

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 May 2003

HOLMES FINANCING (No 3) 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 Trustees Limited
Profit & Loss Account
Period ended 15 April 2003

	This Quarter £'000	Prior Quarter £'000
Interest receivable - Mortgages	313,971	308,910
Interest receivable - Cash Deposits	3,638	3,230
	317,609	312,140
Interest payable - Mortgages	(313,971)	(308,910)
Interest payable - Cash Deposits	(3,638)	(3,230)
	<u>(317,609)</u>	<u>(312,140)</u>
Net operating income	-	-
Fees receivable	6,362	3,638
Fees payable	(6,362)	(3,638)
Operating expenses	(4,276)	(3,627)
Provision charges	(172)	(18,474)
Other income	4,447	22,101
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 15 April 2003

£'000

Fixed asset investments

Mortgage loans secured on residential property 23,643,836

Current assets

Bank interest receivable	480
Cash at bank	245,971
Other debtors	44,381
Taxation	6
Amounts due from Funding	34,261
	<u>325,099</u>

Creditors: Amounts falling due within one year

Amounts due to Seller	(324,934)
Sundry creditors	(165)
	<u>(325,099)</u>

Net current assets 0

Total assets less current liabilities 23,643,836

Creditors: Amounts falling after more than one year

Seller share of mortgage loans	(8,221,687)
Funding share of mortgage loans	(15,422,149)

Net assets 0

Capital and reserves

Share capital (£2)	0
Reserves	<u>0</u>
	<u>0</u>

Holmes Funding Limited
Profit & Loss Account
Period ended 15 April 2003

	This Quarter £'000	Prior Quarter £'000
Interest receivable - Mortgages	168,642	157,290
Interest receivable - Cash Deposits	4,912	8,230
	173,554	165,520
Interest payable - Inter-company loans	(151,309)	(145,056)
Interest payable - Start up loans	(668)	(707)
	(151,977)	(145,762)
Net operating income	21,577	19,757
Other income	6,046	4,031
Operating expenses	(6,509)	(15,938)
Deferred consideration	(24,408)	(18,502)
Profit/(loss) on ordinary activities before taxation	(3,295)	(10,652)
Taxation	3,314	(11)
Profit/(loss) on ordinary activities after taxation	19	(10,663)
Dividend	-	-
Retained profit/(loss) brought forward	(14,703)	(4,040)
Retained profit/(loss) carried forward	(14,684)	(14,703)

Holmes Funding Limited
Balance Sheet
Period ended 15 April 2003

£'000

Fixed asset investments

Beneficial interest in Trust mortgage portfolio 15,422,149

Current assets

Deferred expenditure (costs of securing) 30,217

Sundry debtors 82

Taxation 4,178

Cash at bank:

Reserve funding 281,044

Transaction account 1,881

Funding GIC account 601,011

918,413

883,936

Creditors: Amounts falling due within one year

Deferred consideration creditor 151,492

Interest payable accrual 2,999

Amounts due to Trustee 34,261

Interest payable - Inter-company loans 5,346

Sundry creditors 4,304

198,403

Net current assets 720,010

Total assets less current liabilities 16,142,159

Creditors: Amounts falling due after more than one year

Inter-company loans (16,087,329)

Start up loans (69,514)

Net assets (14,684)

Capital and reserves

Share capital (£2) -

Reserves (14,684)

(14,684)

Holmes Funding Limited

Notes to Balance Sheet
Period ended 15 April 2003

	£'000	£'000
Balance on cash accumulation ledger	<u>599,896</u>	
Available credit enhancement		
	First Reserve	Second Reserve
Reserve funds at closing	<u>224,153</u>	<u>56,891</u>
Initial closing reserve funds	195,411	56,891
Drawings to make bullet repayment	-	-
Other drawings	-	-
Transfers from revenue receipts	<u>28,743</u>	-
Closing reserve balance	<u>224,153</u>	<u>56,891</u>
Target reserve funds	<u>291,000</u>	<u>73,826</u>
Principal deficiency ledger	AAA	BBB
Opening PDL balance	Nil	Nil
Losses this quarter	-	-
PDL top up from revenue income	-	-
Closing PDL balance	<u>Nil</u>	<u>Nil</u>
Start up loan outstanding		
Opening balance	<u>68,065</u>	
Initial start up loan (incl. accrued interest)	14,792	
Second start up loan (incl. accrued interest)	14,742	
Third start up loan	17,500	
Fourth start up loan	7,500	
Fifth start up loan	5,100	
Sixth start up loan	6,100	
Seventh start up loan	<u>3,780</u>	
	69,514	
Accrued interest	2,999	
Repayments made	-	
Closing balance	<u>72,514</u>	
Liquidity facility		
Liquidity facility limit	25,000	
Liquidity facility drawn	-	
Liquidity facility available	25,000	

