Company Registered No: 03331068

PRIORITY SITES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2019

PRIORITY SITES LIMITED 03331068

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:	F K Cummins S K A Michell J M Rowney
COMPANY SECRETARY:	NatWest Markets Secretarial Services Limited
REGISTERED OFFICE:	250 Bishopsgate London England EC2M 4AA
INDEPENDENT AUDITOR:	Ernst & Young LLP 25 Churchill Place Canary Wharf London E145EY

Registered in England and Wales

DIRECTORS' REPORT

The directors of Priority Sites Limited ("the Company") present their annual report together with the audited financial statements for the year ended 31 December 2019.

ACTIVITIES AND BUSINESS REVIEW

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and therefore does not include a Strategic report.

Activity

The principal activity of the Company was the trading and management of development property throughout England.

Review of the year

Business review
It is the intention of the directors to wind up the Company within the next 12 months.

Financial performance
The Company's financial performance is presented on pages 8 to 10.

The profit before taxation for the year was £98,568 (2018: £354,091). The comprehensive profit for the year was £78,886 (2018: £281,075).

At the end of the year total assets were £10,846,054 (2018: £11,447,226). Total shareholders' funds were £10,441,762 (2018: £10,362,876).

The directors do not recommend the payment of a dividend (2018: nil).

Principal risks and uncertainties
The Company seeks to minimise its exposure to financial risks other than credit risk.

Management focuses on both the overall balance sheet structure and the control, within prudent limits, of risk arising from mismatches, including currency, maturity, interest rate and liquidity. It is undertaken within limits and other policy parameters set by the Group Asset and Liability Management Committee (Group ALCO).

The Company is funded by facilities from NatWest Markets Plc. These are denominated in sterling which is the functional currency and carry no significant financial risk.

The Company's assets previously mainly comprised development property and trade receivables which exposed it to market and credit risk except that the counterparties were group companies and credit risk was not considered significant.

Market risk
Market risk is the potential for loss as a result of adverse changes in risk factors including interest rates and equity prices together with related parameters such as market volatilities.

Principal risks and uncertainties (continued)

Credit risk
Credit risk management seeks to match the risk of credit failure to price of credit on granting a facility whilst maintaining credit risk exposure in line with approved appetite for the risk that customers will be unable to meet their obligations to the Company.

The key principles of the Group's Credit Risk Management Framework are set out below:

- Approval of all credit exposure is granted prior to any advance or extension of credit.
- An appropriate credit risk assessment of the customer and credit facilities is undertaken prior to approval of credit exposure. This includes a review of, amongst other things, the purpose of credit and sources of repayment, compliance with affordability tests, repayment history, capacity to repay, sensitivity to economic and market developments and risk-adjusted return.
- Credit risk authority is delegated by the Board and specifically granted in writing to all individuals involved in the granting of credit approval. In exercising credit authority, the individuals act independently of any related business revenue origination.
- All credit exposures, once approved, are effectively monitored and managed and reviewed periodically against approved limits. Lower quality exposures are subject to a greater frequency of analysis and assessment.

Directors' Duties

Section 172(1) of the Companies Act 2006 (Section 172) is one of the statutory duties that directors have and requires them to promote the success of the Company for the benefit of shareholders as a whole while taking into account the interests of other stakeholders and, in so doing, have regard to the matters set out in Section 172(1)(a) to (f). These include the long term consequences of decisions, colleague interests, the need to foster the Company's business relationships with suppliers, customers and others; the impact on community and the environment and the Company's reputation.

Directors are supported in the discharge of their duties by the Company Secretary. All directors receive guidance on their statutory duties, including Section 172(1), and were briefed on the reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018 in advance of the effective date. NatWest Group has introduced a new approach to board and committee papers with greater focus on ensuring relevant stakeholder interests are clearly articulated and guidance on documenting decisions has been refreshed to ensure these are recorded in a consistent manner across NatWest Group.

