

ABBNEY NATIONAL CAHOOT LIMITED

**Registered in England and Wales
No. 3932752**

REPORT AND ACCOUNTS

**FOR THE YEAR ENDED
31 DECEMBER 2005**



ABBEY NATIONAL CAHOOT LIMITED

Report of the directors

The Directors submit their report together with the financial statements for the year ended 31 December 2005.

Principal activity and review of the year

The Company has not traded during the year. No significant accounting transactions, as required to be entered in the Company's accounting records by Section 221 of the Companies Act 1985, have occurred during the year under review and therefore the Company is considered to be dormant.

Results and dividends

There was no profit or loss for the year ended 31 December 2005 (2004: £nil) and therefore the Directors do not recommend the payment of a dividend (2004: £nil).

Directors and their interests

The Directors who served throughout the year, except as noted, were:

Mr S P Coles
Mr T C Murley
Mr J L Wright

No Director of the Company has any interest in the shares of the Company, or of other Group Companies incorporated in the United Kingdom.

Auditors

The annual accounts have not been audited because the Company is entitled to the exemption provided by Section 249AA of the Companies Act 1985 relating to dormant companies and no notice under Section 249B(2) has been deposited at the Company's registered office requiring the Company to obtain an audit of the accounts.

By Order of the Board



For and on behalf of
Abbey National Secretariat Services Limited
Company Secretary

Registered Office Address: Abbey National House, 2 Triton Square, Regent's Place, London NW1 3AN

ABBEY NATIONAL CAHOOT LIMITED

Balance Sheet

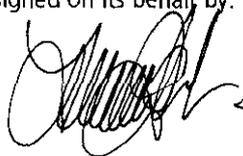
As at 31 December 2005

| | Notes | 2005 £ | 2004 £ |
|--|-------|-----------|-----------|
| Current assets | | | |
| Trade and other receivables | 3 | 1 | 1 |
| Total assets | | 1 | 1 |
| Equity | | | |
| Share capital | 4 | 1 | 1 |
| Retained earnings | | - | - |
| Equity attributable to equity holders of the parent | | 1 | 1 |

The annual financial statements have not been audited because the Company is entitled to the exemption provided by Section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the Company to obtain an audit of these financial statements in accordance with Section 249B(2).

The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records that comply with Section 221 of the Companies Act 1985. The Directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the Company.

The financial statements were approved by the Board of Directors and authorised for issue on **3 January 2006**. They were signed on its behalf by:



Director

ABBEY NATIONAL CAHOOT LIMITED

Notes to the financial statements for the year ended 31 December 2005

1. Adoption of International Financial Reporting Standards ("IFRS")

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for the first time. The adoption of IFRS has not resulted in any differences from the financial statements as reported under UK GAAP that require disclosure under IFRS1.

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities held at fair value through profit or loss and all derivative contracts.

Cash flow statement

A cash flow statement has not been included in the financial statements because the Company has been dormant in the current and preceding year and no cash flows have occurred.

2. Profit from operations

Directors' emoluments are borne by the parent company, Abbey National plc. No emoluments were paid to Directors by the Company during the year (2004: £nil) and it is not practicable for the parent company to apportion Directors' emoluments.

The Company has no employees (2004: none.)

3. Trade and other receivables

| | 2005 £ | 2004 £ |
|--------------------------------|-----------|-----------|
| Amounts due by group companies | 1 | 1 |

The Directors consider that the carrying amount of trade receivables approximates to their fair value.

Trade and other receivables include £nil (2004: £nil) that is expected to be recovered or settled after more than 12 months.

4. Share capital

| | 2005 £ | 2004 £ |
|--------------------------------|-----------|-----------|
| Authorised: | | |
| 100 ordinary shares of £1 each | 100 | 100 |
| Issued and fully paid: | | |
| 1 ordinary share of £1 each | 1 | 1 |

5. Related party transactions

There were no related party transactions during the year, or existing at the balance sheet date, with the Company or parent company's key management personnel.

ABBHEY NATIONAL CAHOOT LIMITED

Notes to the financial statements for the year ended 31 December 2005

6. Parent undertaking and controlling party

The Company's immediate parent company is Abbey National plc.

The Company's ultimate parent undertaking and controlling party is Banco Santander Central Hispano, S.A., a company incorporated in Spain. Banco Santander Central Hispano, S.A. is the parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the Company is a member. Abbey National plc is the parent undertaking of the smallest group of undertakings for which the group accounts are drawn up and of which the Company is a member.

Copies of all sets of group accounts, which include the results of the Company, are available from Abbey Secretariat, Abbey National House, 2 Triton Square, Regent's Place, London, NW1 3AN.