

CCF CHARTERHOUSE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

Registered Number: 2803379

WEDNESDAY



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CCF CHARTERHOUSE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

Principal activities

During the year under review the Company acted as a holding company. The Company has one subsidiary which is dormant. No change in the Company's activities is anticipated.

Business review

The business is funded by cash deposits held with intermediate parent undertaking HSBC Bank plc. The Company has no employees. Services required are provided by fellow HSBC Group companies. The Company has no stakeholders other than its parent company.

Risk management

The financial risk management objectives and policies of the Company, together with an analysis of the exposure to such risks are set out in Note 14 of the financial statements.

Performance

The Company prepares its financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU'). The Company's results for the year under review are as detailed in the income statement shown in these accounts.

Dividends

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2009 (2008: £nil).

Future developments

No major changes are envisaged over the next twelve months.

Directors

The Directors who served during the year were as follows:

Appointed

P J Reid

V J B Mansell

J Subramaniam

12 March 2009

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors.

CCF CHARTERHOUSE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

Supplier payment policy

The Company does not currently subscribe to any code or standard on payment practice. It is the Company's policy, however, to settle the terms of payment with suppliers when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment.

During the year, the Company received goods and services from group undertakings only. Part 5 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, setting out reporting requirements in relation to the policy and practice on payment of creditors is, therefore, not applicable.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditors

KPMG Audit Plc are deemed to be reappointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

Going concern basis

The Financial Statements are prepared on a going concern basis, as the Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions.

Statement of Directors' responsibilities in relation to the financial statements

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities, is made with a view to distinguishing for the shareholder the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

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. The Directors are required to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

The financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and the performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

CCF CHARTERHOUSE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

Statement of Directors' responsibilities in relation to the financial statements (continued)

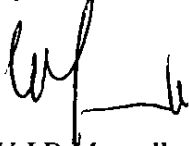
In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRS as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006

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

By order of the Board



V J B Mansell

Director

Date 8 July 2010

Registered Office
8 Canada Square
London
E14 5HQ

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCF CHARTERHOUSE LIMITED

We have audited the financial statements of CCF Charterhouse Limited ('the Company') for the year ended 31 December 2009 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 and 3, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



R Faulkner (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor

8 July 2010

Chartered Accountants
London, England

CCF CHARTERHOUSE LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Interest income	3	1,661	86,379
Administrative expenses		-	(8,480)
Other operating income	4	<u>-</u>	<u>4,054</u>
PROFIT BEFORE TAX		1,661	81,953
Tax expense	6	<u>(465)</u>	<u>(23,177)</u>
PROFIT FOR THE YEAR		<u>1,196</u>	<u>58,776</u>
Attributable to			
Owners of the Company		<u>1,196</u>	<u>58,776</u>

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

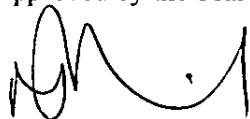
There has been no comprehensive income other than the profit for the year as shown above

The notes on pages 9 to 17 form part of the financial statements

CCF CHARTERHOUSE LIMITED**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2009**

	Notes	2009 £	2008 £
ASSETS			
NON CURRENT ASSETS			
Investment in subsidiary	8	<u>2</u>	<u>2</u>
TOTAL NON CURRENT ASSETS		<u>2</u>	<u>2</u>
CURRENT ASSETS			
Receivables	9	-	210
Cash and cash equivalents	10	<u>3,139,490</u>	<u>3,161,132</u>
TOTAL CURRENT ASSETS		<u>3,139,490</u>	<u>3,161,342</u>
TOTAL ASSETS		<u><u>3,139,492</u></u>	<u><u>3,161,344</u></u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	1,000	1,000
Retained earnings		<u>3,138,185</u>	<u>3,136,989</u>
TOTAL EQUITY		<u>3,139,185</u>	<u>3,137,989</u>
CURRENT LIABILITIES			
Current tax liabilities		305	23,353
Payables	12	<u>2</u>	<u>2</u>
TOTAL CURRENT LIABILITIES		<u>307</u>	<u>23,355</u>
TOTAL LIABILITIES		<u>307</u>	<u>23,355</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,139,492</u></u>	<u><u>3,161,344</u></u>

Approved by the board and signed on its behalf on 8 July 2010



P J Reid
Director

Registered Company Number 2803379

The notes on pages 9 to 17 form part of the financial statements

CCF CHARTERHOUSE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital £	Retained earnings £	Total equity £
At 1 January 2008	1,000	3,078,213	3,079,213
Profit for the year	-	58,776	58,776
Balance at 31 December 2008	<u>1,000</u>	<u>3,136,989</u>	<u>3,137,989</u>
Profit for the year	-	1,196	1,196
Balance at 31 December 2009	<u>1,000</u>	<u>3,138,185</u>	<u>3,139,185</u>

