

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2013

Registered office

Trinity Road
Halifax
West Yorkshire
England
HX1 2RG

Registered number

1611368
Registered in England & Wales

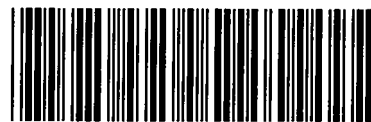
Directors

BEK Horrell
IJ Lloyd
HBOS Directors Ltd

Company Secretary

Lloyds Secretaries Ltd

THURSDAY



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10/07/2014

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COMPANIES HOUSE

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2013

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 present their report and the audited financial statements for the year ended 31 December 2013.

Business review and principal activities

The principal activity of County Wide Property Investments Limited (the "Company") is commercial property investment and development.

During the financial year the Company has not undertaken any new property developments. The Company has maintained its existing arrangements.

At the end of the year, the carrying value of the land held in the Company's balance sheet is not considered to be impaired.

The results of the Company for the year are set out in the statement of comprehensive income on page 6.

Future Outlook

The Directors intend for the company to be liquidated within the next twelve months. Arising from this decision, the financial statements have been prepared on a basis other than going concern as detailed in Note 2.1.

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")

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.

Capital management

The Company's objectives when managing capital are to meet its obligations as they fall due and to maximise returns for shareholders and benefits for other stakeholders upon liquidation.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2013

Dividends

The Directors do not recommend the payment of a dividend (2012: £nil).

Directors

The Directors during the year and up to the date of this report were:

	Appointed	Resigned
P Baker		31/12/2013
CP Newton		24/05/2013
MJ Mulvenna	24/05/2013	17/09/2013
BEK Horrell	17/09/2013	
IJ Lloyd	22/01/2014	
HBOS Directors Ltd		

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

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 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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. They 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.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2013

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 '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 Director 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 Director's 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.

Auditors and disclosure of information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each Director in office at the date the directors' report is approved, that:

- (a) so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he 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.
- (c) PricewaterhouseCoopers LLP are deemed to be re-appointed as auditors under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the Board



BEK Horrell
Director

28/04/ 2014

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF COUNTY WIDE PROPERTY INVESTMENTS LIMITED

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2.1 to the financial statements concerning the going concern basis of accounting. Following the year end the Directors have decided that the company will cease trading during the next financial year. Accordingly, the going concern basis of accounting is no longer appropriate. As a result, property, plant & equipment balances have been adjusted to their realisable values and any receivables deemed to be unrecoverable have been written off in the year. No provision has been made for closure costs or future trading losses on the basis that the total value of the provision required is not material.

What we have audited

The financial statements, which are prepared by County Wide Property Investments Limited, comprise the statement of comprehensive income and the statement of changes in equity for the year ended 31 December 2013, the balance sheet as at 31 December 2013, the statement of cash flows 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 their preparation is applicable law and IFRSs as adopted by the European Union.

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements 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.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF COUNTY WIDE PROPERTY INVESTMENTS LIMITED (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

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 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 member 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.



Emma Aiken-Jones (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
28th April 2014

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Gross rental income	5	-	282
Service charge income	6	-	31
Service charge expenses	6	-	(31)
Property operating expenses	7	-	(64)
Write-down of assets	9	(1,796)	-
Net rental and related income		(1,796)	218
Other operating expense	8	(75)	(75)
Operating (loss)/profit		(1,871)	143
Financial income	10	39	37
(Loss)/Profit before income tax		(1,832)	180
Income tax credit	14	120	95
(Loss)/Profit and total comprehensive (expense)/income for the year		(1,712)	275
Attributable to:			
Owners of the Company		(1,712)	275

The notes on pages 10 to 20 are an integral part of these financial statements.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

	Share Capital	Accumulated losses	Total
	£'000	£'000	£'000
Balance at 1 January 2012	-	(1,528)	(1,528)
Profit and total comprehensive income for the year	-	275	275
Write back of waived creditor	-	510	510
Less: Taxation thereon	-	(135)	(135)
Balance at 31 December 2012	-	(878)	(878)
Profit and total comprehensive expense for the year	-	(1,712)	(1,712)
Balance at 31 December 2013	-	(2,590)	(2,590)

The notes on pages 10 to 20 are an integral part of these financial statements.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

