

Platform Home Loans Holdings No. 2 Limited
Directors' report and financial statements
for the year ended 31 December 2004



Platform Home Loans Holdings No. 2 Limited

Directors' report and financial statements for the year ended 31 December 2004

Contents

Directors and advisors.....	1
Directors' report for the year ended 31 December 2004.....	2
Independent auditors' report to the members of Platform Home Loans Holdings No. 2 Limited	4
Consolidated profit and loss account for the year ended 31 December 2004	5
Consolidated balance sheet as at 31 December 2004.....	6
Company balance sheet as at 31 December 2004	7
Group cash flow statement for the year ended 31 December 2004.....	8
Statement of accounting policies	10
Notes to the financial statements for the year ended 31 December 2004	13

Platform Home Loans Holdings No 2 Limited

Directors and advisors

Directors

PCSL Services No. 2 Limited
Capita Trust Company Limited

Secretary

Clifford Chance Secretaries (CCA) Limited

Auditors

PricewaterhouseCoopers LLP
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Registered Office

10 Upper Bank Street
London
E14 5JJ

Registered Number

4017604

Platform Home Loans Holdings No 2 Limited

Directors' report for the year ended 31 December 2004

The directors present their report and the audited financial statements of the company for the year ended 31 December 2004.

Principal activities

The principal activity of the company is a holding company for Platform Home Loans No. 2 PLC and Platform Home Loans Options No. 2 Limited.

The principal activity of the company's subsidiary, Platform Home Loans Holdings No. 2 PLC is to receive deferred consideration for previously owned mortgage portfolios.

The company's subsidiary Platform Home Loans Options No. 2 Limited is dormant since incorporation.

Review of business and future developments

On 11 March 2004 the company's subsidiary fully redeemed its floating rate notes and sold its mortgage portfolio to Meerbrook Finance Number One Limited. In addition to purchase consideration, the company's subsidiary is entitled to receive deferred consideration from the purchaser to the extent to which surplus income is generated by the mortgage book sold. The company's subsidiary does not intend to acquire any further mortgage portfolios.

The loss in the year was as a result of full amortisation of the initial securitisation costs on the final redemption of the floating rate notes issued by Platform Home Loans No. 2 PLC. Both the level of business during the year and the financial position of the company and the group at the end of the year were satisfactory. The directors expect the group's future profit from deferred consideration to offset the loss in the year.

Results and dividends

The loss for the year, after tax, amounted to £165,000 (2003: profit £4,000). No dividend for the year is proposed (2003: £nil).

Directors and their interests

The directors who held office during the year are given below

PCSL Services No. 2 Limited

P Hills

(deceased 12 December 2004)

B Needham

(resigned 11 October 2004)

Capita Trust Company Limited was appointed a director on 26 January 2005.

No director had any beneficial interest in the share capital of the company or any other company in the Group at any time during the year under review.

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 year. The directors are required to prepare 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 consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and 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.

Platform Home Loans Holdings No 2 Limited

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the annual general meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'P A Lee', with a large, stylized initial 'P' and 'A'.

P A Lee for PCSL Services No. 2 Limited

Director

28 February 2005

Platform Home Loans Holdings No 2 Limited

Independent auditors' report to the members of Platform Home Loans Holdings No. 2 Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheets, the cashflow statement, 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. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 affairs of the company and group at 31 December 2004 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
28 February 2005

Platform Home Loans Holdings No 2 Limited

Consolidated profit and loss account for the year ended 31 December 2004

	Notes	2004 £'000	2003 £'000
Interest receivable and similar income	1	1,109	4,545
Interest payable and similar charges	2	(401)	(3,410)
Gross profit		708	1,135
Administration expenses:			
Amortisation of premium on acquisition	9	(596)	(784)
Provisions for bad and doubtful debts		35	187
Other expenses		(307)	(535)
Total administration expenses		(868)	(1,132)
(Loss)/profit on ordinary activities before taxation	3	(160)	3
Tax on (loss)/profit on ordinary activities	5	(5)	1
(Loss)/profit for the financial year	16	(165)	4

Other than the above results, there were no recognised gains or losses or movements in equity shareholder's funds. The results were derived from continuing operations.