Going concern

These financial statements are prepared on other than going concern basis, see note 1a) on page 11.

DIRECTORS AND SECRETARY

The present directors and secretary, who have served throughout the year except where noted below, are listed on page 1.

From 1 January 2019 to date the following changes have taken place:

	Appointed	**Resigned**
Secretary		
RBS Secretarial Services Limited	-	30 September 2019
NatWest Markets Secretarial Services Limited	30 September 2019	-

DIRECTORS' REPORT

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. Under that law, the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework, and 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 of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, and
- make an assessment of the Company's ability to continue as a going concern. For the reasons stated in note 1a), the financial statements have not been prepared on a going concern basis but on a basis other than 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.

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
- directors have 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.

DIRECTORS' INDEMNITIES

None of the directors are indemnified under the qualifying third party terms.

AUDITOR

Ernst & Young LLP has expressed its willingness to continue in office as auditor.

Approved by the Board of Directors and signed on its behalf:

JMRowney

J M Rowney
Director
Date: 23 November 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORITY SITES LIMITED

Opinion

We have audited the financial statements of Priority Sites Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter — financial statements prepared on a basis other than going concern

We draw attention to note 1a) to the financial statements which explains that the Directors intend to liquidate the Company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 1a). Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORITY SITES LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORITY SITES LIMITED

Use of our report

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.

Ernst & Young LLP

Cassondra Polegri (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
26 November 2020

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2019

Discontinuing operations	Notes	2019 £	2018 £
Turnover	3	**53,865**	1,118,693
Cost of sales		**-**	(690,250)
Gross profit		**53,865**	428,443
Other operating income		**80,513**	75,866
Administrative expenses	4	**(65,349)**	(175,402)
Operating profit		**69,029**	328,907
Interest receivable	6	**29,539**	25,184
Profit before tax	5	**98,568**	354,091
Tax (charge)/credit	7	**(19,682)**	(73,016)
Profit and total comprehensive income for the year		**78,886**	281,075

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET
as at 31 December 2019

	Notes	2019 £	2018 £
Current assets			
Deferred tax asset	7	**3,262**	4,446
Investment in group companies	8	**1,000**	1,000
Trade and other receivables	9	**-**	18,035
Amount due from Group Companies	10	**3,494,558**	3,500,000
Prepayments, accrued income and other assets	11	**101,289**	299,260
Cash at bank	12	**7,245,945**	7,624,485
		10,846,054	11,447,226
Total assets		**10,846,054**	11,447,226
Current Liabilities			
Trade and other payables	13	**62,569**	141,096
Current tax liabilities		**18,498**	87,350
Amount due to Group Companies	14	**251,945**	712,183
Accruals, deferred income and other liabilities	15	**71,280**	143,721
Total liabilities		**404,292**	1,084,350
Equity			
Called up share capital	16	**5,812,000**	5,812,000
Profit and loss account		**4,629,762**	4,550,876
Total equity		**10,441,762**	10,362,876
Total liabilities and equity		**10,846,054**	11,447,226

The accompanying notes form an integral part of these financial statements.

The financial statements of the Company were approved and authorised for issue by the Board of Directors on 23 November 2020 and its behalf by:

JMRowney

J M Rowney
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2019

	Share Capital £	Profit and loss account £	Total £
At 1 January 2018	5,812,000	4,269,801	10,081,801
Profit for the year	-	281,075	281,075
At 31 December 2018	5,812,000	4,550,876	10,362,876
Profit for the year	-	**78,886**	**78,886**
At 31 December 2019	**5,812,000**	**4,629,762**	**10,441,762**

Total comprehensive income for the year of £78,886 (2018: £281,075) was wholly attributable to the owners of the Company.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

a) Preparation and presentation of accounts

These financial statements are prepared:

- on other than going concern basis. Under this basis, the assets have been measured at recoverable values and liabilities at settlement/transfer values. The directors, having regard to their intention to place the Company in liquidation within the next 12 months, have prepared the accounts on a basis other than going concern. As at 31 December 2019, the Company has £3K of provision to cover any cost of liquidation.

