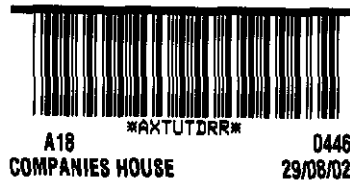


Platform Funding No. 4 Limited
Annual report and financial statements
for the year ended 31 December 2001



Platform Funding No. 4 Limited

Annual report and financial statements for the year ended 31 December 2001

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Platform Funding No. 4 Limited

Directors and advisers for the year ended 31 December 2001

Directors

The directors at 31 December 2001 were:

PCSL Services No. 1 Limited

PCSL Services No. 2 Limited

R Green

N Richardson

Secretary

P Mills

Auditors

PricewaterhouseCoopers

101 Barbirolli Square

Lower Mosley Street

Manchester

M2 3PW

Registered Office

Exchange Tower

2 Harbour Exchange Square

London

E14 9FR

Platform Funding No. 4 Limited

Directors' report for the year ended 31 December 2001

The directors present their report and the audited financial statements of the company for the year ended 31 December 2001.

Principal activities

The company's principal activity during the year was the investment in residual mortgages secured by first charges over properties within the United Kingdom. In February 2001 the company sold all of its mortgages and ceased trading.

Review of business and future developments

Both the level of business and the year end financial position were satisfactory. The company has sold all of its mortgages and does not intend to trade in the foreseeable future.

Results and dividends

The result for the year and the preceding year is as shown on page 4. The directors do not recommend payment of a dividend (2000: £Nil).

Directors and their interests

The directors who held office during the year are given below:

PCSL Services No.1 Limited

PCSL Services No.2 Limited

R Green (appointed 12 February 2001)

P Green (appointed 12 February 2001; resigned 16 May 2001)

N Richardson (appointed 12 February 2001; resigned 11 February 2002)

G Gregory (appointed 12 February 2002)

The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2001, that applicable accounting standards have been followed.

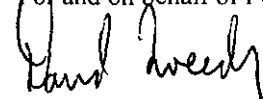
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

During the year, Arthur Andersen resigned as auditors and the directors appointed PricewaterhouseCoopers in their place. PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the forthcoming Annual General Meeting.

By order of the Board

For and on behalf of PCSL Services No. 1 Limited



Director

12 August 2002

Platform Funding No. 4 Limited

Independent auditors' report to the members of Platform Funding No. 4 Limited

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

Respective responsibilities of directors and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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

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

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Manchester

12 August 2002

Platform Funding No. 4 Limited

Profit and loss account for the year ended 31 December 2001

	Notes	2001 £'000	2000 £'000
Income receivable from mortgage assets	1	2,045	6,279
Interest payable and similar charges	2	(622)	(4,298)
Gross profit		1,423	1,981
Amortisation of premium on acquisition of mortgage portfolio		(1,875)	-
Bad debt provisions and losses		13	(141)
Other expenses		(104)	(1,404)
Total administrative expenses		(1,966)	(1,545)
Operating (loss)/profit		(543)	436
Profit on waiver of intra-group loan		-	505
Other interest receivable and similar income		16	43
(Loss)/profit on ordinary activities before taxation	4	(527)	984
Tax on (loss)/profit on ordinary activities		158	150
(Loss)/profit on ordinary activities after taxation and retained (loss)/profit for the year	11/12	(369)	1,134

The result for both years is in respect of continuing activities. There were no recognised gains and losses attributable to shareholders of the company in either year other than the result.

The accounting policies and notes on pages 6 to 9 form part of these financial statements.

Platform Funding No. 4 Limited

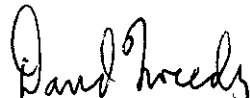
Balance sheet as at 31 December 2001

	Notes	2001 £'000	2000 £'000
Current assets			
Debtors: due within one year	8	308	8,477
Debtors: due after more than one year	8	-	43,656
Cash at bank and in hand		9	1,993
		317	54,126
Creditors: amounts falling due within one year	9	-	(53,440)
Net current assets		317	686
Capitals and reserves			
Called up share capital	10	-	-
Profit and loss account	11	317	686
Shareholders funds – all equity	12	317	686

The accounting policies and notes on pages 6 to 9 form part of these financial statements.