The accounting policies and notes on pages 10 to 19 form part of these financial statements.

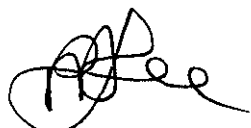
Platform Home Loans Holdings No 2 Limited

Consolidated balance sheet as at 31 December 2004

	Notes	2004 £'000	2004 £'000	2003 £'000	2003 £'000
Current assets					
Debtors:					
Amounts owed by Meerbrook Finance Number One Limited					
Mortgage advances fully secured on residential property subject to non-recourse finance		21,609	-	-	
Non-recourse finance		(21,082)	-	-	
Deferred consideration receivable	14		527	-	
Recoverable in less than one year	7		2	2,108	
Recoverable in more than one year	8		-	32,075	
Cash at bank			50	6,440	
			579	40,623	
Creditors: amounts falling due within one year	10		(706)	(5,911)	
Net current (liabilities)/assets			(127)	34,712	
Creditors: amounts falling due after more than one year	11		-	(34,674)	
Net (liabilities)/assets			(127)	38	
Capital and reserves					
Called up share capital	15		-	-	
Profit and loss account			(127)	38	
Total equity shareholder's funds	16		(127)	38	

The accounting policies and notes on pages 10 to 19 form part of these financial statements.

Approved by the board of directors on 28 February 2005 and signed on their behalf by:



P A Lee for PCSL Services No. 2 Limited
Director

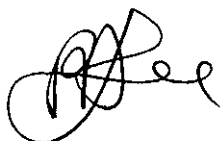
Platform Home Loans Holdings No 2 Limited

Company balance sheet as at 31 December 2004

	Notes	2004 £'000	2003 £'000
Fixed assets			
Investments:			
Shares in Group undertakings	6	13	13
Creditors: amounts falling due within one year:			
Owed to Platform Consumer Services Limited	10	(18)	(17)
Net liabilities		(5)	(4)
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account		(5)	(4)
Equity shareholder's funds	16	(5)	(4)

The accounting policies and notes on pages 10 to 19 form part of these financial statements.

Approved by the board of directors on 28 February 2005 and signed on their behalf by:



P A Lee for PCSL Services No. 2 Limited
Director

Platform Home Loans Holdings No 2 Limited

Group cash flow statement for the year ended 31 December 2004

	Notes	2004 £'000	2003 £'000
Cash outflow from operating activities	A	(167)	(355)
Taxation		(5)	1
Returns on investments and servicing of finance			
Interest paid		(394)	(2,989)
Interest received		582	4,545
		188	1,556
Acquisitions and disposals			
Net mortgage movements		33,533	40,386
		33,533	40,386
Financing			
Repayment of floating rate notes		(37,076)	(42,476)
Capital payments for Class A detachable coupons		-	(587)
Payments for Residual Certificates		(2,863)	-
		(39,939)	(43,063)
Decrease in cash	B	(6,390)	(1,475)

A Reconciliation of operating profit to net cash outflow from operating activities

	2004 £'000	2003 £'000
Operating (loss)/profit	(160)	3
Amortisation of premium	596	784
Amortisation of issue costs and bond discount	188	247
Interest receivable	(582)	(4,545)
Interest payable	394	2,989
Deferred consideration payable	-	412
Deferred consideration receivable	(5)	-
(Increase)/Decrease in debtors	(470)	162
Increase/(Decrease) in creditors	(128)	(407)
Net cash outflow from operating activities	(167)	(355)

Platform Home Loans Holdings No 2 Limited

Group cash flow statement for the year ended 31 December 2004 (continued)