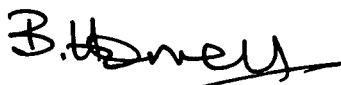
BALANCE SHEET

As at 31 December 2013

	Note	2013 £'000	2012 £'000
Assets			
Current assets			
Property, plant and equipment	15	1,200	3,049
Cash and cash equivalents	21	7,920	7,881
Trade and other receivables	20	443	465
Deferred tax asset	17	7	8
Total current assets		<u>9,570</u>	<u>8,354</u>
Total assets		<u>9,570</u>	<u>11,403</u>
Equity			
Issued capital	16	-	-
Accumulated losses		(2,590)	(878)
Total equity		<u>(2,590)</u>	<u>(878)</u>
Liabilities			
Current liabilities			
Deferred tax liabilities	17	-	-
Trade and other payables	18	12,061	12,061
Current tax liabilities	19	99	220
Total current liabilities		<u>12,160</u>	<u>12,281</u>
Total liabilities		<u>12,160</u>	<u>12,281</u>
Total equity and liabilities		<u>9,570</u>	<u>11,403</u>

The notes on pages 10 to 20 are an integral part of these financial statements.

The financial statements on pages 6 to 20 were approved by the Board of Directors and were signed on its behalf by:


BEK Horrell
Director
28/4/2014

Company Number 1611368

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Cash flows from operating activities			
Profit before taxation		(1,832)	180
Adjustments for:			
(Increase)/Decrease in trade and other receivables		22	(313)
Increase in trade and other payables		-	(414)
Adjustment re waived creditor		-	510
Revaluation of property, plant and equipment	15	1,774	-
Depreciation	15	75	75
Interest received		(39)	(37)
		<hr/>	<hr/>
Cash generated from operations		-	1
Interest paid		-	-
Income taxes paid		-	-
		<hr/>	<hr/>
Net cash generated from operating activities		-	1
		<hr/>	<hr/>
Cash flows from investing activities			
Interest received		39	37
		<hr/>	<hr/>
Net cash generated from investing activities		39	37
		<hr/>	<hr/>
Net increase in cash and cash equivalents		39	38
Cash and cash equivalents at beginning of the year	21	7,881	7,843
		<hr/>	<hr/>
Cash and cash equivalents at end of year	21	7,920	7,881
		<hr/>	<hr/>

The notes on pages 10 to 22 are an integral part of these financial statements.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1 General information

The Company is domiciled in England.

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 periods presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements have been prepared under the historical cost convention, which is considered to be a suitable basis of presentation other than going concern.

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.

Going concern

It is the intention of the Directors that the company will be liquidated during 2014, therefore these financial statements have been prepared on a basis other than going concern. As a result, property, plant & equipment balances have been adjusted to their realisable values and any receivables deemed to be unrecoverable have been written off in the year. No provision has been made for closure costs or future trading losses on the basis that the total value of the provision required is not material.

2.2 Revenue Recognition

Revenue includes rental income, service charges and management charges from properties.

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Company provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Service and management charges are recognised in the accounting period in which the services are rendered. When the Company is acting as an agent, the commission rather than gross income is recorded as revenue.

2.3 Trade and other receivables

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. They have been assessed in the period for recoverability on liquidation.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

2.4 Cash and cash equivalents

Cash and cash equivalents consist of cash and balances at central banks that are freely available, and loans and advances to banks with an original maturity of three months or less.

2.5 Share capital

Ordinary shares are classified as equity.

2.6 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, 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 income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The deferred tax asset has been assessed by Group Tax and will be transferred to Bank of Scotland Plc on liquidation at the current carrying amount.

2.7 Trade and other payables

Trade and other payables are stated at cost and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Impairment

The carrying amounts of the Company's assets including deferred tax assets, if any, are reviewed at each balance sheet date to determine whether there is any indication of impairment. Individual impairment is identified at a counterparty specific level following objective evidence that a financial asset is impaired. This may be after an interest or principal payment is missed or if a banking covenant is breached. If any such indication exists, the asset's recoverable amount is estimated.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

2.9 Impairment (continued)

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

(a) Calculation of recoverable amount

The recoverable amount of assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(b) Reversals of impairment

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.10 Expenses

Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method and interest receivable on funds invested.

Interest income is recognised in the income statement as it accrues, using the effective interest method.

2.11 Property, plant and equipment

The property, plant and equipment has been revalued to its recoverable amount at the balance sheet date in line with the preparation on a basis other than going concern, the impact being disclosed in note 15 to these accounts.