Holmes Financing (No. 3) PLC
Profit & Loss Account
Period ended 15 April 2003

	This Quarter £'000	Prior Quarter £'000
Interest receivable - Inter-company loan	15,031	23,024
Interest receivable - Cash deposits	-	-
	15,031	23,024
Interest payable - Notes	(15,030)	(23,024)
Interest payable		
	<u>(15,030)</u>	<u>(23,024)</u>
Net operating income	<u>1</u>	<u>-</u>
Other income	-	50
Operating expenses	-	(50)
	<u>1</u>	<u>-</u>
Profit on ordinary activities before taxation	<u>1</u>	<u>-</u>
Taxation	-	-
	<u>1</u>	<u>-</u>
Profit on ordinary activities after taxation	<u>1</u>	<u>-</u>
Dividend	-	-
Retained profit brought forward	-	-
Retained profit carried forward	<u><u>1</u></u>	<u><u>-</u></u>

Holmes Financing (No. 3) PLC
Balance Sheet
Period ended 15 April 2003

£'000

Fixed asset investments

Loans to Funding 1,356,500

Current assets

Sundry debtors 7

Cash at bank 7

14

Creditors: Amounts falling due within one year

Sundry creditors -

-

Net current assets 14

Total assets less current liabilities 1,356,514

Creditors: Amounts falling due after more than one year

Amounts due to noteholders (1,356,500)

Net assets 14

Capital and reserves

Share capital 13

Reserves 1

14

Holmes Financing (No. 3) PLC
Notes Outstanding
Period ended 15 April 2003

	Series 1 Class A	Series 2 Class A	Series 3 Class A
Moody's current rating	Aaa	Aaa	Aaa
S&P current rating	AAA	AAA	AAA
Fitch Ratings current rating	AAA	AAA	AAA
	Series 1 Class B	Series 2 Class B	Series 3 Class B
Moody's current rating	Aa3	Aa3	Aa3
S&P current rating	AA	AA	AA
Fitch Ratings current rating	AA	AA	AA
	Series 1 Class C	Series 2 Class C	Series 3 Class C
Moody's current rating	Baa2	Baa2	Baa2
S&P current rating	BBB	BBB	BBB
Fitch Ratings current rating	BBB	BBB	BBB
	Series 1 Class A	Series 2 Class A	Series 3 Class A
	\$	\$	€
Initial note balance	1,060,000,000	1,060,000,000	805,000,000
Previous quarter's note principal	-	1,060,000,000	805,000,000
Note redemptions	-	-	-
Outstanding note principal	-	1,060,000,000	805,000,000
	Series 1 Class B	Series 2 Class B	Series 3 Class B
	\$	\$	€
Initial note balance	32,500,000	32,500,000	24,000,000
Previous quarter's note principal	32,500,000	32,500,000	24,000,000
Note redemptions	(32,500,000)	-	-
Outstanding note principal	-	32,500,000	24,000,000
	Series 1 Class C	Series 2 Class C	Series 3 Class C
	\$	\$	€
Initial note balance	53,000,000	53,000,000	50,000,000
Previous quarter's note principal	53,000,000	53,000,000	50,000,000
Note redemptions	(53,000,000)	-	-
Outstanding note principal	-	53,000,000	50,000,000
	Series 1 Class A	Series 2 Class A	Series 3 Class A
Note interest margins	12	16	24
Step up dates	N/A	N/A	16/07/2006
Step up margins	N/A	N/A	48
	Series 1 Class B	Series 2 Class B	Series 3 Class B
Note interest margins	35	40	40
Step up dates	16/07/2006	16/07/2006	16/07/2006
Step up margins	70	80	80
	Series 1 Class C	Series 2 Class C	Series 3 Class C
Note interest margins	120	127	150
Step up dates	16/07/2006	16/07/2006	16/07/2006
Step up margins	220	227	250
Interest payment cycle	Quarterly		
Interest payment date	15th or next business day		
Next interest payment date	15/07/2003		
Liquidity facility limit	£	25,000,000	
Liquidity facility drawn		Nil	
Liquidity facility available	£	25,000,000	

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 3) PLC

Dated: 14 May, 2003

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