B Reconciliation of net cash flow to net debt

	2004 £'000	2003 £'000
Decrease in cash in the period	(6,390)	(1,475)
Decrease in debt financing	39,939	43,071
Change in debt from cash flows	33,549	41,596
Opening net debt	(33,499)	(75,095)
Closing net debt	50	(33,499)

C Analysis of net debt

	1 January 2004 £'000	Cash flow £'000	31 December 2004 £'000
Cash at bank	6,440	(6,390)	50
Debt due within one year	(25,646)	25,646	-
Debt due after one year	(14,293)	14,293	-
Net debt	(33,499)	33,549	50

Platform Home Loans Holdings No 2 Limited

Statement of accounting policies

Basis of Preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

In accordance with paragraph 3 (3) of Schedule 4 of the Companies Act 1985, the directors have adapted the arrangement of certain headings in the profit and loss account to reflect more accurately the nature of the company's activities. In particular turnover is represented by interest receivable and interest payable has been treated as a deduction on gross profit.

Interest receivable and payable

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

Mortgage loans

Mortgage loans are stated at cost less provision for impairment.

Taxation

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

Deferred tax is provided at current rates on a non-discounted basis, on all timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

Class A detachable coupons

In conjunction with the issue of floating rate notes, the company issued Class A detachable coupons. These debt instruments have been accounted for in accordance with Financial Reporting Standard No. 4 (Capital Instruments). The initial carrying value of these debt instruments liabilities was equivalent to their issue proceeds. A constant yield rate was calculated on the basis of their anticipated cash payment profile and this has been used to calculate interest payable on an accruals basis.

Provisions for advances and loans

Provisions are made to reduce the value of loans and advances to the amount which the directors consider is likely to be recoverable. Throughout the year, and at the year end, assessments are made of all loans and advances on properties which are in possession or in arrears.

Specific provisions are made against loans and advances when, the property is in possession or is two months or more in arrears. Anticipated losses on such accounts are calculated as the difference between the achievable market value of the security, and the outstanding loan balance, after making appropriate allowance for costs of repossession and sale. A probability factor is then applied to the shortfall based on the extent to which the property is in arrears. This probability factor reflects the company's actual experience of the propensity of the different arrears categories to reach possession status.

Allowance is made for loss insurance cover where appropriate. Provision is made for amounts not considered to be recoverable and written off when there is no realistic prospect of recovery.

Platform Home Loans Holdings No 2 Limited

Statement of accounting policies (continued)

Provisions for advances and loans (continued)

The charge to the profit and loss account represents new or additional provisions made less any reduction in provisions or recoveries of amounts previously provided. Interest, which is considered irrecoverable, where the property has been taken into possession or the normal lending relationship has ceased, is suspended. Interest up to that time is credited to income and provision made as appropriate.

Premium on acquisition

Premiums paid for mortgages in excess of the fair value of the net tangible assets acquired are amortised through the profit and loss account on a reducing basis, based on the redemption of the portfolio, over the shorter of the expected life of the portfolio and five years.

Advances subject to non-recourse finance

Loans fully secured on residential properties subject to non-recourse finance meeting the conditions specified in Financial Reporting Statement No. 5 (Substance of Transactions) are included in the balance sheet using the linked presentation method. The company is not obliged to support any losses in respect of these mortgages subject to non-recourse finance, nor do they intend to. This is clearly stated in agreements with the providers of the funding. Repayment of the non-recourse funding facilities and deferred consideration will be made solely from the cash flows generated by the underlying mortgage portfolios. The net balance disclosed as receivable in the balance sheet of the company represents deferred consideration accrued and not yet received.

Deferred consideration payable

Deferred consideration arises equal to the amount of premium on acquisition of mortgage loans. This is shown as a liability at the date of acquisition. Contingent deferred consideration arising in future years is recorded in the profit and loss account in the year in which it arises.

