

**BRADFORD & BINGLEY MORTGAGE MANAGEMENT  
LIMITED**

**Directors' Report and Financial Statements  
for the 15 months to 31 March 2014**

**Registered number 02405306**

WEDNESDAY



\*A3KIZLGJ\*

A14

12/11/2014

#21

COMPANIES HOUSE

# **Bradford & Bingley Mortgage Management Limited**

## **Directors' Report and Financial Statements for the 15 months to 31 March 2014**

### **Contents**

Company Information .....	3
Directors' Report .....	4 - 6
Statement of Comprehensive Income for the 15 months to 31 March 2014 .....	7
Balance Sheet .....	8
Statement of Changes in Equity .....	9
Cash Flow Statement .....	10
Notes to the Financial Statements for the 15 months to 31 March 2014 .....	11 - 13

# **Bradford & Bingley Mortgage Management Limited**

## **Company Information**

### **Director**

John Gornall

### **Company Secretary**

Claire Louise Craigie

### **Registered Office**

Croft Road

Crossflatts

Bingley

West Yorkshire

BD16 2UA

# **Bradford & Bingley Mortgage Management Limited**

## **Directors' Report**

**Registered number: 02405306**

The Directors present their Report and Financial Statements for the 15 months to 31 March 2014. Bradford & Bingley Mortgage Management Limited ('the Company') is a limited liability company incorporated and domiciled in the United Kingdom. The Company's accounting reference date has been changed from 31 December to 31 March to align to the year end of the Company's controlling party HM Treasury.

### **Principal activity and business review**

The Company qualifies as a small company in accordance with sections 381-382 of the Companies Act 2006 (the 'Act'). The Directors' report has therefore been prepared taking into consideration the entitlement to small companies exemptions provided in section 414B (as incorporated to the Act by the Strategic Report and Directors' Regulations 2013) of the Act.

The principal activity of the Company was that of mortgage lending and administration. On 31 December 2001 the Company transferred its trade at book value to Mortgage Express, a subsidiary undertaking of the Company's parent undertaking Bradford & Bingley plc ('B&B'). At this date an undisclosed agency agreement between the Company and Mortgage Express came into effect.

The Company has not traded during the period or preceding period.

### **Controlling Party**

The Company's immediate parent undertaking is Bradford & Bingley Investments, an unlimited company incorporated and domiciled in the United Kingdom.

Bradford & Bingley Investments' immediate parent undertaking is B&B, a public company incorporated and domiciled in the United Kingdom. B&B heads the smallest group of companies into which the Financial Statements of the Company are consolidated.

B&B's ultimate parent undertaking is UK Asset Resolution Limited ('UKAR'), a private limited company incorporated and domiciled in the United Kingdom, which is wholly owned by the Treasury Solicitor as nominee for HM Treasury. The Company considers Her Majesty's Government to remain its ultimate controlling party.

### **Dividends**

No dividend was paid in 2014 (2012: £nil), and the Directors do not recommend the payment of a final dividend for 2014 (2012: £nil).

### **Directors and their interests**

The Directors who served during the period and up to the date of signing the Financial Statements were as follows:

Paul Martin Hopkinson (resigned 30 June 2014)

John Gornall (appointed 30 June 2014)

The Directors did not hold any interest in the ordinary shares of the Company 2014 or 2012. The Directors had no interest in the loan capital of B&B or any other interest in the share or loan capital of its subsidiaries.

# **Bradford & Bingley Mortgage Management Limited**

## **Directors' Report (continued)**

### **Risk management and control**

In the ordinary course of business the Company is exposed to, and manages, a variety of risks, with credit risk being of particular significance. The key risks and uncertainties faced by the Company are managed within the framework established for the Bradford & Bingley Group ('B&B Group').

The Directors have responsibility for the overall system of internal control and for reviewing its effectiveness. The effectiveness of the risk management is then monitored on an ongoing basis. Details of the Company's risks and their management and control are provided in note 8, and further discussion in the context of the B&B Group as a whole is provided in that Group's 2014 Annual Report & Accounts which do not form part of this Report and Financial Statements.

The Company's operations are also subject to periodic review by the B&B internal audit department.

### **Directors' indemnities**

Qualifying third party indemnity provision for the benefit of all Directors was in force during the period under review, and remains in force at the date of approval of the Directors' Report and Financial Statements.

UKAR has also arranged Directors' and Officers' Insurance on behalf of the Directors in accordance with the provisions of the Companies Act 2006.

