There have been no material events after the balance sheet date.