Deferred consideration receivable

Deferred consideration arising on the transfer of the beneficial ownership of the mortgages to Meerbrook Finance Number One Limited is accounted for when receivable.

Further additional consideration received in excess of the amount estimated at the date of the assignment of the mortgages to Meerbrook Finance Number One Limited is taken to the profit and loss account as additional profit. Further additional consideration is uncertain to the extent that it is dependent upon the ability of the recipient companies to generate sufficient levels of profit and therefore is not recognised by the company until such profits have been generated.

Hedging contracts and instruments

The criteria required for an instrument to be classified as a hedge are that the transaction must be reasonably expected to match or eliminate a significant proportion of the risk inherent in the assets or liabilities being hedged and which results from potential movements in interest rates; and adequate evidence of the intention to hedge and linkage with the underlying risk inherent in the assets or liabilities being hedged, must be established at the outset of the transaction.

All interest rate instruments that are designated as hedges are accounted for on a consistent basis with the underlying assets, liabilities or positions. The company hedges its interest rate exposures on a portfolio basis. Amounts accrued on hedging contracts and instruments are included within accruals and deferred income or prepayments and accrued income.

Platform Home Loans Holdings No 2 Limited

Statement of accounting policies (continued)

Debt

Debt is initially stated at the amount of net proceeds after deduction of issue costs. The carrying amount is increased by the finance costs in respect of the accounting year and reduced by payments made in the year.

Finance costs of the debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment.

Platform Home Loans Holdings No 2 Limited

Notes to the financial statements for the year ended 31 December 2004

1 Interest receivable and similar income

	2004 £'000	2003 £'000
Interest receivable from secured advances	456	3,996
Interest rate swap receivable/(payable)	2	(19)
Profit on sale of mortgages	522	-
Deferred consideration receivable from Meerbrook Finance Number One Limited (note 14)	5	-
Bank interest receivable	103	357
Other	21	211
	1,109	4,545

2 Interest payable and similar charges

	2004 £'000	2003 £'000
Class A Floating notes at LIBOR plus 0.42%	98	1452
Class A Detachable coupons	-	44
Class M Floating rate notes at LIBOR plus 1.30%	149	729
Class B Floating rate notes at LIBOR plus 2.65%	108	542
Class C Floating rate notes at LIBOR plus 3.50%	38	220
	393	2,987
Deferred consideration payable (note 13)	-	412
Amortisation of bond discount	7	9
Intercompany interest payable	1	2
	401	3,410

3 (Loss)/Profit on ordinary activities before taxation

(Loss)/Profit on ordinary activities before taxation is stated after (crediting)/charging:

	2004 £'000	2003 £'000
Auditors' remuneration in respect of audit services	(1)	6

Current year credit relates to prior year over accrual.

Platform Home Loans Holdings No 2 Limited

4 Directors' emoluments and employees

The directors received no emoluments in respect of their services during the year (2003: £nil).

There are no directors (2003: nil) to whom benefits are accruing under the Britannia Building Society Pension schemes.

The company had no employees during the year (2003:nil).

5 Taxation

	2004 £'000	2003 £'000
UK corporation tax at 19% (2003: 19%):		
Current year	-	-
Adjustments in respect of prior years	5	(1)
	5	(1)

Factors affecting tax charge for the year

The corporation tax assessed for the year is higher than the standard rate of corporation tax in the U.K. (19%). The differences are explained below.

	2004 £'000	2003 £'000
(Loss)/Profit on ordinary activities before taxation	(159)	3
(Loss)/Profit before tax multiplied by standard rate of tax	(30)	1
Effects of :		
Adjustments in respect of prior years	5	(1)
Movements in short term timing differences	30	-
Change in rate of tax	-	(1)
Current tax charge/credit for the year	5	(1)

6 Investments

The company has the following wholly owned subsidiaries, registered in England, operating in the United Kingdom trading in the business indicated:

Platform Home Loans No. 2 PLC - receives deferred consideration for previously owned mortgages.

