

COLSTON NO. 3 PARENT LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011



Company No. 6700483 (England & Wales)

COLSTON NO. 3 PARENT LIMITED

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COLSTON NO. 3 PARENT LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2011

Board of Directors at 31 December 2011

Capita Trust Corporate Limited
Capita Trust Corporate Services Limited
Sean Martin (appointed 25 July 2011)

Company Secretary and Registered Office

Capita Trust Secretaries Limited

7th floor
Phoenix House
18 King William Street
London EC4N 7HE

Registered Number 6700483

Date of Incorporation: 17 September 2008

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The Directors present their report and financial statements for Colston No 3 Parent Limited ("the Company") for the year ended 31 December 2011

The choice of accounting reference date is to align with that of the related party, The Governor and Company of the Bank of Ireland ("Bank of Ireland")

Principal activities

The Company's principal activity is to hold shares in Colston No 3 plc. The principal activity of Colston No 3 plc is the management of a portfolio of mortgage loans and the collection of payments of principal and interest on them, funded primarily by the issuance of debt securities in the form of floating rate notes ("Notes") to Bank of Ireland. All activities relate to residential mortgages in the United Kingdom, where both the Company and Colston No 3 plc are incorporated and domiciled.

On 23 November 2011 the Colston 3 plc securitisation transaction was unwound, to meet the strategic requirements of Bank of Ireland.

Going concern

On 23 November 2011 the Colston 3 plc securitisation transaction was unwound, to meet the strategic requirements of Bank of Ireland. This Parent Company is no longer active and the Directors expect to strike off the Company by 30 June 2012.

Directors and their interests

Directors who served in office during the year are stated on page 2.

During the year, no Director held any interest in the shares of the Company. There is no requirement for the Directors to disclose their interest in shares in, or debentures of, any body corporate incorporated outside of Great Britain.

During the year, no Director or connected person had any interest in any contract of significance with the Company.

COLSTON NO. 3 PARENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of its profit or loss 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 consistently in the preparation of the financial statements. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2010 and that applicable accounting standards have been followed.

The Directors are responsible for keeping adequate accounting records which 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 of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

David Osborne For and on behalf of Capita Trust Corporate Limited
Director



14 March 2012

COLSTON NO. 3 PARENT LIMITED**BALANCE SHEET**

AS AT 31 DECEMBER 2011

	Notes	31 December 2011 £	31 December 2010 £
Assets			
Investments	3	50,000	50,000
Cash and cash equivalents		2	2
Total assets		<u>50,002</u>	<u>50,002</u>
Equity and liabilities			
Term loan	4	12,502	12,502
Trade and other payables	4	<u>37,498</u>	<u>37,498</u>
Total non-current liabilities		<u>50,000</u>	<u>50,000</u>
Equity attributable to owners of the parent			
Called up share capital	5	2	2
Total shareholders' equity		<u>2</u>	<u>2</u>
Total equity and liabilities		<u>50,002</u>	<u>50,002</u>

The Company did not trade in the year and therefore no movements were reported in the profit and loss account. The closing balance on the cumulative profit and loss account is £nil.

The notes on pages 8 to 10 are an integral part of these unaudited financial statements.

On 23 November 2011 the Colston 3 plc securitisation transaction was unwound, to meet the strategic requirements of Bank of Ireland. The Company is no longer active and the Directors expect to strike off the Company by 30 June 2012.

For the year ended 31 December 2011 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the Company to obtain an audit under section 476 of the Companies Act 2006. The Director's acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the Board of Directors on date and signed on its behalf by

David Osborne For and on behalf of Capita Trust Corporate Limited
Director



14 March 2012

COLSTON NO. 3 PARENT LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Attributable to equity holders of the Company	
	Ordinary share capital	Total
	£	£
Balance as at 31 December 2010	2	2
Issue of new ordinary shares	-	-
Balance as at 31 December 2011	<hr/> 2	<hr/> 2
Retained profit for the year ended 31 December 2011	-	-
Total recognised changes in equity	<hr/> -	<hr/> -
Balance as at 31 December 2011	<hr/> 2	<hr/> 2
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 10 are an integral part of these unaudited financial statements

On 23 November 2011 the Colston 3 plc securitisation transaction was unwound, to meet the strategic requirements of Bank of Ireland. The Company is no longer active and the Directors expect to strike off the Company by 30 June 2012.

COLSTON NO. 3 PARENT LIMITED**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	31 December 2011 £	Period from incorporation to 31 December 2010 £
Cash flows from investing activities			
Acquisition of shares in subsidiary undertaking		-	(12,502)
Net cash used in investing activities		-	(12,502)
Cash flows from financing activities			
Issuance of share capital	5	-	2
Increase in term borrowings	4	-	12,502
Net cash generated from financing activities		-	12,504
Net increase in cash and cash equivalents		-	2
Cash and cash equivalents at beginning of the period		2	-
Cash and cash equivalents at end of the period		2	2

The notes on pages 8 to 10 are an integral part of these unaudited financial statements

On 23 November 2011 the Colston 3 plc securitisation transaction was unwound, to meet the strategic requirements of Bank of Ireland. The Company is no longer active and the Directors expect to strike off the Company by 30 June 2012.

