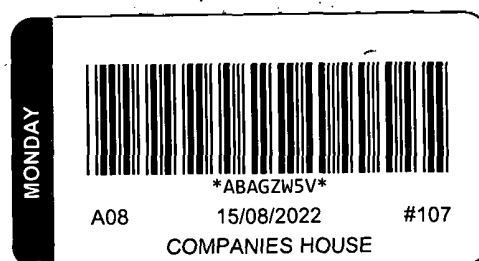


Company Registered No: 03331068

PRIORITY SITES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2021



CONTENTS**Page**

Officers and professional advisers

1

Directors' report

2

Independent auditor's report

5

Statement of comprehensive income

8

Balance sheet

9

Statement of changes in equity

10

Notes to the financial statements

11

PRIORITY SITES LIMITED

03331068

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**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 Priority Sites Limited ("the Company") was the trading and management of development property throughout England.

The Company is a subsidiary of NatWest 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 NatWest Group plc review these matters on a group basis. A copy of the NatWest Group annual report is available at www.natwestgroup.com and on Companies House website. A copy can also be requested from Legal, Governance and Regulatory Affairs, NatWest Group, Gogarburn, Edinburgh, PO Box 1000, EH12 1HQ.

NatWest Group comprises NatWest Group plc, its subsidiaries and associated undertakings.

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 retained loss for the year was £129,227 (2020: profit £90,358) and this is transferred from reserves. The directors do not recommend payment of dividend (2020: nil).

At the end of the year, total assets were £10,422,893 (2020: £10,579,313).

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 maturity, interest rate and liquidity. It is undertaken within limits and other policy parameters set by the NatWest Group Asset and Liability Management Committee.

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 cash, investment in group companies 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.

The principal risks associated with the Company are as follows:

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.

DIRECTORS' REPORT**Principal risks and uncertainties (continued)****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 material loans receivable are with NatWest Group. Although credit risk arises this is not considered to be significant and no amounts are past due.

Liquidity risk

Liquidity risk arises where assets and liabilities have different contractual maturities. Management focuses on risk arising from the mismatch of maturities across the balance sheet and from undrawn commitments and other contingent obligations.

Going concern

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

DIRECTORS AND SECRETARY

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

From 1 January 2021 to date, there have been no changes to the directors and secretary of the company.

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 1(a), 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.

DIRECTORS' REPORT

DISCLOSURE OF INFORMATION TO AUDITOR

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

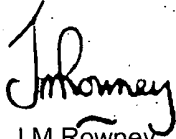
- so far as they are aware there is no relevant audit information of which the Company's auditor is unaware; and
- directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

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:



J M Rowney
Director
Date: 2 Aug 2022

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 2021 which comprise Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16, 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 2021 and of its loss 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. 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 1(a) 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 1(a). 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 contained within the annual report.

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.

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 course of 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 this gives to a material misstatement in the financial statements themselves. 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 3, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

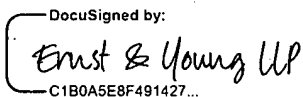
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (Financial Reporting Standard FRS 101 – Reduced Disclosure framework), the Companies Act 2006 and the relevant direct tax compliance regulation in the United Kingdom.
- We understood how the Company is complying with those frameworks by making inquiries of management, those charged with governance and those responsible for legal and compliance matters. We also reviewed meeting minutes of the Board meetings.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by making inquiries of those charged with governance and senior management, performing journal entry testing and reviewing the minutes of the Board meetings.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making inquiries of those charged with governance and senior management. We also reviewed the Ultimate Parent Company's (NatWest Group plc) legal and claim database for any cases related to the Company.

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.

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.

