

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of

Securities Exchange Act of 1934

For the month of July 2003

HOLMES FINANCING (No 2) PLC
HOLMES FUNDING LIMITED
HOLMES TRUSTEES LIMITED

(Translation of registrant's name into English)

Abbey National House, 2 Triton Square, Regent's
Place, London NW1 3AN, England
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F . . . ☒ . . . Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No . . . ☒ . . .

Holmes Financing No 2 plc
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 10 June 2003 to 08 July 2003

All values are in thousands of pounds sterling unless otherwise stated

Mortgage Asset Analysis

Analysis of Mortgage Trust Movements

| | Current Period | |
|----------------------|----------------|------------|
| | Number | £000's |
| Brought Forward | 362,445 | 24,018,578 |
| Replenishment | 14,044 | 1,047,539 |
| Repurchased | (5,713) | (410,680) |
| Redemptions | (11,173) | (727,504) |
| Losses | (14) | (6) |
| Capitalised Interest | 0 | 1,139 |
| Other Movements | 0 | (1) |
| Carried Forward | 359,589 | 23,929,065 |

| | Cumulative | |
|----------------------|------------|--------------|
| | Number | £000's |
| Brought Forward | 115,191 | 6,399,214 |
| Replenishment | 570,582 | 40,610,717 |
| Repurchased | (148,405) | (10,317,541) |
| Redemptions | (177,528) | (12,770,361) |
| Losses | (251) | (631) |
| Capitalised Interest | 0 | 7,667 |
| Other Movements | 0 | 0 |
| Carried Forward | 359,589 | 23,929,065 |

| | Annualised | |
|----------|------------|--------|
| | Period CPR | CPR |
| 1 Month | 4.76% | 72.83% |
| 3 Month | 16.22% | 83.99% |
| 12 Month | 59.01% | 59.01% |

**(including
redemptions
and
repurchases)

** The annualised CPR's are expressed as a percentage of the
outstanding balance at the end of the period

Asset Profiles

| | | |
|---------------------------------|------------|-----------------|
| Weighted Average Seasoning | 34.48 | months |
| Weighted Average Loan size | £66,545.60 | |
| Weighted Average LTV | 76.64% | *** (see below) |
| Weighted Average Remaining Term | 18.95 | Years |

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| <u>Product Type Analysis</u> | <u>£000's</u> | <u>%</u> |
|------------------------------|---------------|----------|
| Variable Rate | 10,076,529 | 42.11% |
| Fixed Rate | 5,149,535 | 21.52% |
| Tracker Rate | 8,703,001 | 36.37% |
| | 23,929,065 | 100.00% |

As at 8th July 2003 approximately 6% of the loans were flexible loans

Mortgage Standard Variable Rate

| <u>Effective Date</u> | <u>Rate</u> |
|-----------------------|-------------|
| 01 March 2003 | 5.79% |
| 01 November 2002 | 5.94% |
| 01 December 2001 | 6.10% |

Geographic Analysis

| <u>Region</u> | <u>Number</u> | <u>£000's</u> | <u>%</u> |
|--------------------------|---------------|---------------|----------|
| East Anglia | 13,905 | 839,720 | 3.51% |
| East Midlands | 18,889 | 1,061,748 | 4.44% |
| Greater London | 61,182 | 5,253,439 | 21.95% |
| North | 15,129 | 730,192 | 3.05% |
| North West | 40,845 | 2,107,061 | 8.81% |
| Scotland | 15,716 | 843,151 | 3.52% |
| South East | 94,202 | 7,467,940 | 31.21% |
| South West | 27,898 | 1,819,566 | 7.60% |
| Wales | 18,291 | 897,404 | 3.75% |
| West Midlands | 24,190 | 1,369,610 | 5.72% |
| Yorkshire and Humberside | 22,604 | 1,115,345 | 4.66% |
| Unknown | 6,738 | 423,889 | 1.77% |
| Total | 359,589 | 23,929,065 | 100.00% |