COLSTON NO. 3 PARENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting policies

General information

The Company is a limited liability company incorporated and domiciled in United Kingdom. The address of its registered office is 4th Floor, Dukes Place, London, EC3A 7NH.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial statements have been prepared under the historical cost convention and on the going concern basis.

The Company's profit and loss account has not been included in these financial statements on the basis that the Company did not trade in the period and consequently made neither a profit nor a loss.

These financial statements are prepared as 'separate' financial statements in accordance with Section 226 of the Companies Act 2006 since the Company did not have any subsidiaries at 31 December 2010. The Company holds 99.9% of the share capital of Colston No 3 plc. However, since that entity is controlled by The Governor and Company of the Bank of Ireland, it is not a subsidiary of the Company.

Investments

Investments are accounted for at cost.

Cash and cash equivalents

Cash and cash equivalents comprise balances with banks which can be withdrawn on demand.

2. Directors and employees

The Directors received no remuneration and there were no employees during the year.

3. Investments

	31 December 2009 £	31 December 2010 £
Cost		
Investment in shares	<u>50,000</u>	<u>50,000</u>

Investment in shares represents the Company's shareholding in Colston No 3 plc, whose registered office is 7th floor, Phoenix House, 18 King William Street, London, EC4N 7HE.

The Company has a 99.9% shareholding in Colston No 3 plc. The remaining ordinary share is held by the Company's parent company Capita Trust Nominees No 1 Limited as nominee of the Company under the terms of a share trust dated October 2008. Colston No 3 plc is controlled by The Governor and Company of the Bank of Ireland, and therefore it is not a subsidiary of the Company.

COLSTON NO. 3 PARENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

3. Investments (continued)

Colston No 3 plc's results are included within the consolidated financial statements of The Governor and Company of the Bank of Ireland, a company incorporated by Royal Charter and registered in the Republic of Ireland. Copies of the consolidated financial statements can be obtained from Bank of Ireland's Head Office in 40 Mespil Road, Dublin 4

4. Non-current liabilities: Trade and other payables

	31 December 2011 £	31 December 2010 £
Other long-term loan	12,502	12,502
Share capital subscribed to but not paid	37,498	37,498
	<u>50,000</u>	<u>50,000</u>

The term loan is with the Trustee Company, Capita Trust Nominee No 1 Limited ("the lender"). Interest is due annually at the rate of LIBOR + 2%. As per the term loan agreement, the Company is only obliged to pay amounts owing under the term loan to the extent of the sums received or recovered (by way of dividend or otherwise) from its subsidiary undertaking. The obligation of the Company to make payments under the term loan agreement will be limited to such sums received and the lender will have no further recourse to, and shall not exercise any right of set-off against, the Company in respect thereof. There is no fixed repayment date, however the loan will now be repaid before the Company strike off date 30 June 2012.

Share capital subscribed to but not paid represents the amount still owed as at 31 December 2011 to Colston No 3 plc in respect of the 49,998 partly paid up £1 shares. 75p per share remains unpaid at the period end. The outstanding amount will be repaid before the Company strike off date 30 June 2012.

5. Called Up Share capital

	31 December 2011 £	31 December 2010 £
Authorised		
Equity shares		
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
 Allotted, issued and fully paid		
Equity shares		
Ordinary share of £1.00	<u>2</u>	<u>2</u>

COLSTON NO. 3 PARENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

6. Related parties

The Directors consider that the Company is related to its ultimate parent The Governor and Company of the Bank of Ireland, and to Capita Trust Nominees No 1 Limited

At the balance sheet date there were no amounts due from or owed by the Company to The Governor and Company of the Bank of Ireland

The entire issued share capital of the Company is held by Capita Trust Nominees No 1 Limited under the terms of a trust established under English law by a declaration of trust dated October 2008 for the benefit of certain charitable purposes

At the balance sheet date the Company has a term loan outstanding for £12,502 with Capita Trust Nominees No 1 Limited ("the lender") As per the term loan agreement, the Company is only obliged to pay amounts owing under the term loan to the extent of the sums received or recovered (by way of dividend or otherwise) from its subsidiary undertaking The obligation of the Company to make payments under the term loan agreement will be limited to such sums received and the lender will have no further recourse to, and shall not exercise any right of set-off against, the Company in respect thereof There is no fixed repayment date, however the Company expects to clear this term loan with Capita before the 30 June 2012

7. Parent companies

The entire share capital of the Company is held by Capita Trust Nominees No 1 Limited, a company incorporated in the United Kingdom that holds its shares in Colston No. 3 Parent Limited on a discretionary trust basis for certain charitable purposes

For accounting purposes, the Company's ultimate parent and controlling party is The Governor and Company of the Bank of Ireland Following the securitisation issue by Colston No 3 plc on 29 October 2008, effective control of the Company and Colston No. 3 plc passed to The Governor and Company of the Bank of Ireland on that date

Under International Financial Reporting Standards the results of the Company and Colston No 3 plc are included in the consolidated financial statements of the Bank of Ireland Group These can be obtained from Bank of Ireland's Head Office in 40 Mespil Road, Dublin 4