

Holmes Financing (No. 1) PLC
Profit & Loss Account
Period ended 17 April 2001

	This Quarter	Prior Quarter
	£'000	£'000
Interest receivable - Inter-company loan	34,638	36,684
Interest receivable - Cash deposits	-	1
	<u>34,638</u>	<u>36,685</u>
Interest payable - Notes	(34,638)	(36,684)
Interest payable	-	-
	<u>(34,638)</u>	<u>(36,684)</u>
Net operating income	<u>-</u>	<u>1</u>
Other income	47	35
Operating expenses	(47)	(35)
Profit on ordinary activities before taxation	<u>-</u>	<u>1</u>
Taxation	-	-
Profit on ordinary activities after taxation	<u>-</u>	<u>1</u>
Dividend	-	-
Retained profit brought forward	23	22
Retained profit carried forward	<u><u>23</u></u>	<u><u>23</u></u>

Holmes Financing (No. 1) PLC
Balance Sheet
Period ended 17 April 2001

	£'000	£'000
Fixed asset investments		
Loans to Funding		2,256,000
Current assets		
Sundry debtors	5	
Cash at bank	40	
	<u>45</u>	
Creditors: Amounts falling due within one year		
Taxation	10	
	<u>10</u>	
Net current assets		35
Total assets less current liabilities		<u>2,256,035</u>
Creditors: Amounts falling due after more than one year		
Amounts due to noteholders		(2,256,000)
Net assets		<u><u>35</u></u>
Capital and reserves		
Share capital		12
Reserves		23
		<u><u>35</u></u>

Holmes Financing (No. 1) PLC
Notes Outstanding
Period ended 17 April 2001

	Series 1 Class A	Series 2 Class A	Series 3 Class A1	Series 3 Class A2	Series 4 Class A
Moody's current rating	Aaa	Aaa	Aaa	Aaa	Aaa
S&P current rating	AAA	AAA	AAA	AAA	AAA
Fitch Ratings current rating	AAA	AAA	AAA	AAA	AAA
	Series 1 Class B	Series 2 Class B	Series 3 Class B		Series 4 Class B
Moody's current rating	Aa	Aa	Aa		Aaa
S&P current rating	AA	AA	AA		AAA
Fitch Ratings current rating	AA	AA	AA		AAA
	Series 1 Class C	Series 2 Class C	Series 3 Class C		Series 4 Class C
Moody's current rating	Aaa	Aaa	Aaa		Aaa
S&P current rating	AAA	AAA	AAA		AAA
Fitch Ratings current rating	AAA	AAA	AAA		AAA
	Series 1 Class A	Series 2 Class A	Series 3 Class A1	Series 3 Class A2	Series 4 Class A
	\$	\$	£	€	£
Initial note balance	900,000,000	975,000,000	375,000,000	320,000,000	250,000,000
Previous quarter's note principal	900,000,000	975,000,000	375,000,000	320,000,000	250,000,000
Note redemptions	-	-	-	-	-
Outstanding note principal	900,000,000	975,000,000	375,000,000	320,000,000	250,000,000
	Series 1 Class B	Series 2 Class B	Series 3 Class B		Series 4 Class B
	\$	\$	£		£
Initial note balance	31,500,000	34,500,000	24,000,000		11,000,000
Previous quarter's note principal	31,500,000	34,500,000	24,000,000		11,000,000
Note redemptions	-	-	-		-
Outstanding note principal	31,500,000	34,500,000	24,000,000		11,000,000
	Series 1 Class C	Series 2 Class C	Series 3 Class C		Series 4 Class C
	\$	\$	£		£
Initial note balance	42,000,000	45,000,000	30,000,000		14,000,000
Previous quarter's note principal	42,000,000	45,000,000	30,000,000		14,000,000
Note redemptions	-	-	-		-
Outstanding note principal	42,000,000	45,000,000	30,000,000		14,000,000
	Series 1 Class A	Series 2 Class A	Series 3 Class A1	Series 3 Class A2	Series 4 Class A
Note interest margins	14	19	26	26	N/A
Step up dates	N/A	N/A	N/A	N/A	16/07/2010
Step up margins	N/A	N/A	N/A	N/A	125
	Series 1 Class B	Series 2 Class B	Series 3 Class B		Series 4 Class B
Note interest margins	38	41	45		62
Step up dates	16/07/2010	16/07/2010	16/07/2010		16/07/2010
Step up margins	138	141	145		162
	Series 1 Class C	Series 2 Class C	Series 3 Class C		Series 4 Class C
Note interest margins	103	115	160		175
Step up dates	16/07/2010	16/07/2010	16/07/2010		16/07/2010
Step up margins	203	215	260		275
Interest payment cycle	Quarterly				
Interest payment date	15th or next business day				
Next interest payment date	16/07/2001				
Liquidity facility limit	£	25,000,000			
Liquidity facility drawn		Nil			
Liquidity facility available	£	25,000,000			