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Original LTV Bands

| Range | Number | £000's | % |
|---------------|---------|------------|---------|
| 0.00 - 25.00 | 7,043 | 286,597 | 1.20% |
| 25.01 - 50.00 | 43,245 | 2,356,048 | 9.85% |
| 50.01 - 75.00 | 101,526 | 7,250,851 | 30.30% |
| 75.01 - 80.00 | 19,292 | 1,415,483 | 5.92% |
| 80.01 - 85.00 | 25,073 | 1,900,451 | 7.94% |
| 85.01 - 90.00 | 53,334 | 4,119,398 | 17.22% |
| 90.01 - 95.00 | 110,076 | 6,600,237 | 27.58% |
| Total | 359,589 | 23,929,065 | 100.00% |

*** The balance is the current outstanding balance on the account including accrued interest. The LTV is that at origination and excludes any capitalised high loan to value fees, valuation fees or booking fees.

Arrears

| Band | Number | Principal | Overdue | % |
|--------------------------|---------|------------|---------|---------|
| Current | 349,528 | 23,319,729 | (2,525) | 97.48% |
| 1.00 - 1.99 months | 6,229 | 378,294 | 2,975 | 1.58% |
| 2.00 - 2.99 months | 1,711 | 103,274 | 1,513 | 0.43% |
| 3.00 - 3.99 months | 773 | 45,834 | 966 | 0.19% |
| 4.00 - 4.99 months | 447 | 25,603 | 705 | 0.11% |
| 5.00 - 5.99 months | 270 | 15,610 | 510 | 0.07% |
| 6.00 - 11.99 months | 511 | 29,187 | 1,421 | 0.12% |
| 12 months and over | 58 | 2,874 | 291 | 0.01% |
| Properties in Possession | 62 | 2,572 | 232 | 0.01% |
| Total | 359,589 | 23,922,977 | 6,088 | 100.00% |

Definition of Arrears

This arrears multiplier is calculated as the arrears amount (which is

the difference between the expected monthly repayments and the amount that has actually been paid, i.e. a total of under and/or over payments) divided by the monthly amount repayable. It is recalculated every time the arrears amount changes, i.e. on the date when a payment is due.

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Movement in Shares of Trust

| | Funding | Seller |
|------------------------------------|------------|-------------|
| | £000's | £000's |
| Balance Brought Forward | 14,956,662 | 9,382,238 |
| Replenishment of Assets | 0 | 1,047,539 |
| Acquisition by Funding | 0 | 0 |
| Distribution of Principal Receipts | 0 | (1,138,185) |
| Allocation of Losses | (4) | (2) |
| Share of Capitalised Interest | 710 | 429 |
| Payment Re Capitalised Interest | (710) | 710 |
| Balance Carried Forward | 14,956,658 | 9,292,729 |

| | | |
|----------------------------|-----------|-----------|
| Carried Forward Percentage | 61.67850% | 38.32150% |
|----------------------------|-----------|-----------|

| | | |
|----------------------|---------|-------|
| Minimum Seller Share | 956,919 | 3.95% |
|----------------------|---------|-------|

Cash Accumulation Ledger

| | £000's |
|--------------------------------|-----------|
| Brought Forward | 1,080,667 |
| Additional Amounts Accumulated | 4 |
| Payment of Notes | 0 |
| Carried Forward | 1,080,671 |

| | |
|----------------|-------------------------------------|
| Target Balance | 1,080,646 payable on 15th July 2003 |
|----------------|-------------------------------------|

Liquidity Facilities

| | Drawn £000's | Undrawn £000's |
|--------------------|--------------|----------------|
| Holmes Funding | £0 | £25,000 |
| Holmes Financing 1 | £0 | £25,000 |
| Holmes Financing 2 | £0 | £25,000 |
| Holmes Financing 3 | £0 | £25,000 |
| Holmes Financing 4 | £0 | £25,000 |
| Holmes Financing 5 | £0 | £25,000 |
| Holmes Financing 6 | £0 | £25,000 |