### **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 period. Under that law the Directors have prepared the Financial Statements in accordance with International Financial Reporting Standards ('IFRS') 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;
- state whether applicable IFRS as adopted by the EU have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

# **Bradford & Bingley Mortgage Management Limited**

## **Directors' Report (continued)**

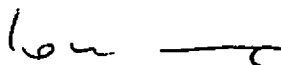
### **Statement of Directors' Responsibilities (continued)**

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 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.

### **Independent auditors**

For 2014, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

On behalf of the Board



John Gornall  
Director  
31 October 2014

# **Bradford & Bingley Mortgage Management Limited**

## **Statement of Comprehensive Income for the 15 months to 31 March 2014**

During the 15 months ended 31 March 2014 and the 12 months ended 31 December 2012 the Company received no income and incurred no expenditure. Consequently, during those periods the Company made neither a profit nor a loss and no Statement of Comprehensive Income has been presented.

# Bradford & Bingley Mortgage Management Limited

## Balance Sheet

Registered number: 02405306

	Note	At 31 March 2014 £	At 31 December 2012 £
<b>Assets</b>			
Amounts due from Group undertakings	4	1	1
<b>Total Assets</b>			1
<b>Equity</b>			
Capital and reserves attributable to equity holder:			
Share capital	5	1	1
Capital contribution reserve	6	355,527	355,527
Accumulated losses		(355,527)	(355,527)
<b>Total equity</b>		1	1

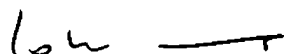
The notes on pages 11 to 13 form an integral part of these Financial Statements.

The Company was dormant throughout the 15 months to 31 March 2014.

The Directors:

- (a) confirm these Financial Statements were delivered with no profit and loss account in accordance with provisions under section 444(5) of the Companies Act (the 'Act') applicable to companies subject to the small companies' regime; and
- (b) confirm that the Company was entitled to exemption under section 480 (1) of the Act from the requirement to have its Financial Statements for the 15 months to 31 March 2014 audited; and
- (c) confirm that the members have not required the Company to obtain an audit of its Financial Statements for that financial period in accordance with section 476 of the Act; and
- (d) ensuring that the Company keeps accounting records which comply with section 386 of the Act; and
- (e) preparing the Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of the Act relating to Financial Statements, so far as they are applicable to the Company.

The Financial Statements were approved by the Board of Directors and authorised for issue on 31 October 2014 and signed on its behalf by:



John Gornall  
Director  
31 October 2014



# Bradford & Bingley Mortgage Management Limited

## Statement of Changes in Equity

For the 15 months to 31 March 2014

	Share capital £	Capital contribution reserve £	Accumulated losses £	Total equity £
As at 1 January 2013 and 31 March 2014	1	355,527	(355,527)	1
	1	355,527	(355,527)	1

For the 12 months to December 2012

	Share capital £	Capital contribution reserve £	Accumulated losses £	Total equity £
As at 1 January and 31 December 2012	1	355,527	(355,527)	1
	1	355,527	(355,527)	1

# **Bradford & Bingley Mortgage Management Limited**

## **Cash Flow Statement**

During the 15 months ended 31 March 2014 and the 12 months ended 31 December 2012 the Company had no cash or cash equivalents and no cash transactions. Accordingly no Cash Flow Statement has been presented.

The Company had no significant non-cash transactions during the period (2012: nil).

# **Bradford & Bingley Mortgage Management Limited**

## **Notes to the Financial Statements for the 15 months to 31 March 2014**

### **1. Principal accounting policies**

The Company is a limited liability company incorporated and domiciled in the United Kingdom. The Company's accounting reference date has been changed from 31 December to 31 March to align to the year end of the Company's controlling party HM Treasury.

#### **(a) Statement of compliance**

The Company's Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ('Adopted IFRS').

The Financial Statements comply with the relevant provisions of Part 15 of the Companies Act 2006 and regulations made thereunder.

#### **(b) Basis of preparation**

The Financial Statements are prepared on the historical cost basis.

The Financial Statements are presented in pounds sterling, which is the currency of the Company's primary operating environment, and on a going concern basis. The validity of the going concern basis of accounting is dependent upon the funding position of the Company. At the date of approval of these Financial Statements, the B&B Group is reliant upon the financing facilities and the guarantee arrangements provided to B&B by HM Treasury. Withdrawal of the financing facilities or the guarantee arrangements would have a significant impact on the B&B Group's and the Company's operations and their ability to continue as a going concern, in which case adjustments may have to be made to reduce the carrying value of assets to recoverable amounts and to provide for further liabilities that might arise. At the date of signing these Financial Statements, HM Treasury has confirmed its intentions to continue to provide funding until at least 1 January 2016.