DocuSigned by:

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Cassandra Polegri (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
8 August 2022

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2021

Discontinuing operations	Notes	2021 £	2020 £
Turnover	3	3,500	-
Gross profit		3,500	-
Other operating income	4	-	61,952
Administrative expenses	5	(164,062)	39,492
Operating (loss)/profit		(160,562)	101,444
Interest receivable	6	1,022	9,283
(Loss)/profit before tax		(159,540)	110,727
Tax credit/(charge)	7	30,313	(20,369)
(Loss)/profit and total comprehensive (loss)/income for the year		(129,227)	90,358

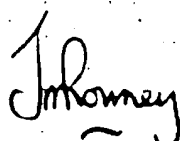
The accompanying notes form an integral part of these financial statements.

BALANCE SHEET
 as at 31 December 2021

	Notes	2021 £	2020 £
Current assets			
Deferred tax asset	7	2,452	2,990
Investment in group companies	8	1,000	1,000
Trade and other receivables	9	506	267
Amount due from group companies	10	-	3,501,500
Current tax asset	7	30,851	-
Cash at bank	11	10,388,084	7,073,556
Total assets		10,422,893	10,579,313
Current liabilities			
Current tax liabilities	7	-	20,097
Amount due to group companies	12	10,000	10,000
Accruals, deferred income and other liabilities	13	10,000	17,096
Total liabilities		20,000	47,193
Equity			
Share capital	14	5,812,000	5,812,000
Retained earnings		4,590,893	4,720,120
Total equity		10,402,893	10,532,120
Total liabilities and equity		10,422,893	10,579,313

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

The financial statements were approved by the Board of Directors on 2 August 2022 and signed on its behalf by:


 J.M Rowney
 Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2021

	Share capital £	Retained earnings £	Total £
At 1 January 2020	5,812,000	4,629,762	10,441,762
Profit for the year	-	90,358	90,358
At 31 December 2020	5,812,000	4,720,120	10,532,120
Loss for the year	-	(129,227)	(129,227)
At 31 December 2021	5,812,000	4,590,893	10,402,893

Total comprehensive loss for the year of £129,227 (2020: income £90,358) 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 an other than going concern basis. Under this basis, the assets have been measured at recoverable values (carrying value less impairment) and liabilities at settlement / transfer values. All other accounting policies remain unchanged from *FRS 101 Reduced Disclosures Framework*.

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 as a going concern. The directors do not consider that this basis affects the measurement of the assets or the liabilities of the Company. The costs of winding up will be borne by NatWest Markets Plc.

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 regard to:
 - comparative information in respect of certain assets;
 - cash-flow statement;
 - standards not yet effective;
 - related party transaction;
 - 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 NatWest Group plc, these accounts are available to the public and can be obtained as set out in note 15.

The changes to IFRS that were effective from 1 January 2021 have had no material effect on the Company's financial statement for the year ended 31 December 2021.

b) 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.

c) Taxation

Tax encompassing 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.

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies (continued)****d) Investments in group companies**

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

e) Financial instruments

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

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

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.

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. The product classifications apply to financial assets that are either designated at fair value through profit or loss, or to equity investments designated as at fair value through other comprehensive income. In all other instances, fair value through profit or loss 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 (check no fair value through profit or loss financial liabilities).

f) 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. Any change in impairment is reported in the profit and loss account. 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.

Expected credit losses are a probability-weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. Following a significant increase in credit risk, ECL are adjusted from 12 months to lifetime. This will lead to a higher impairment charge.

On restructuring where a financial asset is not derecognised, the revised cash flows are used in re-estimating the credit loss. Where restructuring causes derecognition of the original financial asset, the fair value of the replacement asset is used as the closing cash flow of the original asset.

Where, in the course of the orderly realisation of a loan, it is exchanged for equity shares or property, the exchange is accounted for as the sale of the loan and the acquisition of equity securities or investment property. Where the Company's acquired interest in equity shares, relevant policies for control, associates and joint ventures apply.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

h) 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

	2021 £	2020 £
Trading income	3,500	-
	<u>3,500</u>	<u>-</u>

4. Other operating income

	2021 £	2020 £
CBRE liability written off	-	61,952

5. Administrative expenses

	2021 £	2020 £
Legal & professional fees	37,098	668
Audit fees	13,615	10,000
General Rates	-	(6,940)
Legal and other charges-Wharnclyff	130,000	-
Other charges	(16,651)	(43,220)
	<u>164,062</u>	<u>(39,492)</u>

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.

