

REGISTERED NUMBER 3079495

Bradford & Bingley QUEST Limited

Directors' Report and Financial Statements

31st December 2011

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Bradford & Bingley QUEST Limited
Registered Number: 3079495

Report of the Directors

The Directors present their report together with the Financial Statements for the year ended 31st December 2011

PRINCIPAL ACTIVITIES

There has been no trading activity during the year or previous year. Accordingly no Statement of Comprehensive Income has been presented. Bradford & Bingley QUEST Limited ('the Company') had no cash or cash equivalents or cash transactions during the year or previous year, and accordingly no Cash Flow Statement has been presented.

DIRECTORS AND SECRETARY

Mr P M Hopkinson and Mr P A McLelland served as Directors during the year and subsequently. Mr J Gornall served as company secretary during the year and subsequently.

DIRECTORS' INTERESTS

According to the register maintained as required by the Companies Act 2006, the Directors had no interest in the share capital of the Company during the year or preceding year and neither Director had any interest in the share or loan capital of UK Asset Resolution Limited ('UKAR'), Bradford & Bingley plc ('B&B') or any other interest in the share or loan capital of its subsidiaries.

DIRECTORS' INDEMNITIES

UKAR has provided each Director with a Deed of Indemnity indemnifying them to the fullest extent permitted by law against all losses suffered or incurred in respect of acts and omissions arising as a result of holding office. The indemnities also extend to the reimbursement of each Director with the costs of defending all claims, actions and proceedings including regulatory investigation arising out of or connected with the exercise of, or failure to exercise, any of the Director's powers, duties or responsibilities as an officer, director, trustee, agent or employee of the UKAR Group and any of its subsidiaries. Reimbursement is subject to the Director's obligation to repay UKAR in accordance with the provisions of the Companies Act 2006. The payment obligations of the Company under each Deed of Indemnity are backed by a specific guarantee in favour of the Director entered into between each Director and HM Treasury.

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

AUDITORS

For the year ended 31st December 2011, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Report of the Directors (continued)

DIVIDENDS

During the year the Company did not pay any dividends (2010 £nil) and the Directors do not recommend the payment of a final dividend (2010 £nil)

PAYMENT POLICY

Standard terms provide for payment of all invoices within 30 days of invoice date, except where different arrangements have been agreed with suppliers. It is the policy of the Company to abide by the agreed payment terms.

POLITICAL AND CHARITABLE CONTRIBUTIONS

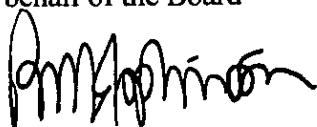
During the year no political or charitable contributions were made (2010 £nil)

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. Further 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 2011 Annual Report & Accounts which do not form part of this Report and Financial Statements.

On behalf of the Board



P M Hopkinson

Director

21st September 2012

Registered Office

Croft Road
Crossflatts
Bingley
West Yorkshire
BD16 2UA

Bradford & Bingley QUEST Limited

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 ('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 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

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 for the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Bradford & Bingley QUEST Limited
Registered Number: 3079495
Balance Sheet at 31st December

	Note	2011 £	2010 £
CURRENT ASSETS			
Deposit with Bradford & Bingley plc		<u>1</u>	<u>1</u>
CAPITAL AND RESERVES			
Called-up share capital	1	<u>1</u>	<u>1</u>

Bradford & Bingley QUEST Limited was dormant throughout the financial year to 31st December 2011. For the year ended 31st December 2011 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 ('the Act') relating to dormant companies.

The Directors.

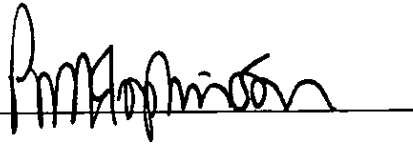
- a) Confirm the members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476 of the Act, and
- b) acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of Financial Statements

The Financial Statements were approved by the Board of Directors and authorised for issue on 21st September 2012

P Hopkinson

Director

21st September 2012



The notes on pages 6 to 8 form an integral part of these Financial Statements

Bradford & Bingley QUEST Limited

Notes to the Financial Statements for the year ended

31st December 2011

1. Called-up share capital

	2011	2010
	£	£
AUTHORISED		
50,000,000 ordinary shares of £1 each	<u>50,000,000</u>	<u>50,000,000</u>

ALLOTTED, CALLED UP AND FULLY PAID

1 ordinary share of £1	<u>1</u>	<u>1</u>
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The ordinary shares rank equally in respect of rights attached to voting, dividends and in the event of a winding up

2. Principal accounting policies

Basis of preparation

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 Financial Statements have been prepared under the historical cost convention. 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 also upon 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 signing date, HM Treasury has confirmed its intentions to continue to provide funding until at least 1st October 2013.

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 to the Company in dealing with items which are considered material, and are supported by reasonable and prudent estimates and judgements.

The Directors consider the business to comprise one operating and geographical segment.

Bradford & Bingley QUEST Limited

Notes to the Financial Statements for the year ended 31st December 2011 (continued)

2. Principal accounting policies (continued)

The Financial Statements have been prepared and approved by the Directors 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 Act applicable to companies reporting under IFRS. All new standards have no impact upon the Financial Statements of the Company.

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 value 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 4).

3. Ultimate parent undertaking

The Company's 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. Copies of the financial statements of B&B may be obtained from the Company Secretary at Croft Road, Crossflatts, Bingley, West Yorkshire BD16 2UA.

As a result of The Bradford & Bingley plc Transfer of Securities and Property etc Order 2008, which transferred all shares in B&B to the Treasury Solicitor as nominee for HM Treasury on 29th September 2008, the Company considered Her Majesty's Government to be its ultimate controlling party from that date. On 1 October 2010 all shares in B&B were acquired via a share-for-share exchange by UK Asset Resolution Limited, 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. UK Asset Resolution Limited heads the largest group of companies into which the Financial Statements of the Company are consolidated. Copies of the financial statements of UK Asset Resolution Limited may be obtained from the Company Secretary at Croft Road, Crossflatts, Bingley, West Yorkshire BD16 2UA.

4. Critical accounting judgements and estimates

In preparation of the Company's Financial Statements judgements and estimates may be made which may 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. In the opinion of the Directors the deposit with B&B is not impaired.

Bradford & Bingley QUEST Limited

Notes to the Financial Statements for the year ended 31st December 2011 (continued)

5. Employees' and Directors' emoluments

There were no employees during the year or preceding year and none of the Directors received emoluments in respect of their services to the Company

6. 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 Act, with which it complies. The Company manages its ordinary share capital in order that there is sufficient capital to meet the needs of the Company in its operations.

7. Related party disclosures

The Company's key management personnel are its Directors.

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

At 31st December 2011 the Company was owed £1 by its immediate parent undertaking (2010 £1). This balance is non-interest bearing and repayable on demand.

8. Financial instruments

In the opinion of the Directors, the fair value of the Company's financial assets, being the amounts due from B&B, equates to their carrying value.

No financial assets were categorised as 'held for trading' or 'at fair value through profit or loss' in the year or preceding year, and no financial assets were reclassified during the year or previous year between amortised cost and fair value categories.

The Company's maximum exposure to credit risk, i.e. 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 B&B. 100% of the Company's assets comprise a balance with a single company. The Company had no other material exposures to market risks.

9. Events after the reporting period

The Directors are of the opinion that there have been no significant events which have occurred since 31st December 2011 to the date of this report that are likely to have a material effect on the Company's financial position as disclosed in these Financial Statements.