Platform Home Loans Options No. 2 Limited - dormant since incorporation.

Platform Home Loans Holdings No 2 Limited

7 Debtors: amounts recoverable in less than one year

	Group 2004 £'000	Group 2003 £'000
Mortgage loans	-	2,015
Premium on acquisition of mortgage portfolio (note 9)	-	39
Other debtors	2	14
Prepayments	-	40
	2	2,108

8 Debtors: amounts recoverable in more than one year

	Group 2004 £'000	Group 2003 £'000
Mortgage loans	-	31,518
Premium on acquisition of mortgage portfolio (note 9)	-	557
	-	32,075

9 Premium on acquisition

	Group 2004 £'000	Group 2003 £'000
At 1 January	596	1,380
Amortisation arising on sale of mortgage book to Meerbrook Finance Number One Limited	(522)	
Amortised during year	(74)	(784)
At 31 December	-	596

Platform Home Loans Holdings No 2 Limited

10 Creditors: amounts falling due within one year

	Company 2004 £'000	Company 2003 £'000	Group 2004 £'000	Group 2003 £'000
Class A Floating rate notes due 2032	-	-	-	2,242
Class C Floating rate notes due 2032	-	-	-	173
Floating rate notes interest payable	-	-	-	118
Corporation tax	-	-	-	-
Deferred consideration payable to Platform Funding No. 6 Limited (note 13)	-	-	370	3,268
Amounts owed to Platform Funding Limited	-	-	317	-
Amounts owed to Platform Home Loans Limited	-	-	-	36
Other amounts owed to Platform Funding No. 6 Limited	-	-	-	10
Amounts owed to Platform Consumer Services Limited	18	17	18	17
Other creditors	-	-	1	60
	18	17	706	5,924
Capitalised issue costs	-	-	-	(12)
Unamortised discount on loan note issue	-	-	-	(1)
	18	17	706	5,911

11 Creditors: amounts falling due after more than one year

	Group 2004 £'000	Group 2003 £'000
Class A Floating rate notes due 2032	-	9,360
Class M Floating rate notes due 2032	-	14,500
Class B Floating rate notes due 2032	-	8,500
Class C Floating rate notes due 2032	-	2,489
	-	34,849
Capitalised issue costs	-	(169)
Unamortised discount on loan note issue	-	(6)
	-	34,674

Platform Home Loans Holdings No 2 Limited

12 Mortgage early redemption certificates and residual certificates

The company's subsidiary had issued 1,830 mortgage early redemption certificates with a maturity date of 2032. Holders of the mortgage early redemption certificates were entitled to receive all amounts received by Platform Home Loans No. 2 PLC in respect of mortgage early redemption charges.

The company's subsidiary had issued 2,100 Residual Certificates with a maturity date of 2032. Holders of the Residual Certificates were not entitled to receive any Residual Certificate distribution unless all payments or provisions of a higher priority had been paid in full.

Both the above certificates were cancelled during the year, on sale of the mortgage portfolio on 11 March 2004.

13 Deferred consideration payable

Deferred contingent consideration is payable to Platform Funding No. 4 Limited and Platform Funding No. 5 Limited dependent on the extent to which surplus income is generated by the company's subsidiary from the date of the sale of its mortgages to Meerbrook Finance Number One Limited (11 March 2004). The surplus income generated during the period from 11 March 2004 to 31 December 2004 amounted to £nil (2003: £nil).

Deferred contingent consideration is payable to Platform Funding No. 6 Limited dependent on the extent to which surplus income is generated by the company's subsidiary prior to the date of the sale of its mortgages to Meerbrook Finance Number One Limited (11 March 2004). The surplus income generated during the period from 1 January 2004 to 10 March 2004 amounted to £nil (2003: £411,951).