The Directors consider that the accounting policies set out in this note are the most appropriate to the Company's circumstances, have been consistently applied by the Company in dealing with items which are considered material, and are supported by reasonable and prudent estimates and judgements.

The Financial Statements have been prepared in accordance with EU adopted IFRS, IFRIC interpretations issued by the IFRS Interpretations Committee (formerly the International Financial Reporting Interpretations Committee) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The preparation of the Financial Statements in conformity with these accounting policies and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported values of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results ultimately may differ from those estimates (see note 2).

### **2. Critical accounting judgements and estimates**

In preparation of the Company's Financial Statements judgements and estimates are made which affect the reported amounts of assets and liabilities; judgements and estimates are kept under continuous evaluation. Judgements and estimates are based on historical experience, expectations of future events and other factors.

# Bradford & Bingley Mortgage Management Limited

## Notes to the Financial Statements for the 15 months to 31 March 2014 (continued)

### 3. Employees and Directors' emoluments

There were no employees during the current or preceding financial period and the Directors did not receive emoluments in respect of their services to the Company during the current or preceding financial period.

### 4. Amounts due from Group undertakings

	At 31 March 2014 £	At 31 December 2012 £
Amounts due from the Company's parent undertaking	1	1

The above receivables are interest-free and their fair value is considered to be equal to their carrying value because they are repayable on demand. This receivable represents the Company's maximum exposure to credit risk.

### 5. Share capital

	At 31 March 2014 £	At 31 December 2012 £
<b>Authorised</b>		
1 Ordinary share of £1	1	1
<b>Allotted, issued and fully paid:</b>	<b>1</b>	<b>1</b>

The shares rank equally in respect of rights attaching to voting, dividends and in the event of a winding up.

### 6. Capital contribution reserve

The capital contribution reserve is a distributable reserve.

### 7. Related party disclosures

The Company considers the Directors to be its key management personnel.

The Company had no other transactions with its key management personnel or other related parties during the current or preceding financial period.

Details of balances with the Company's ultimate parent undertaking are shown in note 4.

The Company was exempt from audit and hence no audit fees were borne by B&B for 2014 (2012: £nil).

# **Bradford & Bingley Mortgage Management Limited**

## **Notes to the Financial Statements for the 15 months to 31 March 2014 (continued)**

### **8. Financial instruments**

In the opinion of the Directors, the fair value of the Company's amounts due from Group undertakings equates to their carrying value.

No financial assets were categorised as 'held for trading' or 'at fair value through profit or loss' in 2014 (2012: £nil).

The Company's maximum exposure to credit risk, ie the risk that a counterparty of the Company will be unable or unwilling to meet a commitment that it has entered into with the Company, is the carrying value of the Company's amounts due from Group undertakings.

The Company has no other material exposures to market risks.

### **9. Capital structure**

The Company's capital is represented by the capital and reserves attributable to equity holders. The Company is not subject to externally imposed capital requirements other than the minimum share capital required by the Companies Act, with which it complies. The Company manages its capital and reserves in order that there is sufficient capital to meet the needs of the Company in its operations.

### **10. Ultimate parent undertaking**

The Company's immediate parent undertaking during 2014 and 2012 was Bradford & Bingley Investments, an unlimited company incorporated and domiciled in the United Kingdom. Bradford & Bingley Investments' immediate parent undertaking during 2014 and 2012 was B&B, a public company incorporated and domiciled in the United Kingdom. B&B heads the smallest group of companies into which the Financial Statements of the Company are consolidated. Copies of the Annual Report and Accounts of B&B may be obtained from the Company Secretary at Croft Road, Crossflatts, Bingley, West Yorkshire BD16 2UA.

The ultimate parent undertaking of B&B is UKAR, a private limited company incorporated and domiciled in the United Kingdom, which is wholly owned by the Treasury Solicitor as nominee for HM Treasury. UKAR heads the largest group of companies into which the Financial Statements of the Company are consolidated. Copies of the Annual Report and Accounts of UKAR may be obtained from the Company Secretary at Croft Road, Crossflatts, Bingley, West Yorkshire BD16 2UA.

The Company considers Her Majesty's Government to remain its ultimate controlling party.

### **11. Events after the reporting period**

The Directors are of the opinion that there have been no significant events which have occurred since 31 March 2014 to the date of this report that are likely to have a material effect on the Company's financial position as disclosed in the Financial Statements.