

Company Registered No: 02353835

NATWEST CORPORATE FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 30 June 2013

**RBS Secretariat
The Royal Bank of Scotland Group plc
PO Box 1000
Gogarburn
Edinburgh
EH12 1HQ**

TUESDAY



**A08 10/12/2013 #165
COMPANIES HOUSE**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2013

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

**S J Caterer
J E Rogers
P D J Sullivan
R F Warren**

SECRETARY:

RBS Secretarial Services Limited

REGISTERED OFFICE:

**1 Princes Street
London
EC2R 8PB**

AUDITOR:

**Deloitte LLP
3 Rivergate
Temple Quay
Bristol
BS1 6GD**

Registered in England and Wales

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 30 June 2013

This directors' report has been prepared in accordance with the special provisions available to companies entitled to the small companies exemption

ACTIVITIES AND BUSINESS REVIEW**Activity**

The principal activity of the company continues to be the provision of fixed asset finance usually involving individually structured facilities

The company's lease terminated during the prior year and the company has ceased to trade

The company is a subsidiary of The Royal Bank of Scotland Group plc which provides the company with direction and access to all central resources it needs and determines policies in all key areas such as finance, risk, human resources or environment. For this reason, the directors believe that performance indicators specific to the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The annual reports of The Royal Bank of Scotland Group plc review these matters on a group basis. Copies can be obtained from RBS Secretariat, RBS Gogarburn, Edinburgh, EH12 1HQ, the Registrar of Companies or through the group's website at www.rbs.com

Review of the year**Business review**

The directors are satisfied with the company's performance in the year. Post balance sheet events are described in note 17 to the financial statements

Financial performance

The retained loss for the year was £53,000 (2012 retained loss £114,000) and this was deducted from reserves. The directors do not recommend the payment of a dividend (2012 no dividend paid)

Principal risks and uncertainties

The company is funded by other payables from National Westminster Bank Plc

The company's financial risk management objectives and policies regarding the use of financial instruments are set out in note 11 to these financial statements

The company seeks to minimise its exposure to external financial risks other than equity and credit risk, further information on financial risk management policies and exposures is disclosed in notes 1 and 11

DIRECTORS' REPORT (continued)**Going concern**

The company is not currently trading. The directors, having taken into account their decision to wind up the company within the next 12 months, have prepared the financial statements on the basis other than a going concern, as required by IAS 1 – Presentation of Financial Statements. No material adjustments arose as a result of ceasing to apply the going concern basis.

The directors, having made such enquiries as they considered appropriate, are confident that the company will be wound up in an orderly manner. They considered the accounts for the interim announcement of the Royal Bank of Scotland plc for the six months ended 30 June 2013 approved on 1 August 2013, which was prepared on a going concern basis.

DIRECTORS AND SECRETARY

The present directors and secretary, who have served throughout the year except where noted below, are listed on page 2.

From 1 July 2012 to date the following changes have taken place:

	Appointed	Resigned
Secretary		
RBS Secretarial Services Limited	31 October 2012	
C J Down		31 October 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare a directors' report and financial statements for each financial year and the directors have elected to prepare them in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs at the end of the year and the profit or loss for the financial year of the company. In preparing these financial statements, under International Accounting Standard 1, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions of the entity's financial position and performance, and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the directors' report and financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (continued)

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the directors at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information

This confirmation is given and shall be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

AUDITOR

Deloitte LLP has expressed its willingness to continue in office as auditor

Approved by the Board of Directors and signed on its behalf



J E Rogers
Director

Date 6 December 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATWEST CORPORATE FINANCE LIMITED

We have audited the financial statements of NatWest Corporate Finance Limited ('the company') for the year ended 30 June 2013 which have been prepared on a basis other than that of going concern and which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATWEST CORPORATE
FINANCE LIMITED (continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report