Approved by the board of directors on 12 August 2002 and signed on its behalf by:

For and on behalf of PCSL Services No. 1 Limited



Director

Platform Funding No. 4 Limited

Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting convention.

Mortgage interest receivable

This represents interest received on mortgage loans and has been accounted for on an accruals basis.

Premium on acquisition of mortgage portfolio

The premium on acquisition of the mortgage portfolio is amortised through the profit and loss account over the expected life of the underlying mortgage assets on a basis consistent with the redemption profile of the underlying mortgage assets.

Cash flow statement

Under the provisions of Financial Reporting Standard 1 (revised) "Cash flow statements" the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements which include a consolidated cash flow statement.

Taxation

Corporation tax, and any group relief arising, is provided at current rates on the taxable profit for the period.

Interest receivable and payable

Interest is accrued in the profit and loss account on a receivable and payable basis.

Platform Funding No. 4 Limited

Notes to the financial statements for the year ended 31 December 2001

1 Income receivable from mortgage assets

	2001 £'000	2000 £'000
Mortgage interest receivable	815	5,683
Profit on sale of mortgage loans	1,230	23
Profit on sale on mortgage early redemption certificates and residual certificates	-	573
	<u>2,045</u>	<u>6,279</u>

2 Interest payable and similar charges

	2001 £'000	2000 £'000
Term loan facility	622	4,220
Interest payable to group companies	-	78
	<u>622</u>	<u>4,298</u>

3 Other interest receivable and similar income

	2001 £'000	2000 £'000
Bank interest receivable	13	43
Interest receivable from group companies	3	-
	<u>16</u>	<u>43</u>

4 (Loss)/profit on ordinary activities before taxation

Auditors' remuneration for audit services has been borne by a fellow group undertaking, Platform Home Loans Limited, on behalf of the company.

Platform Funding No. 4 Limited

5 Remuneration of directors

None of the directors received any emoluments for services to the company during the year or the preceding year.

6 Staff numbers and costs

The company does not have any employees.

7 Tax on (loss)/profit on ordinary activities

	2001 £'000	2000 £'000
Tax credit comprises:		
Group relief receivable at 30% (2000: 30%)	158	150

8 Debtors

	2001 £'000	2000 £'000
Due within one year:		
Mortgage loans	-	7,395
Group relief receivable	308	150
Other debtors	-	932
	308	8,477
Due after more than one year:		
Mortgage loans	-	43,656
	-	43,656

In 2000 mortgage loans of £51,051,000 were pledged as security against the term loan facility referred to in note 9.

9 Creditors: amounts falling due within one year

	2001 £'000	2000 £'000
Term loan facility	-	52,998
Amounts owed to group undertakings	-	442
	-	53,440

Platform Funding No. 4 Limited

10 Called up share capital

	2001 £	2000 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
1 ordinary share of £1	1	1

11 Profit and loss account

	2001 £'000	2000 £'000
At 1 January	686	(448)
Result for the year	(369)	1,134
At 31 December	317	686

12 Reconciliation of movements in shareholders' funds

	2001 £'000	2000 £'000
Result for the year	(369)	1,134
Net (reduction) / increase to shareholders' funds	(369)	1,134
Opening shareholders' funds	686	(448)
Closing shareholders' funds	317	686

13 Immediate and ultimate parent company

The company's immediate parent company is Platform Consumer Services Limited. The company's ultimate parent undertaking is Britannia Building Society, a body corporate registered in England. Copies of its accounts are available from: Britannia House, Leek, Staffordshire, ST13 5RG.

14 Related party transactions

The company has taken advantage of the exemption in FRS 8, "Related party disclosures", from disclosing transactions with entities that are part of the Britannia Building Society Group, as the consolidated accounts in which the company has been included are available at the address above.