Excess Spread

| | |
|-----------------------|---------|
| Quarter to 15/4/03 | 0.6113% |
| Quarter to 15/1/03 | 0.5960% |
| Quarter to 15/10/2002 | 0.5892% |
| Quarter to 15/7/2002 | 0.5891% |

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| <u>Reserve Funds</u> | First Reserve | Second Reserve |
|----------------------------------|-----------------|-----------------|
| Balance as at 15/04/2003 | £224,153,726.50 | £56,890,739.99 |
| Required Amount as at 15/04/2003 | £350,000,000.00 | £154,931,296.00 |
| Percentage of Notes | 1.49% | 0.38% |

Properties in Possession

Stock

| | Current Period | |
|----------------------|----------------|--------|
| | Number | £000's |
| Brought Forward | 58 | 2,567 |
| Reposessed in Period | 14 | 1,030 |
| Sold in Period | (10) | (562) |
| Carried Forward | 62 | 3,035 |

| | Cumulative | |
|--------------------|------------|----------|
| | Number | £000's |
| Reposessed to date | 326 | 15,738 |
| Sold to date | (264) | (12,703) |
| Carried Forward | 62 | 3,035 |

Repossession Sales Information

| | |
|---------------------------------|---------|
| Average time Possession to Sale | 79 Days |
| Average arrears at time of Sale | £3,060 |

MIG Claim Status

| | Number | £000's |
|------------------------|--------|--------|
| MIG Claims made | 155 | 1,149 |
| MIG Claims outstanding | 4 | 26 |

| | |
|-------------------------------|----|
| Average time claim to payment | 35 |
|-------------------------------|----|

Trigger Events

There has been no debit to the AAA Principal Deficiency Ledger
The Seller has not suffered an Insolvency Event
The Seller is still the Servicer
The Outstanding Principal balance is in excess of £21 billion

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Retired Class A Notes

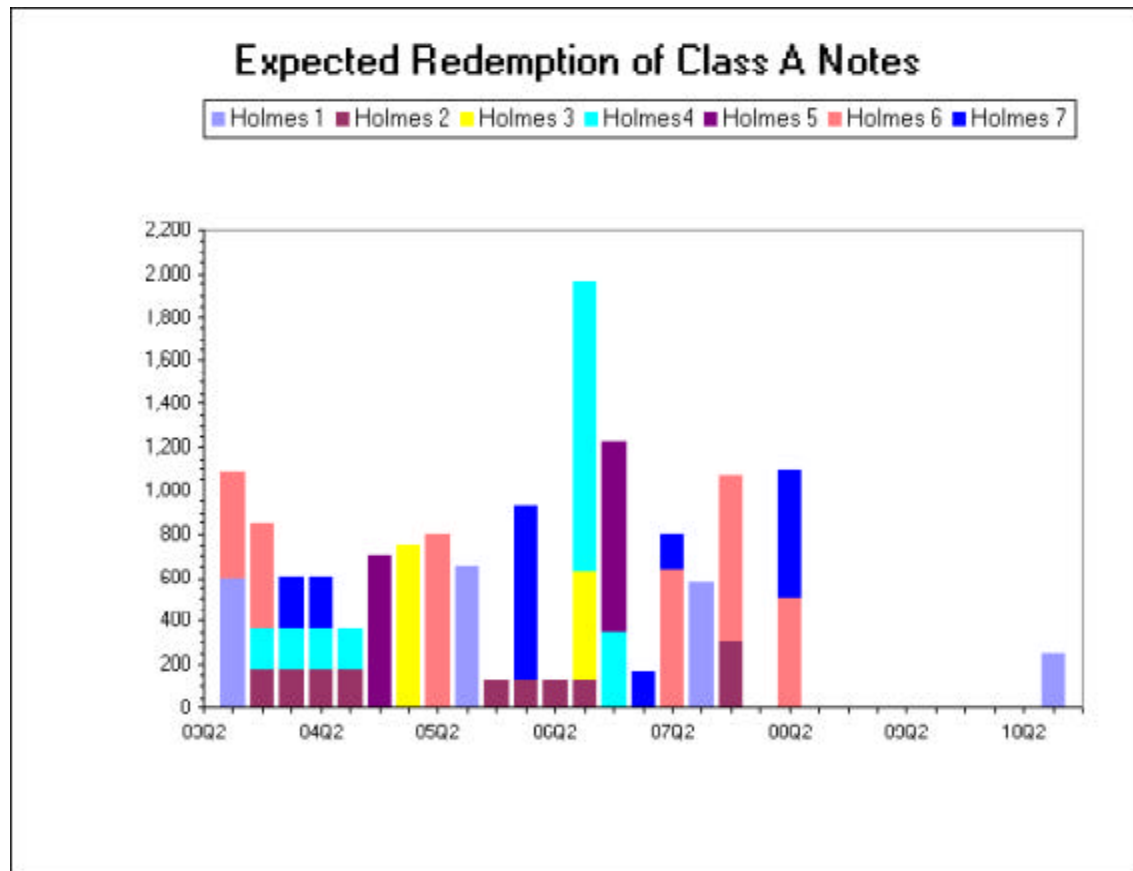
| Date Retired | Holmes 1 | Holmes 2 | Holmes 3 | Holmes 4 | Holmes 5 | Holmes 6 | Holmes 7 |
|--------------|----------|----------|----------|----------|----------|----------|----------|
| 02Q3 | - | 703 | - | - | 352 | - | - |
| 02Q4 | - | - | - | - | 352 | - | - |
| 03Q1 | - | - | 750 | - | - | - | - |