Mark Taylor

Mark Taylor FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

Date *6 December 2013*

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

Discontinued operations	Notes	2013 £'000	2012 £'000
Operating income	3	-	30
Operating profit		<u>-</u>	<u>30</u>
Finance income	5	-	1
Profit before tax		<u>-</u>	<u>31</u>
Tax charge	6	(53)	(145)
Loss and total comprehensive loss for the year		<u>(53)</u>	<u>(114)</u>

The accompanying notes form an integral part of these financial statements

BALANCE SHEET
as at 30 June 2013

	Notes	2013 £'000	2012 £'000
Assets			
Non-current assets			
Deferred tax asset	10	1,117	1,554
Current assets			
Loan receivables	7	-	295
Prepayments, accrued income and other assets	8	187	204
		187	499
Total assets		1,304	2,053
Liabilities			
Current liabilities			
Trade and other payables	9	1,214	1,910
Total liabilities		1,214	1,910
Equity			
Share capital	12	-	-
Retained earnings		90	143
Total equity		90	143
Total liabilities and equity		1,304	2,053

The accompanying notes form an integral part of these financial statements

The financial statements were approved by the Board of Directors on 6 December 2013 and signed on its behalf by


J E Rogers
 Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2013

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 July 2011	-	257	257
Loss for the year	-	(114)	(114)
At 30 June 2012	-	143	143
Loss for the year	-	(53)	(53)
At 30 June 2013	-	90	90

Total comprehensive loss for the year of £53,000 (2012 £114,000) was wholly attributable to the owners of the company

The accompanying notes form an integral part of these financial statements

CASH FLOW STATEMENT
for the year ended 30 June 2013

	Note	2013 £'000	2012 £'000
Operating activities			
Profit for the year before tax		-	31
Adjustments for:			
Gain on disposal of finance lease		-	(30)
Finance income		-	(1)
Operating cash flows before movements in working capital		-	-
Decrease in trade and other payables – fellow subsidiary company		(696)	-
Net cash used by operating activities before tax		(696)	-
Tax/Group relief received – fellow subsidiary company		401	411
Net cash flows (used by)/from operating activities		(295)	411
Cash flows from investing activities			
Interest received from group undertakings – intermediate parent company		-	1
Proceeds from disposal of finance leases		-	1,500
Repayment of finance lease obligations		-	(1,470)
Net cash flows from investing activities		-	31
Cash flows from financing activities			
Repayment of borrowings – intermediate parent company		-	(147)
Net cash flows used by financing activities		-	(147)
Net (decrease)/increase in cash and cash equivalents		(295)	295
Cash and cash equivalents at beginning of year		295	-
Cash and cash equivalents at end of year	13	-	295

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies****a) Presentation of accounts**

The accounts are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ('IASB') and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the European Union (EU) (together 'IFRS')

The accounts are prepared on the historical cost basis

The company's financial statements are presented in sterling which is the functional currency of the company

The company is incorporated in the UK and registered in England and Wales. The company's accounts are presented in accordance with the Companies Act 2006

The company ceased to trade during the 2012 financial year and has not traded since then. These events did not require the company to re-measure, reclassify or adjust the settlement date of any assets or liabilities. IAS1 paragraph 25 "Presentation of Financial Statements" describes the preparation of financial statements in such circumstances as being other than on a going concern basis.

Adoption of new and revised standards

Changes to IFRS that were effective from 1 July 2012 have had no material effect on the company's financial statements for the year ended 30 June 2013

b) Revenue recognition

Revenue comprises income from loans and other services and arose in the United Kingdom from discontinued activities

Interest income on financial assets that are classified as loans and receivables, available-for-sale or held-to-maturity and interest expense on financial liabilities other than those at fair value are determined using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability (or group of financial assets or liabilities) and of allocating the interest income or interest expense over the expected life of the asset or liability.

c) Taxation

Income tax expense or income, comprising current tax and deferred tax, is recorded in the income statement except income tax on items recognised outside profit or loss which is credited or charged to other comprehensive income or to equity as appropriate.

