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Company no. 14259

HSBC Bank plc

Abridged unconsolidated interim financial statements

For the 6 months to 30 June 2007



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Financial Statements (unaudited)

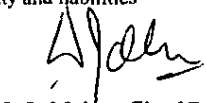
Income statement for the half-year to 30 June 2007

	Half-year to		
	30 June 2007	30 June 2006 (restated)	31 December 2006
Notes	£m	£m	£m
Interest income	4,566	4,018	4,209
Interest expense	(3,583)	(2,697)	(2,926)
Net interest income	983	1,321	1,283
Fee income	1,263	1,157	1,197
Fee expense	(267)	(242)	(258)
Net fee income	996	915	939
Trading income excluding net interest income	493	461	425
Net interest income on trading activities	693	309	462
Net trading income	1,186	770	887
Net income from financial instruments designated at fair value	9	33	(33)
Gains less losses from financial investments	9	35	13
Dividend income	685	183	592
Net earned insurance premiums	-	-	-
Other operating income	51	38	73
Total operating income	3,919	3,295	3,754
Net insurance claims incurred and movement in policyholders' liabilities	-	-	-
Net operating income before loan impairment charges	3,919	3,295	3,754
Loan impairment charges	(415)	(352)	(451)
Net operating income	3,504	2,943	3,303
Employee compensation and benefits	(1,282)	(1,188)	(1,169)
General and administrative expenses	(718)	(585)	(621)
Depreciation of property, plant and equipment	(116)	(116)	(119)
Amortisation and impairment of intangible assets and impairment of goodwill	(71)	(73)	(42)
Total operating expenses	(2,187)	(1,962)	(1,951)
Operating profit	1,317	982	1,352
Share of (loss)/profit in associates and joint ventures	-	-	-
Profit before tax	1,317	982	1,352
Tax expense	(272)	(249)	(190)
Profit for the year	1,045	734	1,162
Profit attributable to shareholders of the parent company	1,045	734	1,162
Profit attributable to minority interests	-	-	-

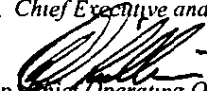
Notes on the Financial Statements (unaudited)

Balance sheet at 30 June 2007

	At 30 June 2007	At 30 June 2006 (restated)	At 31 December 2006
Notes	£m	£m	£m
ASSETS			
Cash and balances at central banks	4,997	3,069	2,496
Items in the course of collection from other banks	1,292	1,815	1,367
Trading assets	87,175	45,674	53,918
Trading assets which may be repledged or resold by counterparties	20,302	7,849	8,811
Financial assets designated at fair value	1,528	16	-
Financial assets designated at fair value which may be repledged or resold by counterparties	-	-	-
Derivatives	38,782	22,754	24,361
Loans and advances to banks	24,630	24,346	25,121
Loans and advances to customers	151,273	143,931	143,964
Financial investments	8,204	12,598	10,964
Financial investments which may be repledged or resold by counterparties	1,665	154	1,171
Interests in associates and joint ventures	41	255	255
Investment in Subsidiaries	15,543	14,530	14,546
Goodwill and intangible assets	533	538	557
Property, plant and equipment	1,120	1,439	1,521
Other assets	2,804	1,329	2,014
Deferred taxation	658	748	873
Prepayments and accrued income	2,723	1,822	2,147
Total assets	363,270	282,867	294,086
LIABILITIES AND EQUITY			
Liabilities			
Deposits by banks	31,737	26,549	29,182
Customer accounts	173,767	156,742	164,054
Items in the course of transmission to other banks	970	991	1,019
Trading liabilities	75,398	33,981	35,215
Financial liabilities designated at fair value	6,187	3,844	4,736
Derivatives	38,764	23,619	24,967
Debt securities in issue	5,790	8,190	5,408
Retirement benefit liabilities	970	1,315	2,069
Other liabilities	2,685	2,909	2,414
Current taxation	159	210	106
Liabilities under insurance contracts issued	-	-	-
Accruals and deferred income	2,940	1,840	2,572
Provisions			
- deferred taxation	22	7	33
- other provisions	143	126	105
Subordinated liabilities	5,008	5,164	4,999
Total liabilities	344,540	265,487	276,879
Equity			
Called up share capital	797	797	797
Share premium account	15,068	14,558	14,558
Other reserves	416	109	202
Retained earnings	2,449	1,916	1,650
Total equity attributable to shareholders of the parent company	18,730	17,380	17,207
Total equity and liabilities	363,270	282,867	294,086



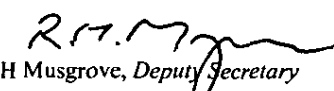
D D J John, Chief Executive and Director



S O'Sullivan, Chief Operating Officer and Director



D C Budd, Director, International



R H Musgrove, Deputy Secretary

Notes on the Financial Statements (unaudited)

1 Basis of preparation

HSBC Bank plc ('the bank') has prepared these abridged unconsolidated financial statements for the purpose of allowing the Directors of the bank to determine whether there are sufficient distributable reserves for the payment of an interim dividend. These financial statements have been properly prepared to present a true and fair view in accordance with the requirements of section 272 of the Companies Act 1985.