Comparative amounts have not been restated as the Company's financial statements were prepared on a going concern basis in the prior year. Property, plant and equipment was stated at cost less accumulated depreciation and impairment losses. Freehold land was not depreciated. Freehold or leasehold property was stated at cost and depreciated over 50 years or the length of the lease term if shorter. Plant and equipment, less the estimated residual value, was written off in equal instalments over the expected lives of the assets, generally between 3 and 15 years.

2.12 Leases

Properties leased out under operating leases are included in property, plant and equipment in the statement of financial position. The associated rent payable is included in other operating expense and the rent receivable is included in other income in the income statement.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

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 £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
At 31 December 2013				
Intercompany balances	12,061	-	-	-
At 31 December 2012				
Intercompany balances	12,061	-	-	-

3.2 Capital risk management

The Company's objectives when managing capital are to meet its obligations as they fall due and to maximise returns for shareholders and benefits for other stakeholders upon liquidation.

3.3 Fair value estimation

The carrying value of trade and other payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Company considers that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Gross rental income

	2013 £'000	2012 £'000
Properties sub-let to BoS plc	-	282
	-----	-----
	-	282

Gross rentals relate primarily to operating lease income from properties sub-let to Bank of Scotland plc.

6 Service charge income and expenses

Service charge income represents the income receivable from tenants in respect of the services of maintenance and utilities etc. when the Company acts as principal.

Service charge expense represents the amounts paid by the Company before any recharges to tenants.

7 Property operating expenses

Property operating expenses relate to rentals payable to Bank of Scotland plc.

8 Other operating expenses

	2013 £'000	2012 £'000
Depreciation	75	75
	-----	-----
	75	75
	-----	-----

9 Write-down of assets

	2013 £'000	2012 £'000
Sundry creditors write-off	22	-
Re-valuation of property, plant and equipment	1,774	-
	-----	-----
	1,796	-
	-----	-----

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

10 Finance income

Financial income relates to bank deposit interest.

11 Personnel expenses

During the year the Company employed no permanent staff (2012: Nil).

12 Auditor's remuneration

Auditor's remuneration was borne by the Bank of Scotland plc. Fees payable to the auditor and its financial associates for services other than the statutory audit are not disclosed since the consolidated accounts of Lloyds Banking Group plc, the ultimate parent undertaking, are required to disclose non-audit fees on a consolidated basis.

13 Directors' emoluments

The Directors received no emoluments in relation to their services to the Company during the year (2012: Nil).

14 Income tax

(a) Analysis of tax credit for the year

	2013 £'000	2012 £'000
UK Corporation tax - current year	(4)	(52)
UK Corporation tax - prior year	125	-
UK Corporation tax – deferred tax	(1)	(1)
UK Corporation tax adjustments in respect of prior years	-	148
	-----	-----
	120	95
	-----	-----

The tax credit on the company's profit for the year is based on a UK corporation tax rate of 23.25% (2012: 24.5%).

The Finance Act 2012, which was substantively enacted on 3 July 2012, included legislation to reduce the main rate of corporation tax from 24% to 23% with effect from 1 April 2013. In addition, the Finance Act 2013, which was substantively enacted on 2 July 2013, included legislation to reduce the main rate of corporation tax 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015.

The change in the main rate of corporation tax from 23% to 21% and 20% has resulted in a reduction in the Company's net deferred tax asset at 31 December 2013 of £1,128 comprising the £1,128 charge included in the income statement.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

14 Income tax (continued)

(b) Factors affecting the tax credit for the year

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

	2013 £'000	2012 £'000
(Loss)/Profit on ordinary activities before taxation	(1,832)	180
Tax (charge)/credit thereon at UK corporation tax rate of 23.25% (2012: 24.5%)	426	(44)
Factors affecting tax credit:		
Adjustment to prior years	125	148
Non-deductible expenses	(17)	(18)
Capital losses	(413)	-
Deferred tax adjustment	(1)	(1)
Impact of change in tax rate	-	10
Total taxation credit	120	95