Holmes Financing (No. 2) PLC
Profit & Loss Account
Period ended 17 April 2001

	This Quarter	Prior Quarter
	£'000	£'000
Interest receivable - Inter-company loan	36,602	19,741
Interest receivable - Cash deposits	-	-
	<u>36,602</u>	<u>19,741</u>
Interest payable - Notes	(36,602)	(19,741)
Interest payable	-	-
	<u>(36,602)</u>	<u>(19,741)</u>
Net operating income	<u>-</u>	<u>-</u>
Other income	48	29
Operating expenses	(48)	(29)
Profit on ordinary activities before taxation	<u>-</u>	<u>-</u>
Taxation	-	-
Profit on ordinary activities after taxation	<u>-</u>	<u>-</u>
Dividend	-	-
Retained profit brought forward	-	-
Retained profit carried forward	<u><u>-</u></u>	<u><u>-</u></u>

Holmes Financing (No. 2) PLC
Balance Sheet
Period ended 17 April 2001

	£'000	£'000
Fixed asset investments		
Loans to Funding		2,404,516
Current assets		
Cash at bank	<u>13</u>	
	<u>13</u>	
Creditors: Amounts falling due within one year		
Taxation	<u>-</u>	
	<u>-</u>	
Net current assets		13
Total assets less current liabilities		<u>2,404,529</u>
Creditors: Amounts falling due after more than one year		
Amounts due to noteholders		(2,404,516)
Net assets		<u><u>13</u></u>
Capital and reserves		
Share capital		13
Reserves		<u>-</u>
		<u><u>13</u></u>

Holmes Financing (No. 2) PLC
Notes Outstanding
Period ended 17 April 2001

	Series 1 Class A	Series 2 Class A	Series 3 Class A	Series 4 Class A
Moody's current rating	Aaa	Aaa	Aaa	Aaa
S&P current rating	AAA	AAA	AAA	AAA
Fitch Ratings current rating	AAA	AAA	AAA	AAA
	Series 1 Class B	Series 2 Class B	Series 3 Class B	Series 4 Class B
Moody's current rating	Aa3	Aa3	Aa3	Aa3
S&P current rating	AA	AA	AA	AA
Fitch Ratings current rating	AA	AA	AA	AA
	Series 1 Class C	Series 2 Class C	Series 3 Class C	Series 4 Class C
Moody's current rating	Baa2	Baa2	Baa2	Baa2
S&P current rating	BBB	BBB	BBB	BBB
Fitch Ratings current rating	BBB	BBB	BBB	BBB
	Series 1 Class A	Series 2 Class A	Series 3 Class A1	Series 4 Class A
	\$	\$	£	€
Initial note balance	1,000,000,000	1,000,000,000	500,000,000	500,000,000
Previous quarter's note principal	1,000,000,000	1,000,000,000	500,000,000	500,000,000
Note redemptions	-	-	-	-
Outstanding note principal	1,000,000,000	1,000,000,000	500,000,000	500,000,000
	Series 1 Class B	Series 2 Class B	Series 3 Class B	Series 4 Class B
	\$	\$	£	€
Initial note balance	37,000,000	37,000,000	19,000,000	21,000,000
Previous quarter's note principal	37,000,000	37,000,000	19,000,000	21,000,000
Note redemptions	-	-	-	-
Outstanding note principal	37,000,000	37,000,000	19,000,000	21,000,000
	Series 1 Class C	Series 2 Class C	Series 3 Class C	Series 4 Class C
	\$	\$	£	€
Initial note balance	49,000,000	49,000,000	25,000,000	35,000,000
Previous quarter's note principal	49,000,000	49,000,000	25,000,000	35,000,000
Note redemptions	-	-	-	-
Outstanding note principal	49,000,000	49,000,000	25,000,000	35,000,000
	Series 1 Class A	Series 2 Class A	Series 3 Class A1	Series 4 Class A
Note interest margins	9	18	24	27
Step up dates	N/A	16/10/2007	16/10/2007	16/10/2007
Step up margins	N/A	36	48	54
	Series 1 Class B	Series 2 Class B	Series 3 Class B	Series 4 Class B
Note interest margins	35	44	45	50
Step up dates	16/10/2007	16/10/2007	16/10/2007	16/10/2007
Step up margins	135	144	145	150
	Series 1 Class C	Series 2 Class C	Series 3 Class C	Series 4 Class C
Note interest margins	120	135	150	160
Step up dates	16/10/2007	16/10/2007	16/10/2007	16/10/2007
Step up margins	220	235	250	260
Interest payment cycle	Quarterly			
Interest payment date	15th or next business day			
Next interest payment date	16/07/2001			
Liquidity facility limit	£	25,000,000		
Liquidity facility drawn	Nil			
Liquidity facility available	£	25,000,000		