Movements in deferred consideration due to Platform Funding No. 6 Limited during the year were as follows:

	Group 2004 £'000	Group 2003 £'000
At 1 January	3,268	2,856
Additional consideration due to Platform Funding No.6 Limited arising in the year (note 2)	-	412
Repayment during the year	(2,898)	-
At 31 December	370	3,268

14 Deferred consideration receivable

During the year the company sold for cash with the balance as deferred consideration, its mortgage portfolio to Meerbrook Finance Number One Limited.

	2004 £'000	2003 £'000
Book value of mortgages sold	28,959	-
Premium	522	-
	29,481	-
Satisfied by:		
Cash	28,959	-
Deferred consideration arising on sale	522	-
	29,481	-

Platform Home Loans Holdings No 2 Limited

14 Deferred consideration receivable (continued)

Deferred contingent consideration is receivable from Meerbrook Finance Number One Limited dependent on the extent to which surplus income is generated by the mortgage book, sold by Platform Home Loans No. 2 PLC to Meerbrook Finance Number One Limited. The surplus income generated during the year ended 31 December 2004 amounted to £5,269.

The movements in deferred consideration are as follows:

	Group 2004 £'000	Group 2003 £'000
At 1 January	-	-
Deferred consideration arising on sale	522	-
Additional consideration arising in the year (note 1)	5	-
Repayment during the year	-	-
At 31 December	527	-

It is anticipated that the majority of the above deferred consideration is receivable within one year, however, an amount of the above balance will only become receivable after that time. Repayments of deferred consideration are dependent, amongst other factors, on market conditions, and the directors are not therefore able to reliably estimate the amount which will fall to be receivable after one year's time.

15 Called up equity share capital

	Company 2004 £	Company 2003 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
1 ordinary share of £1	1	1

16 Reconciliation of movement in equity shareholder's funds

	Company 2004 £'000	Company 2003 £'000	Group 2004 £'000	Group 2003 £'000
Result for the year	(1)	(2)	(165)	4
Equity shareholder's funds at start of year	(4)	(2)	38	34
Equity shareholder's funds at 31 December	(5)	(4)	(127)	38

Platform Home Loans Holdings No 2 Limited

17 Ultimate parent undertaking

The ultimate parent undertaking is Capita IRG Trustees Limited which holds 100% of the issued share capital of Platform Home Loans Holdings No. 2 Limited, subject to terms of a declaration of trust for general charitable purposes.

18 Related party disclosures

Britannia Building Society views the company as being a quasi-subsiidiary of Britannia Building Society. Consequently the directors of the company consider Britannia Building Society and its subsidiaries (including other quasi subsidiaries) to be related parties of the company. Transactions with Britannia Building Society and its subsidiaries are disclosed in the financial statements as follows:

Amounts owed to Platform Home Loans Limited, Platform Funding Limited, Platform Consumer Services Limited and Platform Funding No. 6 Limited at 31 December 2004 are shown in note 10.

Prior to the full redemption of the company's floating rate notes, Platform Funding No 6 Limited was the holder of the group's Class A detachable coupons and Class C floating rate notes, Mortgage Early Redemption Certificates and Residual certificates. Details are given in notes 10, 11 and 13. Interest payable on these instruments is shown in note 2.

Details of the deferred consideration payable to Platform Funding No. 6 Limited at 31 December 2004 are provided in notes 2 and 13.

During the year the company's subsidiary sold its mortgage portfolio to Meerbrook Finance Number One Limited. In addition to the sale proceeds, the company is entitled to receive deferred contingent consideration from Meerbrook Finance Number One Limited, as shown in notes 1 and 14.

Administration expenses of £32,956 were paid to Platform Home Loans Limited during the year ended 31 December 2004.

19 Profit of the company

As permitted by section 230 of the Companies Act 1985, the profit and loss account of the company has not been included in these financial statements. The company's loss for the financial year was £1,000 (2003: 2,000).