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

15 Property, plant and equipment

	Freehold property £'000	Plant and machinery and computers £'000	Freehold shop fittings £'000	Total £'000
At 1 January 2012				
Cost	3,987	299	940	5,226
Accumulated depreciation	(863)	(299)	(940)	(2,102)
Net book amount	3,124	-	-	3,124
Year ended 31 December 2012				
Opening net book amount	3,124	-	-	3,124
Depreciation	(75)	236	-	161
Disposals	-	(236)	-	(236)
Closing net book amount	3,049	-	-	3,049
At 31 December 2012				
Cost	3,987	63	940	4,990
Accumulated depreciation	(938)	(63)	(940)	(1,941)
Net book amount	3,049	-	-	3,049
Year ended 31 December 2013				
Opening net book amount	3,049	-	-	3,049
Reclass – Cost	170	-	(170)	-
Reclass – Depreciation	(170)	-	170	-
Revaluation	(1,774)	-	-	(1,774)
Depreciation	(75)	-	-	(75)
Closing net book amount	1,200	-	-	1,200
At 31 December 2013				
Cost	2,383	63	770	3,216
Accumulated depreciation	(1,183)	(63)	(770)	(2,016)
Net book amount	1,200	-	-	1,200

On 31 March 2014 the two properties which comprise property, plant and equipment were revalued to their recoverable amount as a result of these financial statements being prepared on a basis other than going concern, with the following adjustments required:

	Previous NBV £'000	Valuation £'000	Charge to statement of comprehensive income £'000
Hunger Hill	357	400	43
Cleveleys	<u>2,617</u>	<u>800</u>	<u>(1,817)</u>
Total	2,974	1,200	(1,774)

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

16 Issued Capital

	2013 £'000	2012 £'000
Authorised:		
10,000 ordinary shares (2012:10,000) of £1 each	10	10
	-----	-----
Issued and fully paid:		
100 ordinary shares (2012:10,000) of £1 each	-	-
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The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

17 Deferred tax asset

The gross movement on the deferred income tax account is as follows:

	2013 £'000	2012 £'000
Deferred tax liability/(asset) at 1 January	(8)	139
Adjustment to prior years	-	(148)
Change in tax rate	1	1
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Deferred tax asset at 31 December	(7)	(8)
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COUNTY WIDE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

18 Trade and other payables

	2013 £'000	2012 £'000
Amounts due to group undertakings	12,061	12,061
	<u>12,061</u>	<u>12,061</u>

Amounts due to group undertakings are payable on demand, and are not interest bearing.
Balances adjusted to account for rounding issue in 2012 financial statements.

19 Current tax liabilities

	2013 £'000	2012 £'000
Current tax payable	104	220
	<u>104</u>	<u>220</u>

20 Trade and other receivables

	2013 £'000	2012 £'000
Amounts due from group undertakings	443	443
Others	22	22
	<u>465</u>	<u>465</u>

Amounts due from group undertakings are payable on demand, and are not interest bearing.

COUNTY WIDE PROPERTY INVESTMENTS LIMITED

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For the year ended 31 December 2013

21 Related parties

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 below.

Rent receivable of £nil (2012: £282,000) in respect of leases granted to Bank of Scotland plc. Service charge income of £nil (2012: £31,000) in respect of leases granted to Bank of Scotland plc.

Property operating expenses of £nil (2012: £64,000) and service charge expenses of £nil (2012: £31,000) are in respect of leases granted by Bank of Scotland plc.

Financial income of £39,000 (2012: £37,000) is in respect of bank accounts held with Bank of Scotland.

Cash and cash equivalents of £7,920,000 (2012: £7,881,000) represent bank accounts held with Bank of Scotland. Trade and other payables includes £12,062,000 (2012: £12,062,000) payable to Halifax plc. Trade and other receivables includes £442,000 (2012: £442,000) receivable from Bank of Scotland plc.

UK Government

In January 2009, the UK Government through HM Treasury became a related party of Lloyds Banking Group plc, the Company's ultimate parent company, following its subscription for ordinary shares issued under a placing and open offer. As at 31 December 2013, HM Treasury retained a significant interest in Lloyds Banking Group plc's ordinary share capital and consequently HM Treasury remained a related party of the Company during the year ended 31 December 2013.

22 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 limited liability 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 2013. Copies of the annual report and financial statements of Lloyds Banking Group plc for the year ended 31 December 2013 may be obtained from Lloyds Banking Group's head office at 25 Gresham Street, London, EC2V 7HN.

23 Contingent liabilities and capital commitments

There were no contingent liabilities or contracted capital commitments at the balance sheet date (2012: £nil).