Holmes Funding Limited
Profit & Loss Account
Period ended 17 April 2001

	This Quarter	Prior Quarter
	£'000	£'000
Interest receivable - Mortgages	81,008	62,436
Interest receivable - Cash Deposits	749	521
	<u>81,757</u>	<u>62,957</u>
Interest payable - Inter-company loans	(71,240)	(56,425)
Interest payable - Start up loans	(412)	(325)
	<u>(71,652)</u>	<u>(56,750)</u>
Net operating income	<u>10,105</u>	<u>6,207</u>
Other income	1,287	791
Insurance commission	-	-
Operating expenses	(1,846)	(2,981)
Deferred consideration	(9,537)	(5,058)
Profit/(loss) on ordinary activities before taxation	<u>9</u>	<u>(1,041)</u>
Taxation	(3)	(2)
Profit/(loss) on ordinary activities after taxation	<u>6</u>	<u>(1,043)</u>
Dividend	-	-
Retained profit/(loss) brought forward	(1,986)	(943)
Retained profit/(loss) carried forward	<u><u>(1,980)</u></u>	<u><u>(1,986)</u></u>

Holmes Funding Limited
Balance Sheet
Period ended 17 April 2001

	£'000	£'000
Fixed asset investments		
Beneficial interest in Trust mortgage portfolio		4,658,414
Current assets		
Deferred expenditure (costs of securing)	11,906	
Cash at bank:		
Reserve funding	34,145	
Transaction account	2	
Funding GIC account	227	
	<u>46,280</u>	
Creditors: Amounts falling due within one year		
Deferred consideration creditor	18,324	
Interest payable accrual	928	
Amounts due to Trustee	611	
Sundry creditors	40	
Taxation	5	
	<u>19,908</u>	
Net current assets		26,372
Total assets less current liabilities		<u>4,684,786</u>
Creditors: Amounts falling due after more than one year		
Inter-company loans		(4,660,516)
Start up loans		(26,250)
Net assets		<u><u>(1,980)</u></u>
Capital and reserves		
Share capital (£2)		-
Reserves		(1,980)
		<u><u>(1,980)</u></u>

Holmes Funding Limited
First Issuer Notes to Balance Sheet
Period ended 17 April 2001

	£'000	£'000	£'000
Balance on cash accumulation ledger	<u>Nil</u>		
Available credit enhancement			
Reserve fund at closing	<u>13,500</u>		
Initial closing reserve fund	24,714		
Drawings to make bullet repayment	-		
Other drawings	-		
Transfers from revenue receipts	<u>9,431</u>		
Closing reserve balance	<u>34,145</u>		
Target reserve fund	<u>62,000</u>		
Principal deficiency ledger			
	AAA	AA	BBB
Opening PDL balance	Nil	Nil	Nil
Losses this quarter	-	-	-
PDL top up from revenue income	-	-	-
Closing PDL balance	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>
Start up loan outstanding			
Initial balance	<u>26,250</u>		
Initial closing outstanding	13,000		
Second start up loan	13,250		
Accrued interest	928		
Repayments made	-		
Closing balance	<u>27,178</u>		
Liquidity facility			
Liquidity facility limit	25,000		
Liquidity facility drawn	-		
Liquidity facility available	25,000		

Holmes Trustees Limited
Profit & Loss Account
Period ended 17 April 2001

	This Quarter	Prior Quarter
	£'000	£'000
Interest receivable - Mortgages	115,832	115,149
Interest receivable - Cash Deposits	1,257	923
	<u>117,089</u>	<u>116,072</u>
Interest payable - Mortgages	(115,832)	(115,149)
Interest payable - Cash Deposits	(1,257)	(923)
	<u>(117,089)</u>	<u>(116,072)</u>
Net operating income	<u>-</u>	<u>-</u>
Fees receivable	518	490
Fees payable	(518)	(490)
Operating expenses	(1,266)	(1,063)
Provision charges	(40)	(68)
Other income	1,306	1,131
Profit on ordinary activities before taxation	<u>-</u>	<u>-</u>
Taxation	-	-
Profit on ordinary activities after taxation	<u>-</u>	<u>-</u>
Dividend	-	-
Retained profit brought forward	-	-
Retained profit carried forward	<u><u>-</u></u>	<u><u>-</u></u>

Holmes Trustees Limited
Balance Sheet
Period ended 17 April 2001

	£'000	£'000
Fixed asset investments		
Mortgage loans secured on residential property		6,402,925
Current assets		
Bank interest receivable	460	
Cash at bank	37,239	
Amounts due from Funding	611	
	<u>38,310</u>	
Creditors: Amounts falling due within one year		
Amounts due to Seller	38,310	
	<u>38,310</u>	
Net current assets		-
Total assets less current liabilities		<u>6,402,925</u>
Creditors: Amounts falling after more than one year		
Seller share of mortgage loans		(1,744,511)
Funding share of mortgage loans		(4,658,414)
Net assets		<u>-</u>
Capital and reserves		
Share capital (£2)		-
Reserves		-
		<u>-</u>