

# **ALLIANCE & LEICESTER LIMITED**

**Registered in England and Wales  
Company Number 03263713**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2021**

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## REPORT OF THE DIRECTORS

The Directors submit their Report together with the financial statements for the year ended 31 December 2021.

### Principal activity and review of the year

Alliance & Leicester Limited (the "Company") did not carry out any business during the current financial year or prior year. It received no income and incurred no expenditure and consequently has made neither a profit nor a loss. The Company is expected to remain dormant during 2022.

### Results and dividends

The Company has made neither profit nor loss, nor any other recognised gain or loss. Therefore no income statement or statement of comprehensive income has been prepared. The directors do not recommend the payment of a final dividend (2020: £nil).

### Impact of Covid-19

In 2021, there were ongoing challenges in terms of navigating the changing circumstances presented by the Covid-19 pandemic, including its impact on the economy and upon home and office working arrangements. The Company continues to monitor the impact of Covid-19 and intends to take a coordinated approach with the other members of the Santander UK Group Holdings plc group where applicable. There has been no significant change to the carrying value of its assets and liabilities at the reporting date.

### Broader geopolitical and social risks, including invasion by Russia of Ukraine

During the course of the past two years, since the onset of the Covid-19 pandemic, a number of broader risks have evolved and may present future headwinds. These include, geopolitical tensions between regions across the world, global supply chain pressures (which have already fuelled inflationary pressures), stretched household finances, and emerging social unrest. These factors are also likely to play into increased localised political risk, including within the UK. The Company is closely following these developments and the potential for any material impacts which may need to be taken into consideration in its future plans and intends to take a coordinated approach with the other members of the Santander UK Group Holdings plc group.

### Post Balance Sheet Events

No adjusting or significant non-adjusting events have occurred between the 31 December 2021 and the date of authorisation of the financial statements.

### Directors

The Directors who served throughout the year and to the date of this Report (except as noted), were as follows:

SD Affleck	(appointed 31 December 2021)
RJ Morrison	(resigned 31 December 2021)
CJ Wise	

### Qualifying Third Party Indemnities

Enhanced indemnities are provided to certain Directors of the Company by Santander UK Group Holdings plc against liabilities and associated costs which they could incur in the course of their duties to the Company. All of the indemnities were qualifying third party indemnities. All of the indemnities were in force during the financial year and at the date of approval of the Annual Report and financial statements. A copy of each of the indemnities is kept at the registered office address of Santander UK Group Holdings plc.

By order of the Board



For and on behalf of  
CJ Wise  
Director  
07 May 2022

Registered office address: Carlton Park, Narborough, Leicester, LE19 0AL.

## BALANCE SHEET

As at 31 December

	Note	2021 £	2020 £
<b>Current assets</b>			
Cash		111	111
<b>Total current assets</b>		<b>111</b>	<b>111</b>
<b>Net assets</b>		<b>111</b>	<b>111</b>
<b>Equity</b>			
Share capital	2	100	100
Retained earnings		11	11
<b>Total equity</b>		<b>111</b>	<b>111</b>

The Company has not traded during the year or the preceding financial year. Accordingly, these financial statements have been delivered with no statement of comprehensive income in accordance with the provisions under section 444(5) of the Companies Act 2006 applicable to companies subject to the small companies' regime.

The accompanying notes form part of the financial statements.

For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006. No members have required the Company to obtain an audit of its financial statements in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for:

- ensuring the Company keeps accounting records which comply with section 386 of the Companies Act 2006; and
- preparing accounts which give a true and fair view of the state of affairs of the Company at the end of the financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 393 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors and were signed on its behalf by:



SD Affleck  
Director  
07 May 2022

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

### 1. ACCOUNTING POLICIES

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

Alliance & Leicester Limited (the "Company") is a private company limited by shares, incorporated and domiciled in England and Wales. The registered office is Carlton Park, Narborough, Leicester, LE19 0AL.

#### Basis of preparation

These financial statements are prepared for Alliance & Leicester Limited under the Companies Act 2006.

The Company's financial statements have been prepared in accordance with UK-adopted international accounting standards (IAS). On 31 December 2020, International Financial Reporting Standards (IFRSs) as adopted by the European Union at that date were brought into UK law and became UK-adopted IAS, with future changes being subject to endorsement by the UK Endorsement Board. The Company transitioned to UK-adopted IAS in its financial statements on 1 January 2021, however, this change had no impact on recognition, measurement or disclosures in the periods reported.

The financial statements have been prepared under the historical cost convention.

The functional and presentation currency of the Company is sterling.

### 2. SHARE CAPITAL

	2021 £	2020 £
<b>Authorised, issued and fully paid:</b>		
200 ordinary shares at £0.50 each (2020: 200 ordinary shares at £0.50 each)	100	100

### 3. PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent company is Santander Equity Investments Limited, a company registered in England and Wales. The Company's ultimate parent undertaking and controlling party is Banco Santander SA, a company registered in Spain. Banco Santander SA is 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. Santander UK Group Holdings plc is the parent undertaking of the smallest group of undertakings for which the group Financial Statements are drawn up and of which the Company is a member.

Copies of all sets of group Financial Statements, which include the results of the Company, are available from Secretariat, Santander UK plc, 2 Triton Square, Regent's Place, London NW1 3AN.

### 4. CONTINGENT LIABILITY

Santander UK Group Holdings plc and its subsidiaries ("Santander UK Group") engages in discussion, and co-operates, with HM Revenue & Customs (HMRC) in their oversight of the Santander UK Group's tax matters. The Santander UK Group adopted the UK's Code of Practice on Taxation for Banks in 2010.

Certain leases in which current or previous members of the Santander UK Group is or were the lessor are currently under review by HMRC in connection with claims for tax allowances. Under the terms of the lease agreements, certain members of the Santander UK Group, including the Company's parent, are fully indemnified in all material respects by the respective lessees for any liability arising from the disallowance of tax allowances plus accrued interest.

In return for payments to the lessor companies the Company has received the benefit of the claims for tax allowances via group relief surrendered from one or more of the lessor companies.

In 2021, an outline agreement in principle in respect of a number of these lease arrangements was reached directly between the lessee and HMRC. This agreement was executed in April 2022, resulting in a final payment by the lessee to HMRC and the conclusion of HMRC's review. There is no financial impact for the Company.

Certain other lease arrangements remain under review. Whilst legal opinions have been obtained to support the Santander UK Group's position, the matter remains uncertain pending formal resolution with HMRC and any subsequent litigation. In 2017, as required under the terms of the leases, these matters moved to formal litigation and it is currently anticipated that hearings will be held at the First Tier Tax Tribunal in 2022. If HMRC were successful, the Company would be required to pay up to £11.1m in corporation tax and interest which it would then reclaim from the lessor companies under the indemnity arrangements.