Current tax is income tax payable or recoverable in respect of the taxable profit or loss for the year arising in income or in equity. Provision is made for current tax at rates enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable in respect of temporary differences between the carrying amount of an asset or liability for accounting purposes and its carrying amount for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered. Deferred tax is not recognised on temporary differences that arise from initial recognition of an asset or a liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is calculated using tax rates expected to apply in the periods when the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)**1. Accounting policies (continued)****d) Financial assets**

On initial recognition, financial assets are classified into held-to-maturity investments held-for-trading, designated as at fair value through profit or loss, loans and receivables, or available-for-sale financial assets

Loans and receivables

Non-derivative financial assets with fixed or determinable repayments that are not quoted in an active market are classified as loans and receivables, except those that are classified as available-for-sale or as held-for-trading, or designated as at fair value through profit or loss. Loans and receivables are initially recognised at fair value plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment losses.

e) Impairment of financial assets

The company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets classified as held-to-maturity, available-for-sale or loans and receivables is impaired. A financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset.

f) Financial liabilities

On initial recognition financial liabilities are classified into held-for-trading, designated as at fair value through profit or loss, or amortised cost.

Amortised cost

Other than derivatives, which are recognised and measured at fair value, all other financial liabilities are measured at amortised cost using the effective interest method.

g) Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or when it has been transferred and the transfer qualifies for derecognition.

A financial liability is removed from the balance sheet when the obligation is discharged, cancelled, or expires.

h) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents comprises cash and demand deposits with banks together with short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

i) Accounting developments

No recent IASB announcement is expected to have a material effect on the company's accounting policies or financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Critical accounting policies and key sources of estimation uncertainty

The reported results of the company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. UK company law and IFRS require the directors, in preparing the company's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. In the absence of an applicable standard or interpretation, IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', requires management to develop and apply an accounting policy that results in relevant and reliable information in the light of the requirements and guidance in IFRS dealing with similar and related issues and the IASB's Framework for the Preparation and Presentation of Financial Statements.

3. Operating income

	2013 £'000	2012 £'000
Profit on disposal of leases	-	30

4. Operating expenses**Staff costs, number of employees and directors' emoluments**

All staff and directors were employed by The Royal Bank of Scotland plc, the accounts for which contain full disclosure of employee benefit expenses incurred in the period including share based payments and pensions. The company has no employees and pays a management charge for services provided by other group companies. The directors of the company do not receive remuneration for specific services provided to the company.

Management recharge

Management charges relate to the company's share of group resources such as the use of IT platforms, staff and a share of central resources. These are re-charged on an annual basis by Royal Bank Leasing Limited and not recharged to this company.

Auditor's remuneration

There was no charge in either the current or prior year's financial statements for auditor's remuneration as the fees of £8,000 (2012: £6,000) were charged in the financial statements of The Royal Bank of Scotland Group plc.

5. Finance income

	2013 £'000	2012 £'000
On loan receivables		
From group undertakings - intermediate parent company	-	1

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Tax

	2013 £'000	2012 £'000
Current taxation		
UK corporation tax credit for the year	<u>(384)</u>	<u>(414)</u>
Deferred taxation		
Charge for the year	372	405
Impact of tax rate changes	<u>65</u>	<u>154</u>
	<u>437</u>	<u>559</u>
Tax charge for the year	<u>53</u>	<u>145</u>

Where appropriate current tax consists of sums payable or receivable for group relief

The actual tax charge differs from the expected tax charge computed by applying the blended rate of UK corporation tax of 23.75% (2012 blended tax rate 25.5%) as follows

	2013 £'000	2012 £'000
Expected tax charge	-	8
Reduction of deferred tax asset following change in rate of UK corporation tax	<u>53</u>	<u>137</u>
Actual tax charge for the year	<u>53</u>	<u>145</u>

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted in July 2013 now standing at 21% with effect from 1 April 2014 and 20% from 1 April 2015. The closing deferred tax assets and liabilities have been calculated at 23% in accordance with the rates enacted at the balance sheet date.