The notes on pages 9 to 17 form part of the financial statements

CCF CHARTERHOUSE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,661	81,953
<i>Adjustments for</i>			
Interest income	3	<u>(1,661)</u>	<u>(86,379)</u>
Operating loss before changes in working capital and provisions		-	(4,426)
Decrease in receivables		-	389
Decrease in payables		<u>-</u>	<u>(3,819)</u>
Cash generated from operations		-	(7,856)
Interest received		1,871	93,398
Tax paid		<u>(23,513)</u>	<u>(13,255)</u>
NET CASH FROM OPERATING ACTIVITIES		<u>(21,642)</u>	<u>72,287</u>
Net (decrease)/increase in cash and cash equivalents		(21,642)	72,287
Opening cash and cash equivalents		<u>3,161,132</u>	<u>3,088,845</u>
CASH AND CASH EQUIVALENTS AT YEAR END	10	<u><u>3,139,490</u></u>	<u><u>3,161,132</u></u>

The notes on pages 9 to 17 form part of the financial statements

1 Basis of preparation

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ('IFRSs') as endorsed by the European Union ('EU') EU-endorsed IFRSs may differ from IFRSs as published by the International Accounting Standards Board ('IASB') if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2009, there were no unendorsed standards effective for 31 December 2009 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the Company.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body.

Except as stated below, there are currently no IFRSs or Interpretations that have been issued by the IASB or IFRIC and endorsed by the EU that have not yet been adopted by the Company.

- A revised IFRS 3 'Business Combinations', was issued on 10 January 2008 and will be applied prospectively for periods commencing on or after 1 July 2009. This revised standard will have no impact on the Company when adopted with effect from 1 January 2010.
- The IASB issued an amendment to IAS 27 'Consolidated and Separate Financial Statements' on 10 January 2008 and will be applied prospectively for periods commencing on or after 1 July 2009. This standard will have no impact on the Company when adopted with effect from 1 January 2010.

At 31 December 2009, the Company had adopted all IFRSs and Interpretations that had been issued by the IASB and IFRIC, and endorsed by the EU. Except as stated above, there are currently no IFRSs or Interpretations that have been issued by the IASB and endorsed by the EU which become effective after 31 December 2009 that have not already been adopted by the Company.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The principal currency in which the Company's business is conducted (which is its functional currency) is GBP. These accounts are therefore presented in that currency.

The Company is not required to prepare consolidated financial statements by virtue of the exemption conferred by section 400 of the Companies Act 2006 and paragraph 10 of International Accounting Standard 27 "*Consolidated and separate financial statements*". The results of the Company are included within the consolidated financial statements of HSBC Holdings plc which is incorporated in England.

General information

CCF Charterhouse Limited is a company domiciled and incorporated in England and Wales.

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

2 Principal accounting policies

(a) Interest income

Interest income for all interest-bearing financial instruments are recognised in 'Interest income' in the income statement using the effective interest rates of the financial assets to which they relate. The effective interest method is a way of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the Company that are an integral part of the effective interest rate of a financial instrument, including transaction costs and all other premiums or discounts.

(b) Investment in subsidiary

Investment in the ordinary share capital of a subsidiary is stated at cost less impairment losses. Reversals of impairment losses are recognised in the income statement if there has been a change in the estimates used to determine the recoverable amount of the investment.

Dividend income is recognised in the income statement on the date the Company's right to receive payments is established.

(c) Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

(d) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are normally those with less than three months' maturity from the date of acquisition, and include cash.

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

2 Principal accounting policies (continued)

(e) Income tax

Income tax comprises current tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income directly in equity.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and liabilities are offset when CCF Charterhouse Limited intends to settle on a net basis and the legal right to offset exists.

3 Interest income

	2009 £	2008 £
Interest income from parent entities on cash and cash equivalents	1,661	85,062
Interest income from third parties	-	1,317
	<u>1,661</u>	<u>86,379</u>

4 Other operating income

	2009 £	2008 £
Management fees	-	(389)
Other income	-	4,443
	<u>-</u>	<u>4,054</u>

5 Administrative expenses

As in 2008, certain expenses, including auditors' remuneration have been borne by a fellow group undertaking and are therefore not charged in arriving at the profit for the year.

The amount of auditors' remuneration in relation to statutory audit borne by a fellow group undertaking was £7,500 (2008 £7,500).

The Company had no employees during the financial year (2008 nil).

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

6 Tax expense

	2009	2008
	£	£
<i>Current tax</i>		
UK corporation tax		
- on current year profit	465	23,354
- adjustments in respect of prior years	-	(177)
Total tax expense for the year	465	23,177

<i>Analysis of tax expense for the year</i>	2009	2009	2008	2008
	£	%	£	%
Taxation at UK corporation tax rate of 28% (2008 28.5%)	465	28.0%	23,354	28.5%
Adjustments in respect of prior period liabilities	-	-	(177)	0.0%
Overall tax expense	465	28.0%	23,177	28.5%

The UK corporate tax rate to CCF Charterhouse Limited was 28% (2008 28.5%)

7 Directors' emoluments

No emoluments were received or are receivable by any of the Directors in respect of their services to the Company during the year (2008 £nil)

8 Investment in subsidiary

	2009	2008
	£	£
Ordinary shares	2	2

Details of the Company's investment in the subsidiary undertaking, which is incorporated in the United Kingdom, as at 31 December 2009, are as follows

