



ARBUTHNOT BANKING GROUP PLC

Interim accounts for the 9 months ended 30 September 2011

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COMPANIES HOUSE

Registered Number 1954085

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Company statement of comprehensive income

	9 months ended 30 September 2011 (unaudited) £000	Year ended 31 December 2010 (audited) £000
Interest and similar income	203	342
Interest expense and similar charges	(618)	(778)
Net interest income	(415)	(436)
Gains less losses from dealing in securities	(40)	(136)
Operating income	(455)	(572)
Other income	3,272	2,832
Dividends received	5,100	4,150
Operating expenses	(3,418)	(5,343)
Profit before income tax	4,499	1,067
Income tax credit	151	775
Profit after tax & Total comprehensive income	4,650	1,842

Company Statement of Financial Position

		At 30 September 2011 £000	At 31 December 2010 £000
	Note		
ASSETS			
Current assets			
Due from subsidiary undertakings		7,798	7,795
Financial investments		289	330
Other debtors		2,685	2,386
Non-current assets			
Shares in subsidiary undertakings		28,633	28,633
Intangible assets		30	36
Property, plant and equipment		128	88
Due from subsidiary undertakings		9,750	7,750
Total assets		49,313	47,018
EQUITY AND LIABILITIES			
Equity			
Share capital	3	150	150
Share premium account	3	21,085	21,085
Other reserves	4	(1,077)	(1,077)
Retained earnings	4	3,311	415
Total equity		23,469	20,573
LIABILITIES			
Current liabilities			
Deposits from banks		1,965	2,869
Due to subsidiary undertakings		10,710	10,097
Accruals		521	849
Non-current liabilities			
Debt securities in issue		12,648	12,630
Total liabilities		25,844	26,445
Total equity and liabilities		49,313	47,018

The interim accounts on pages 1 to 5 were approved by the Board of directors on 24 October 2011 and were signed on behalf by



JR Cobb Director

Company Statement of Changes in Equity

	Attributable to equity holders of the Company					Total £000
	Share capital	Share premium account	Capital redemption reserve	Treasury shares	Retained earnings	
	£000	£000	£000	£000	£000	
Balance at 1 January 2010	150	21 085	20	(940)	1,862	22 177
Total comprehensive income for the period	-	-	-	-	1,842	1,842
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Purchase of own shares	-	-	-	(157)	-	(157)
Final dividend relating to 2009	-	-	-	-	(1,681)	(1,681)
Interim dividend relating to 2010	-	-	-	-	(1,608)	(1,608)
Total contributions by and distributions to owners	-	-	-	(157)	(3,289)	(3,446)
Balance at 1 January 2011	150	21 085	20	(1,097)	415	20,573
Total comprehensive income for the period	-	-	-	-	4,650	4,650
Final dividend relating to 2010	-	-	-	-	(1,754)	(1 754)
Total contributions by and distributions to owners	-	-	-	-	(1,754)	(1,754)
Balance at 30 September 2011	150	21,085	20	(1,097)	3,311	23,469

Company Statement of Cash Flows

	9 months ended 30 September 2011 £000	Year ended 31 December 2010 £000
Cash flows from operating activities		
Dividends received from subsidiaries	5 100	4,150
Interest and similar income received	203	342
Interest and similar charges paid	(618)	(778)
Net trading and other income	3,269	2,921
Cash payments to employees and suppliers	(3,386)	(5 949)
Taxation received	151	775
Cash flows from operating profits before changes in operating assets and liabilities	4,719	1,461
Changes in operating assets and liabilities		
- net (increase)/decrease in group company balances	(1 390)	2,129
- net increase in other assets	(299)	(683)
- net (decrease)/increase in other liabilities	(328)	219
Net cash inflow from operating activities	2,702	3,126
Cash flows from investing activities		
Increase investment in subsidiary	-	(9)
Disposal/disposal of financial investments	-	135
Purchase of computer software	-	(40)
Purchase of property, plant and equipment	(44)	(17)
Net cash from investing activities	(44)	69
Cash flows from financing activities		
Purchase of treasury shares	-	(157)
Dividends paid	(1,754)	(3 289)
Net cash used in financing activities	(1,754)	(3,446)
Net increase/(decrease) in cash and cash equivalents	904	(251)
Cash and cash equivalents at 1 January	(2,869)	(2,618)
Cash and cash equivalents at 30 September / 31 December	(1,965)	(2,869)

Notes to the Accounts

1. Accounting Policies

The interim accounts have been prepared on the basis of accounting policies set out in the Group's 2010 statutory accounts. These accounts are properly prepared in accordance with the Companies Act 2006 as required by section 838, subject only to matters which are not material for the purposes of Part 23. The accounts were approved by the Board of Directors on 24 October 2011 and are unaudited.

The comparative figures for the year ended 31 December 2010 are not the statutory accounts. A copy of the consolidated statutory accounts for the year ended 31 December 2010 has been delivered to the Registrar of Companies.

2 Basis of Preparation

The Board considered the interim accounts of the Company for the 3 month period to 30 September 2011, which were prepared under section 838 of the Companies Act 2006 for purposes of confirming that the Company has sufficient distributable reserves to support anticipated dividends and any proposed share buy-back.

The Board are of the opinion that the accounts have been 'properly prepared' within the meaning of section 838 subject only to matters which are not material for determining, by reference to items mentioned in section 838(1) which are included in the accounts, whether the proposed distribution would contravene the relevant requirements of the Companies Act 2006.

3. Share capital

	Number of shares	Ordinary shares £000	Share premium £000
At 30 September 2011 and 31 December 2010	14,999,619	150	21,085

There was no movement in the issued share capital in the current or prior period. The total authorised number of ordinary shares at 30 September 2011 and 31 December 2010 was 418,439,000 with a par value of 1 pence per share (December 2010: 1 pence per share). All issued shares are fully paid.

At 30 September 2011 the Company held 380,274 shares (December 2010: 380,274) in treasury.

4. Reserves and retained earnings

	30 September 2011 £000	31 December 2010 £000
Company		
Capital redemption reserve	20	20
Treasury shares	(1,097)	(1,097)
Retained earnings	3,311	415
Total reserves	2,234	(662)