The impact of the post-balance sheet date change in tax rate is estimated as giving rise to a tax charge of £93,000, which will be recognised in the accounts for 2014.

7. Loan receivables

	2013 £'000	2012 £'000
Current		
Deposits owed by group undertakings – intermediate parent company	<u>-</u>	<u>295</u>

The fair value of loan receivables is considered not to be materially different to the carrying amounts in the balance sheet.

8. Prepayments, accrued income and other assets

	2013 £'000	2012 £'000
Group relief receivable from group undertaking – fellow subsidiary company	<u>187</u>	<u>204</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Trade and other payables

	2013 £'000	2012 £'000
Other payables – fellow subsidiary company	<u>1,214</u>	<u>1,910</u>

10. Deferred tax

The following are the major tax assets recognised by the company, and the movements thereon

	Capital allowances £'000	Embedded derivative £'000	Total £'000
At 1 July 2011	(9)	(2,104)	(2,113)
Charge to income	9	550	559
At 30 June 2012	-	(1,554)	(1,554)
Charge to income	-	437	437
At 30 June 2013	-	(1,117)	(1,117)

The deferred tax asset will be realised through group relief surrendered to fellow subsidiary companies

11. Financial instruments and risk management

(i) Fair value

There is no difference between the fair value of financial instruments carried on the balance sheet and their carrying value

All financial assets are classed as loans and receivables All financial liabilities are classed as amortised cost

(ii) Financial risk management

The principal risks associated with the company's businesses are as follows

Interest rate risk

Interest rate risk arises where assets and liabilities have different re-pricing maturities

The financial liabilities of the company consist of amounts due to group undertakings and do not have any significant interest rate risk as they are non-interest bearing

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Financial instruments and risk management (continued)

(ii) Financial risk management (continued)

Interest rate risk

The interest profile of the company's assets and liabilities is as follows

	Variable rate £'000	Non- interest earning £'000	Total £'000
2013			
Financial liabilities			
Trade and other payables	-	1,214	1,214
Net financial liabilities	-	(1,214)	(1,214)
	Variable rate £'000	Non- interest earning £'000	Total £'000
2012			
Financial assets			
Loan receivables	295	-	295
Financial liabilities			
Trade and other payables	-	1,910	1,910
Net financial assets/(liabilities)	295	(1,910)	(1,615)

Assuming that the balances receivable and/or payable at the balance sheet date were receivable and/or payable for the whole year, had interest rates been 0.5% higher and all other variables held constant, the company's profit before tax for the year would have remained unchanged (2012 profit before tax for the year would have increased by £1,000). This is mainly due to the company's exposure to interest rates on its variable rate deposits. There would be no other material impact on equity.

Currency risk

The company has no currency risk as all transactions and balances are denominated in sterling.

Credit risk

Credit risk is the risk that companies, financial institutions, individuals and other counterparties will be unable to meet their obligations to the company.

- All loans receivable are with group undertakings. Although credit risk arises this is not considered to be significant and no amounts are past due.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Financial instruments and risk management (continued)

(ii) Financial risk management (continued)

Credit risk (continued)

Maximum credit exposure and neither past due nor impaired

	2013 £'000	2012 £'000
Group undertakings	-	295
Maximum credit exposure	-	295

Based on counterparty payment history the company considers all the above financial assets to be of good credit quality

Liquidity risk

Liquidity risk arises where assets and liabilities have different contractual maturities

Management focuses on both overall balance sheet structure and the control, within prudent limits, of risk arising from the mismatch of maturities across the balance sheet and from undrawn commitments and other contingent obligations. It is undertaken within limits and other policy parameters set by Group Asset and Liability Management Committee (GALCO)

Financial liabilities

The following table shows by contractual maturity the undiscounted cash flows payable from the balance sheet date including future interest payments

2013	4 – 12 months £'000
Trade and other payables - fellow subsidiary company	1,214
2012	4 – 12 months £'000
Trade and other payables - fellow subsidiary company	1,910

The company's intra-group liabilities may in certain circumstances become repayable on demand pursuant to the terms of the capital support deed (see note 15 - commitments and contingent liabilities)

Operational risk

Operational risk is the risk of unexpected losses attributable to human error, systems failures, fraud or inadequate internal financial controls and procedures. The company manages this risk, in line with the RBS group framework, through systems and procedures to monitor transactions and positions, the documentation of transactions and periodic review by internal audit. The company also maintains contingency facilities to support operations in the event of disasters.