Outstanding Class A Notes

| Expected Redemption | Holmes 1 | Holmes 2 | Holmes 3 | Holmes 4 | Holmes 5 | Holmes 6 | Holmes 7 |
|---------------------|----------|----------|----------|----------|----------|----------|----------|
| 03Q2 | - | - | - | - | - | - | - |
| 03Q3 | 600 | - | - | - | - | 481 | - |
| 03Q4 | - | 176 | - | 191 | - | 481 | - |
| 04Q1 | - | 176 | - | 191 | - | - | 241 |
| 04Q2 | - | 176 | - | 191 | - | - | 241 |
| 04Q3 | - | 176 | - | 191 | - | - | - |
| 04Q4 | - | - | - | - | 698 | - | - |
| 05Q1 | - | - | 750 | - | - | - | - |
| 05Q2 | - | - | - | - | - | 801 | - |
| 05Q3 | 650 | - | - | - | - | - | - |
| 05Q4 | - | 125 | - | - | - | - | - |
| 06Q1 | - | 125 | - | - | - | - | 803 |
| 06Q2 | - | 125 | - | - | - | - | - |
| 06Q3 | - | 125 | 500 | 1,340 | - | - | - |
| 06Q4 | - | - | - | 350 | 875 | - | - |
| 07Q1 | - | - | - | - | - | - | 161 |
| 07Q2 | - | - | - | - | - | 634 | 161 |
| 07Q3 | 575 | - | - | - | - | - | - |
| 07Q4 | - | 300 | - | - | - | 770 | - |
| 08Q1 | - | - | - | - | - | - | - |
| 08Q2 | - | - | - | - | - | 500 | 592 |
| 08Q3 | - | - | - | - | - | - | - |
| 08Q4 | - | - | - | - | - | - | - |
| 09Q1 | - | - | - | - | - | - | - |
| 09Q2 | - | - | - | - | - | - | - |
| 09Q3 | - | - | - | - | - | - | - |
| 09Q4 | - | - | - | - | - | - | - |
| 10Q1 | - | - | - | - | - | - | - |
| 10Q2 | - | - | - | - | - | - | - |
| 10Q3 | 250 | - | - | - | - | - | - |
| 10Q4 | - | - | - | - | - | - | - |

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOLMES FINANCING (No 2) PLC

Dated: 16 July, 2003

**By / s / Natalie Weedon
(Authorised Signatory)**