Other charges include sundry expenses, repairs and maintenance. The movement in other charges were due to increase in sundry expenses and repair and maintenance charges.

The actual audit fees for the year being the sum of £13,615 (2020: £10,000). Audit remuneration payable in regards to non-audit services during the year was nil (2020: nil).

6. Interest receivable

	2021 £	2020 £
Interest receivable from group companies	1,022	9,283

7. Tax

	2021 £	2020 £
Current taxation:		
UK corporation tax (credit)/charge for the year	(30,851)	20,097
	<u>(30,851)</u>	<u>20,097</u>
Deferred taxation:		
Charge for the year	538	272
Tax (credit)/charge for the year	<u>(30,313)</u>	<u>20,369</u>

NOTES TO THE FINANCIAL STATEMENTS

7. Tax (continued)

The actual tax (credit)/charge differs from the expected tax (credit)/charge computed by applying the standard rate of UK corporation tax of 19% (2020: 19%) as follows:

	2021 £	2020 £
Expected tax (credit)/charge	(30,313)	21,038
Income not taxable	-	(285)
Movement in deferred tax following change in rate of UK corporation tax	-	(384)
Actual tax (credit)/charge for the year	(30,313)	20,369

The UK Corporation tax rate applicable to the company from 1 April 2020 is 19%. It was announced in the UK Government's Budget on 3 March 2021 that the main UK corporation tax rate will increase to 25% from 1 April 2023. This change was substantively enacted on 24 May 2021. Closing deferred tax assets and liabilities have therefore been recalculated taking into account this change of rate and the applicable period when the deferred tax assets and liabilities are expected to crystallise.

Deferred tax

Net deferred tax asset comprises:

	Capital allowances £
At 1 January 2020	3,262
Charge to profit and loss	(272)
At 31 December 2020	2,990
Charge to profit and loss	(538)
At 31 December 2021	2,452

8. Investments in group companies

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

	2021 £	2020 £
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 Priority Sites Investments Limited (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.

NOTES TO THE FINANCIAL STATEMENTS

8. Investments in group companies (continued)

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

	2021 £	2020 £
Value added tax	506	267

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

10. Amount due from Group Companies

	2021 £	2020 £
NatWest Markets Plc	-	3,500,000
Priority Sites Investments Ltd	-	1,500
	-	3,501,500

11. Cash at bank

	2021 £	2020 £
Cash at bank	10,388,084	7,073,556

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.

12. Amounts due to group companies

	2021 £	2020 £
NatWest Markets Plc	10,000	10,000
	2021 £	2020 £
Amounts falling due within one year	10,000	10,000

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

13. Accruals, deferred income and other liabilities

	2021 £	2020 £
Accruals	10,000	17,096

NOTES TO THE FINANCIAL STATEMENTS

14. Share capital

	2021 £	2020 £
Allotted, called-up and fully paid:		
Equity shares		
5,812,000 ordinary shares of £1	<u>5,812,000</u>	<u>5,812,000</u>

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

15. Related parties

UK Government

The UK Government's 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 2021

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

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

16. Post balance sheet event

On 4 March 2022, the board directors approved a proposal of to reduce the share capital of the Company from £5,812,000 divided into 5,812,000 shares of £1 each to £1 divided into 1 ordinary share of £1 ("Capital Reduction"). It was noted that the Capital Reduction would be carried out by means of a special resolution of the Company supported by a solvency statement to be made by the Directors.

On 28 April 2022, an interim dividend of £9,500,000 in respect to the Company's ordinary shares was paid.