  In the first quarter of 2020, the World Health Organisation declared the Covid-19 outbreak to be a pandemic. Many governments, including the UK, have taken stringent measures to contain and/or delay the spread of the virus. Actions taken in response to the spread of Covid-19 have resulted in severe disruption to business operations and a significant increase in economic uncertainty, with more volatile asset prices and currency exchange rates, and a marked decline in long-term interest rates in developed economies.

  The NatWest Markets Group (the "Group") has a well-developed business continuity plan which includes pandemic response, enabling the Group to quickly adapt to these unprecedented circumstances.

  There remains significant uncertainty regarding the developments of the pandemic and the future economic recovery. The directors have considered the impact of Covid-19 on the Company and, given the decision to place the Company in liquidation within the next 12 months, the directors do not consider that the Covid-19 pandemic will have a material impact on the Company in the future; and
- under Financial Reporting Standard (FRS) 101 *Reduced Disclosure Framework* in accordance with the recognition and measurement principles of 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 EU (together IFRS).

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the Financial Reporting Council.

The Company is incorporated in the UK and registered in England and Wales and the financial statements are presented:

- in accordance with the Companies Act 2006;
- in sterling which is the functional currency of the Company; and
- with the benefit of the disclosure exemptions permitted by FRS 101 with regards to:
  - comparative information in respect of certain assets;
  - cash-flow statement;
  - standards not yet effective;
  - related party transactions; and
  - disclosure requirements of IFRS 7 "Financial Instruments: Disclosure" and IFRS 13 "Fair value Measurement".

Where required, equivalent disclosures are given in the group accounts of The Royal Bank of Scotland Group plc, these accounts are available to the public and can be obtained as set out in note 17.

The changes to IFRS that were effective from 1 January 2019 have had no material effect on the Company's financial statement for the year ended 31 December 2019.

b) Consolidated financial statements

The financial statements contain information about Priority Sites Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under IFRS 10 Consolidated Financial Statements and section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as in accordance with IFRS 10 the Company and its subsidiaries are included by full consolidation in the IFRS consolidated financial statements of its parent, The Royal Bank of Scotland Group plc, a public company registered in Scotland whose registered address is 36 St Andrew square, Edinburgh, EH2 2YB.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

c) Revenue recognition
Turnover represents the total value of construction works on developments sold during the year. Construction work in progress, classified as current assets, represents construction and development work stated at the lower of cost or net realisable value. Cost represents direct materials, labour and production. Profit on each development is taken to the profit and loss account on completion and sale of that development to the parent or other group company, and the transfer of all related risks and rewards of ownership.

Rental income from operating leases is recognised in the profit and loss account on a straight line basis over the lease term unless another systematic basis better represents the time pattern of the asset's use.

d) Taxation
Income tax expense or income, comprising current tax and deferred tax, is recorded in the profit and loss account 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, other comprehensive 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 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.

e) Investments in group companies
Investments in group companies are stated at cost less any impairment.

f) Financial instruments
Financial instruments are classified either by product, by business model or by reference to the IFRS default classification.

Classification by product relies on specific designation criteria which are applicable to certain classes of financial assets or circumstances where accounting mismatches would otherwise arise. Classification by business model reflects how the Company manages its financial assets to generate cash flows. A business model assessment determines if cash flows result from holding financial assets to collect the contractual cash flows; from selling those financial assets; or both.

The product classifications apply to financial assets that are either designated at fair value through profit or loss (DFV), or to equity investments designated as at fair value through other comprehensive income (FVOCI). In all other instances, fair value through profit or loss (MFVTPL) is the default classification and measurement category for financial assets.

Regular way purchases of financial assets classified as amortised cost, are recognised on the settlement date; all other regular way transactions in financial assets are recognised on the trade date.

All financial instruments are measured at fair value on initial recognition.