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Share capital

		2013 £	2012 £
Authorised			
1,000	Ordinary shares of £1	1,000	1,000
<hr/>			
Allotted, called up and fully paid			
Equity shares			
100	Ordinary shares of £1	100	100
<hr/>			

The company has one class of ordinary shares which carry no right to fixed income

13. Cash and cash equivalents per cash flow statement

	2013 £'000	2012 £'000
Deposits with group companies placed at within 3 months original maturity - note 7	-	295
<hr/>		

14. Capital resources

The company's capital consists of equity comprising issued share capital, retained earnings and other payables from a fellow subsidiary company. The company is a member of The Royal Bank of Scotland group of companies which has regulatory disciplines over the use of capital. In the management of capital resources, the company is governed by the group's policy which is to maintain a strong capital base. It is not separately regulated. The group has complied with the Prudential Regulation Authority's capital requirements throughout the year.

15. Commitments and contingent liabilities

The company, together with other members of the RBS group, is party to a capital support deed (CSD). Under the terms of the CSD, the company may be required, if compatible with its legal obligations, to make distributions on, or repurchase or redeem, its ordinary shares. The amount of this obligation is limited to the company's immediately accessible funds or assets, rights, facilities or other resources that, using best efforts, are reasonably capable of being converted to cleared, immediately available funds (the company's available resources). The CSD also provides that, in certain circumstances, funding received by the company from other parties to the CSD becomes immediately repayable, such repayment being limited to the company's available resources.

16. Related parties**UK Government**

The UK Government through HM Treasury is the ultimate controlling party of The Royal Bank of Scotland Group plc. Its shareholding is managed by UK Financial Investments Limited, a company it wholly-owns and as a result, the UK Government and UK Government controlled bodies are related parties of the company.

The company enters into transactions with these bodies on an arms' length basis, they include the payment of taxes including UK corporation tax and value added tax.

NOTES TO THE FINANCIAL STATEMENTS (continued)**16. Related parties (continued)****Group undertakings**

The company's immediate parent company is National Westminster Bank Plc, a company incorporated in the UK. As at 30 June 2013, National Westminster Bank Plc heads the smallest group in which the company is consolidated. Copies of the consolidated accounts may be obtained from RBS Secretariat, Gogarburn, PO Box 1000, Edinburgh EH12 1HQ.

The company's ultimate holding company is The Royal Bank of Scotland Group plc, a company incorporated in the UK. As at 30 June 2013, The Royal Bank of Scotland Group plc heads the largest group in which the company is consolidated. Copies of the consolidated accounts may be obtained from RBS Secretariat, The Royal Bank of Scotland Group plc, Gogarburn, PO Box 1000, Edinburgh, EH12 1HQ.

Amounts due to or from related parties are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of amounts owed by related parties.

Key management

The company is a subsidiary of The Royal Bank of Scotland Group plc whose policy is for companies to bear the costs of their full time staff. The time and costs of executives and other staff who are primarily employed by the group are not specifically recharged. However, the group recharges subsidiaries for management fees which include an allocation of certain staff and administrative support costs.

In the company and the group, key management comprise directors of the company and members of the Group Executive Committee. The emoluments of the directors of the company are met by the group.

The directors of the company do not receive remuneration for specific services provided to the company.

17. Post balance sheet events

There have been no significant events between the year end and the date of approval of these financial statements which would require a change to or disclosure in these financial statements.