

THE BRITISH LINEN COMPANY LIMITED

Annual report and financial statements for the year ended 31 December 2017

Member of Lloyds Banking Group

Registered Number: SC063024



THE BRITISH LINEN COMPANY LIMITED

DIRECTOR AND COMPANY INFORMATION

DIRECTOR

P R Grant

COMPANY SECRETARY

Lloyds Secretaries Limited

REGISTERED OFFICE

The Mound
EDINBURGH
EH1 1YZ

BANKERS

Bank of Scotland plc
Head Office
The Mound
EDINBURGH
EH1 1YZ

REGISTERED COMPANY NUMBER

SC063024

DIRECTOR'S REPORT

REVIEW OF BUSINESS

The Company's previous activities have been integrated into the wider Lloyds Banking Group plc with the result that the Company is no longer active.

The Company was dormant throughout the year and in the previous year, accordingly no Statement of Comprehensive Income, Statement of Changes in Equity nor Statement of Cash Flows have been prepared.

The Director does not recommend payment of a dividend in 2017 (2016: £nil).

DIRECTORS

The names of the directors of the company who were in office during the year up to the date of signing of the financial statements are shown on page 1. There were no changes in directors during the year.

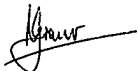
COMPANY SECRETARY

There have been no changes to the Company Secretary during the year or since the year end.

DIRECTORS' INDEMNITIES

Lloyds Banking Group plc ("the Group") has granted to the directors of the Company a deed of indemnity through deed poll which constituted 'third party indemnity provisions' for the purposes of the Companies Act 2006. The deed was in force during the whole of the financial year and at the date of approval of the financial statements. The indemnity remains in force for the duration of a director's period of office. The deed indemnifies the directors to the maximum extent permitted by law. Deeds for existing directors are available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group has in place appropriate directors and officers liability insurance cover which was in place throughout the financial year.

On behalf of the Board



P R Grant
Director

Registered Number SC063024

30 MAY 2018

THE BRITISH LINEN COMPANY LIMITED

BALANCE SHEET
AS AT 31 DECEMBER

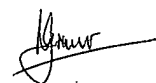
	Note	2017 £000	2016 £000
Current assets			
Amount due from other group companies	2	<u>5,841</u>	<u>5,841</u>
Total assets		<u>5,841</u>	<u>5,841</u>
Equity			
Share capital	3	5,000	5,000
Capital redemption reserve		<u>841</u>	<u>841</u>
Total equity		<u>5,841</u>	<u>5,841</u>
Total equity and liabilities		<u>5,841</u>	<u>5,841</u>

For the year ended 31 December 2017, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 (the "Act") relating to dormant companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- the directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 3 to 5 were approved by the board of directors on 30/05/2018 and signed on its behalf by



P R Grant
Director

Registered Number SC063024

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**
1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The financial statements have been prepared under the historical cost convention, in compliance with the requirements of the Companies Act 2006 and in accordance with applicable International Financial Reporting Standards ("IFRS"). There are no accounting policies where the use of assumptions and estimates are determined to be significant to the financial statements.

A statement of comprehensive income, a statement of changes in equity and a statement of cash flows are not presented in these financial statements as these would show nil amounts for the current and preceding financial years.

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the financial statements.

2. Amounts due from other group companies

	2017 £000	2016 £000
Amounts due by Bank of Scotland plc	5,841	5,841

Amounts due from other group undertakings are non-interest bearing and repayable on demand. The fair value of amounts due from other group undertakings is equal to its carrying amount. No provisions recognised in respect of amounts due from other group undertakings.

3. Share capital

	2017 £000	2016 £000
Issued, called up and fully paid	5,000	5,000

At 31 December 2017 the issued share capital comprised 5,000,000 ordinary shares of £1 each (2016: 5,000,000).

4. Related party transactions

As at 31 December 2017 the Company's immediate parent was Bank of Scotland plc. The company regarded by the Director as the ultimate parent company at 31 December 2017 was Lloyds Banking Group plc, a limited liability company incorporated and domiciled in Scotland, which was also the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Bank of Scotland plc was the parent undertaking of the smallest such group of undertakings. Copies of the consolidated annual report and accounts of both companies may be downloaded via www.lloydsbankinggroup.com.

There were no transactions between the Company and key management personnel during the current or preceding year.

Key management personnel are employed by other companies in the Lloyds Banking Group and consider that their services to the Company are incidental to their other activities within the Group.

In respect of related party transactions, the outstanding balances receivable at 31 December were as follows:

Nature of transaction	Related party	Related party relationship	2017 £000	2016 £000	Terms and conditions Repayment	Interest
Amounts due from parent	Bank of Scotland plc	Immediate parent undertaking	5,841	5,841	No fixed date	N/A

The registered offices of related parties are noted below:

<u>Related party</u>	<u>Registered address</u>
Bank of Scotland plc	The Mound, Edinburgh, EH1 1YZ

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Contingent liabilities

The Company provides for potential tax liabilities that may arise on the basis of the amounts expected to be paid to tax authorities. This includes open matters where Her Majesty's Revenue and Customs ('HMRC') adopt a different interpretation and application of tax law which might lead to additional tax. A number of Group companies, including the Company, have an open matter in relation to a claim for group relief of losses incurred in a former Irish banking subsidiary of the Group, which ceased trading on 31 December 2010. In the second half of 2013 HMRC informed the Group that their interpretation of the UK rules, permitting the offset of such losses, denies these claims; if HMRC's position is found to be correct, management estimate that this would result in an increase on the Company's current tax liability of approximately £8,442. The Group does not agree with HMRC's position and, having taken appropriate advice, does not consider that this is a case where additional tax will ultimately fall due to the Company.