2 Principal accounting policies

The accounting policies adopted by the bank for these interim abridged unconsolidated interim financial statements are consistent with those described in the *Annual Report and Accounts 2006*.

Notes on the Financial Statements (unaudited)

3 Equity

	30 June 2007										
	Called up share capital £m	Share premium £m	Retained earnings £m	Available- for-sale fair value reserve £m	Other reserves				Associates and joint ventures £m	Other £m	Total share- holders' equity £m
					Cash flow hedging reserve £m	Foreign exchange reserve £m	Share- based payment reserve £m				
At 1 January as reported	797	14,558	1,650	91	(8)	(2)	121	-	-	-	17,207
New share capital subscribed, net of costs	-	510	-	-	-	-	-	-	-	-	510
Profit for the year attributable to shareholders	-	-	1,045	-	-	-	-	-	-	-	1,045
Dividends to shareholders of the parent company	-	-	(840)	-	-	-	-	-	-	-	(840)
Actuarial gains/(losses) on defined benefit plans	-	-	805	-	-	-	-	-	-	-	805
Fair value gains/(losses) taken to equity	-	-	-	173	57	-	-	-	-	-	230
Amounts transferred to the income statement	-	-	-	(15)	12	-	-	-	-	-	(3)
Charge to the income statement in respect of equity settled share-based payment transactions	-	-	-	-	-	-	15	-	-	-	15
Tax on items taken directly to or transferred from equity	-	-	(242)	1	(20)	-	-	-	-	-	(261)
Transfer to minority interest	-	-	-	-	-	-	-	-	-	-	-
Profit attributable to minority interests	-	-	-	-	-	-	-	-	-	-	-
Dividends to minority interests	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	(9)	-	-	-	-	(9)
Transfers from associates	-	-	-	-	-	-	-	-	-	-	-
Increase in minority interest stake and other	-	-	31	-	-	-	-	-	-	-	31
At 30 June	797	15,068	2,449	250	41	(11)	136	-	-	-	18,730

Notes on the Financial Statements (unaudited)

	30 June 2006									
	Called up share capital £m	Share premium £m	Retained earnings £m	Available- for-sale fair value reserve £m	Other reserves					Total share- holders' equity £m
					Cash flow hedging reserve £m	Foreign exchange reserve £m	Share- based payment reserve £m	Associates and joint ventures £m	Other £m	
At 1 January as reported	797	13,883	1,384	36	(22)	(1)	69	-	-	16,146
New share capital subscribed, net of costs	-	675	-	-	-	-	-	-	-	675
Profit for the year attributable to shareholders (<i>restated</i>)	-	-	734	-	-	-	-	-	-	734
Dividends to shareholders of the parent company	-	-	(700)	-	-	-	-	-	-	(700)
Actuarial gains/(losses) on defined benefit plans	-	-	694	-	-	-	-	-	-	694
Fair value gains/(losses) taken to equity	-	-	-	9	(17)	-	-	-	-	(8)
Amounts transferred to the income statement	-	-	-	-	-	-	-	-	-	-
Charge to the income statement in respect of equity settled share-based payment transactions	-	-	-	-	-	-	42	-	-	42
Tax on items taken directly to or transferred from equity	-	-	(190)	9	5	-	(23)	-	-	(199)
Transfer to minority interest	-	-	-	-	-	-	-	-	-	-
Profit attributable to minority interests	-	-	-	-	-	-	-	-	-	-
Dividends to minority interests	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	(4)	-	-	-	(4)
Increase in minority interest stake and other	-	-	-	-	-	-	-	-	-	-
At 30 June	797	14,558	1,922	54	(34)	(5)	88	-	-	17,380

Called up	Share	Retained	Available-	31 December 2006			Total
				Other reserves			
				Cash flow	Foreign	Share- Associates	

Notes on the Financial Statements (unaudited)

	share capital	premium	earnings	for-sale fair value reserve	hedging reserve	exchange reserve	based payment reserve	and joint ventures	share- holders' equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 July as reported	797	14,558	1,922	54	(34)	(5)	88	-	17,380
New share capital subscribed, net of costs	-	-	-	-	-	-	-	-	-
Profit for the year attributable to shareholders	-	-	1,162	-	-	-	-	-	1,162
Dividends to shareholders of the parent company	-	-	(891)	-	-	-	-	-	(891)
Actuarial gains/(losses) on defined benefit plans	-	-	(704)	-	-	-	-	-	(704)
Fair value gains/(losses) taken to equity	-	-	-	54	73	-	-	-	127
Amounts transferred to the income statement	-	-	-	2	(35)	-	-	-	(33)
Charge to the income statement in respect of equity settled share-based payment transactions	-	-	-	-	-	-	10	-	10
Tax on items taken directly to or transferred from equity	-	-	165	(19)	(12)	-	23	-	157
Transfer to minority interest	-	-	-	-	-	-	-	-	-
Profit attributable to minority interests	-	-	-	-	-	-	-	-	-
Dividends to minority interests	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	3	-	-	3
Increase in minority interest stake and other	-	-	(4)	-	-	-	-	-	(4)
At 31 December	797	14,558	1,650	91	(8)	(2)	121	-	17,207