All liabilities not subsequently measured at fair value are measured at amortised cost.

Most financial assets are held to collect the contractual cash flows that comprise solely payments of principal and interest and are measured at amortised cost. Certain financial assets managed under a business model of both to collect contractual cash flows comprising solely of payments of principal and interest, and to sell, are measured at fair value through other comprehensive income ('FVOCI').

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

g) Impairment of financial assets
At each balance sheet date each financial asset or portfolio of loans measured at amortised cost or at fair value through other comprehensive income, issued financial guarantee and loan commitment is assessed for impairment. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

h) 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 in accordance with IFRS 9 "Financial Instruments".

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

i) Cash at bank
Cash at bank represents deposits with banks.

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. In accordance with their responsibilities for these financial statements, the estimates the directors consider most important to the portrayal of the Company's performance and financial condition are discussed below.

3. Turnover

	2019 £	2018 £
Sale of development property	**53,700**	1,107,500
Other income	**165**	11,193
	53,865	1,118,693

4. Administrative expenses

	2019 £	2018 £
Legal & professional fees	**58,840**	55,173
Management fees	**-**	51,356
Other charges	**6,509**	68,873
	65,349	175,402

Other charges relate to miscellaneous property management services provided by third party suppliers.

Management fees
Management fees for 2018 include the costs of staff and director borne by the other members of the group, none of which can be apportioned meaningfully in respect of services to the Company. These are re-charged on an annual basis by KUC Properties Limited, a fellow group undertaking.

Directors' emoluments
The Company does not remunerate directors nor can remuneration from elsewhere in the group be apportioned meaningfully in respect of their services to the Company. There are no other staff.

NOTES TO THE FINANCIAL STATEMENTS

5. Profit before tax

Profit before tax is stated after charging:

	2019	2018
	£	£
Auditor's remuneration - audit services	**10,000**	15,000

The actual audit fees for the year being the sum of £10,000 (2018: £10,000). Audit remuneration payable in regards to non-audit services during the year was nil (2018: nil).

6. Interest receivable

	2019	2018
	£	£
Interest receivable from group companies	**29,539**	25,184

7. Tax

	2019	2018
	£	£
Current taxation:		
UK corporation tax charge for the year	**18,496**	71,953
Under provision in respect of prior periods	**2**	85
	18,498	72,038
Deferred taxation:		
Charge for the year	**1,184**	978
Tax charge for the year	**19,682**	73,016

The actual tax charge differs from the expected tax charge computed by applying the standard rate of UK corporation tax of 19% (2018: 19%) as follows:

	2019	2018
	£	£
Expected tax charge	**18,726**	67,278
Non-deductible items	**570**	5,653
Reduction in deferred tax asset following change in rate of UK Corporation Tax	**384**	-
Adjustments in respect of prior periods	**2**	85
Actual tax charge for the year	**19,682**	73,016

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the rates substantively enacted at the balance sheet date standing at 19% from 1 April 2017 and 17% from 1 April 2020. The closing deferred tax assets and liabilities have been calculated taking into account these rates, as these were substantively enacted at the balance sheet date.

Since the balance sheet date, it was announced in the UK Government's Budget on 11 March 2020 that the reduction in the UK Corporation tax rate to 17% from 1 April 2020 will not proceed. Instead, the UK Corporation tax rate will remain at 19%. This change was substantively enacted on 17 March 2020 and is therefore a non adjusting post balance sheet event.

As a result, existing temporary differences on which deferred tax has been provided may unwind in periods subject to the 19% rate. The impact of the post balance sheet date change in tax rate is not expected to be material.

NOTES TO THE FINANCIAL STATEMENTS

7. Tax (continued)

Deferred tax

Net deferred tax asset comprises:

	Capital allowances £
At 1 January 2018	5,424
Charge to profit and loss	(978)
At 31 December 2018	4,446
Charge to profit and loss	**(1,184)**
At 31 December 2019	**3,262**

8. Investments in group companies

Investments in group companies are carried at cost less impairment. There were no movements during the year.