Name of undertaking	Holding	Proportion held %	Nature of business
Charterhouse Pensions Ltd	2 Ordinary shares of £1 each	100%	Dormant company

The investment in subsidiary undertakings is held at cost less impairment in the statement of financial position

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

9 Receivables

	2009	2008
	£	£
<i>Current</i>		
Interest receivable from parent undertakings on cash and cash equivalents	-	210

10 Cash and cash equivalents

	2009	2008
	£	£
Amounts held with parent undertakings	3,139,490	3,161,132

11 Share capital

	Authorised		Issued and fully paid up	
	2009	2008	2009	2008
	£	£	£	£
1,000 Ordinary shares of £1 00 each	1,000	1,000	1,000	1,000

The Ordinary shareholders have voting rights and are entitled to a dividend when declared

12 Payables

	2009	2008
	£	£
<i>Current</i>		
Amounts owed to group undertakings - fellow subsidiaries	2	2

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

13 Analysis of financial assets and financial liabilities by measurement basis

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis. There were no material financial liabilities at the current or previous reporting dates.

As at 31 December 2009:	Financial assets/liabilities at amortised cost	Total
Assets	£	£
Interest receivable from parent undertakings on cash and cash equivalents	-	-
Cash and cash equivalents	3,139,490	3,139,490
Total financial assets	3,139,490	3,139,490
Total non-financial assets		2
Total assets		3,139,492

As at 31 December 2008:	Financial assets/liabilities at amortised cost	Total
Assets	£	£
Interest receivable from parent undertakings on cash and cash equivalents	-	210
Cash and cash equivalents	3,161,132	3,161,132
Total financial assets	3,161,132	3,161,342
Total non-financial assets		2
Total assets		3,161,344

14 Risk management

The Company has exposure to the following types of risk arising from its use of financial instruments, credit risk, liquidity risk and market risk. Market risk includes foreign exchange and interest rate risk.

The management of all risks which are significant, together with the quantitative disclosures not already included elsewhere in the financial statements, is described in this note.

Exposure to credit risk and market risk arises in the normal course of the Company's business. The Company's risk management policies are consistent with the HSBC Group's risk management policies. During the year the Company has no significant exposure to liquidity risk.

Credit risk management

Credit risk is the risk that financial loss arises from the failure of a counterparty to meet its obligations under a contract, and arises principally from cash held with parent entities.

The Business manages credit risk for this entity as described above for risks generally.

Management keep the credit risk exposure under review and will take appropriate action, if there is deterioration in credit quality. This risk is minimised because cash held with parent entities form all of the Company's financial assets. On this basis the Company considers the amounts due to be fully recoverable.

There has been no significant change in the credit quality of financial assets during the year.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Market risk management

Market risk is the risk that movements in market risk factors, including foreign exchange rates and interest rates will affect the Company's income. The Company is not exposed to foreign exchange rate risk.

The Company is exposed to interest rate risk due to the interest receivable on the Company's bank deposits with group undertakings. Interest on the deposits is receivable at floating market rates. Management keeps this risk under review, by monitoring the rates earned upon the Company's deposits.

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

14 Risk management (continued)

Market risk management (continued)

Sensitivity analysis interest rate risk

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2008.

	Profit or loss	
	100 bps increase	100 bps decrease
As at 31 December 2009:	£	£
Financial assets		
Financial assets at amortised cost	4,138	(4,138)
Total increase / (decrease)	4,138	(4,138)

	Profit or loss	
	100 bps increase	100 bps decrease
As at 31 December 2008:	£	£
Financial assets		
Financial assets at amortised cost	29,347	(29,347)
Total increase / (decrease)	29,347	(29,347)

15 Capital management

The Company defines capital as total shareholders' equity. The Company's capital resource policy is to maintain a strong capital base. It seeks to maintain at all times a prudent relationship between total capital and the varied risks of its business. There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

16 Fair value of financial assets and liabilities

For all financial assets and liabilities their carrying amount is a reasonable approximation to fair value.

CCF CHARTERHOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

17 Related party transactions

The Company's immediate parent undertaking is Charterhouse Management Services Limited, which is incorporated in England

The Company's direct controlling party, and the smallest group in which the financial statements are drawn up, and of which the Company is a member, is HSBC France SA

The Company's ultimate controlling party, and the largest group in which the financial statements are drawn up, and of which the Company is a member, is HSBC Holdings plc

Copies of the financial statements of HSBC France SA and HSBC Holdings plc may be obtained from

HSBC France SA
103 Avenue des Champs-Élysées
75008
Paris
France

HSBC Holdings plc
8 Canada Square
London
E14 5HQ
www.hsbc.com

Particulars of transactions, arrangements and agreements involving related parties are disclosed elsewhere in the financial statements

18 Subsequent events

There were no subsequent events requiring disclosure in the financial statements

19 Contingent liabilities

There were no contingent liabilities at 31 December 2009 (2008 £nil)

20 Accounting estimates and judgements

The results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of the financial statements. The significant accounting policies used in the preparation of the financial statements are as described in detail in Note 2