

Registered no: 831409

Peoples Trust and Savings PLC

Annual report

for the year ended 31 December 2004



Directors' report for the year ended 31 December 2004

The directors submit their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activities

The company did not trade during the year and no profit and loss account has been prepared.

Directors

The directors of the company during the year ended 31 December 2004 were as follows:

J Shipley
J R Kaye

Directors' interests

The interests in the share capital of Secure Trust Banking Group PLC of the directors in office at 31 December 2004 were as follows:

	At 31 December 2004 Ordinary 1p shares	At 31 December 2003 Ordinary 1p shares
J Shipley	1,500	1,500
J R Kaye	2,857	2,857

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

Statement of directors' responsibilities (continued)

The directors are responsible for maintaining adequate accounting records and taking reasonable steps to safeguard the assets of the company and detect fraud or any other irregularities

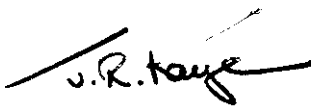
Supplier payment policy

The company's policy is to make payment in line with terms agreed with individual suppliers, payment being effected on average within 30 days of receipt of invoice.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'J.R. Kaye', with a long horizontal stroke extending to the right.

J R Kaye
Secretary
24 March 2005

Independent auditors' report to the members of Peoples Trust and Savings PLC

We have audited the financial statements which comprise the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

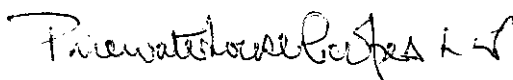
Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
24 March 2005

Peoples Trust and Savings PLC

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Balance sheet at 31 December 2004

	Notes	2004 £'000	2003 £'000
Assets			
Loans and advances to banks	3	8	8
Other assets	4	50	50
		<hr/>	<hr/>
Total assets		58	58
		<hr/>	<hr/>
Liabilities			
Customer accounts	5	8	8
Equity shareholders' funds			
Called up share capital	6	50	50
		<hr/>	<hr/>
Total liabilities		58	58
		<hr/>	<hr/>

The financial statements on pages 4 to 6 were approved by the board of directors on 24 March 2005 and are signed on its behalf by:



J. Shipley
Director

**Notes to the financial statements
for the year ended 31 December 2004****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the special provisions of Part VII of, section 226 of, and Schedule 4 to the Companies Act 1985 relating to Banking Groups.

Profit and Loss account

The company did not trade in the year and as such has not disclosed a profit and loss account.

2 Emoluments of directors

None of the directors received emoluments for the year (2003: £Nil).

3 Loans and advances to banks

	2004 £'000	2003 £'000
Remaining maturity: 3 months or less	8	8
	<hr/>	<hr/>

4 Other assets

	2004 £'000	2003 £'000
Due from group undertakings	50	50
	<hr/>	<hr/>

5 Customer accounts

	2004 £'000	2003 £'000
Repayable on demand	8	8
	<hr/>	<hr/>

6 Share capital

	2004 £'000	2003 £'000
Authorised, Allotted, called up and fully paid:		
Ordinary shares of £1 each	50	50
	<hr/>	<hr/>

7 Ultimate parent company

The directors regard Secure Trust Banking Group PLC, a company registered in England and Wales as the ultimate parent company and ultimate controlling party.

A copy of the consolidated financial statements of Secure Trust Banking Group PLC may be obtained from The Secretary, Secure Trust Banking Group PLC, One Arleston Way, Solihull, B90 4LH.