	2019 £	2018 £
At 1 January and 31 December	**1,000**	1,000

The Company's investment in Priority Sites Investments Limited was not impaired during the year. The investment in subsidiary undertakings held as a current asset represents the investment in PSIL. The subsidiary is expected to be wound up within the next 12 months. It is expected that any residual cash remaining in PSIL after all receivables and payables are settled will be passed up to PSL.

The subsidiary undertaking of the Company is shown below:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Priority Sites Investments Limited (Subsidiary) [1]	England and Wales	100	100	Property investment company

[1] The registered office is 250 Bishopsgate, London, EC2M 4AA.

9. Trade and other receivables

	2019 £	2018 £
Value added tax	-	18,035

The fair value of all receivables approximates to their carrying amount in the balance sheet.

10. Amount due from Group Companies

	2019 £	2018 £
NatWest markets plc	**3,494,558**	3,500,000

NOTES TO THE FINANCIAL STATEMENTS

11. Prepayment. accrued income and other assets

	2019 £	2018 £
Prepayments and other assets	**101,289**	299,260

Prepayments and other assets comprise of cash held with CBRE to support ongoing management activity.

12. Cash at bank

	2019 £	2018 £
Cash at bank	**7,245,945**	7,624,485

Cash at bank comprises cash and short term bank deposits with an original maturity of three months or less. The directors consider that carrying value of these assets approximates to their fair value.

13. Trade and other payables

	2019 £	2018 £
Trade payables	**61,952**	-
Value added tax	**617**	141,096
	62,569	141,096

The fair value of all payables approximates to their carrying value in the balance sheet.

14. Amounts due to group companies

	2019 £	2018 £
Priority Sites Investments Limited	**188,935**	629,174
KUC Properties Limited	**63,010**	63,009
NatWest Markets plc	**-**	20,000
	251,945	712,183

	2019 £	2018 £
Amounts falling due within one year	**251,945**	712,183

The fair value of amounts due to group undertakings approximates to their carrying value in the balance sheet.

The net group payable position with Priority Sites Investments Limited of £188,935 (2018: £629,174) included an Intercompany loan receivable of £642,083 and rolled up interest accrued on the group loan of £291,158 due from Priority Sites Investments Limited, which has been settled during the year. The Company is left with £188,935 (2018: £1,562,415) group payable due to Priority Sites Investments Limited that does not accrue interest.

15. Accruals, deferred income and other liabilities

	2019 £	2018 £
Accruals	**71,280**	143,721

NOTES TO THE FINANCIAL STATEMENTS

16. Share capital

	2019	2018
	£	£
Allotted, called-up and fully paid:		
Equity shares		
5,812,000 ordinary shares of £1	**5,812,000**	5,812,000

The Company has one class of Ordinary Shares which carry no right to fixed income.

17. Related parties

UK Government
The UK Government through HM Treasury is the ultimate controlling party of NatWest Group plc. Its shareholding is managed by UK Government 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.

Group companies

At 31 December 2019

The Company's immediate parent was:	NatWest Markets plc
The smallest consolidated accounts including the Company were prepared by:	
The ultimate parent company was:	The Royal Bank of Scotland Group plc

All parent companies are incorporated in the UK. Copies of their accounts may be obtained from Legal, Governance and Regulatory Affairs, RBS, Gogarburn, PO Box 1000, Edinburgh EH12 1HQ.

On 22 July 2020, The Royal Bank of Scotland Group plc, changed its name to NatWest Group plc.

18. Post balance sheet events

The directors consider Covid-19 to be a non-adjusting post balance sheet event and as such no adjustments have been made to the measurement of assets and liabilities as at 31 December 2019. Refer to note 1a) for the director's assessment of the impact on the Company. While there remains significant uncertainty regarding the developments of Covid-19 and the future economic recovery, the directors continue to monitor this, however, at this stage do not consider there to be any material issues for the Company.