

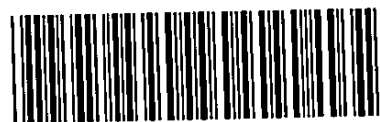
Company Number 3663932

# **MLC SAVINGS LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**30 SEPTEMBER 2011**

TUESDAY



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**MLC SAVINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2011**

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**MLC SAVINGS LIMITED**  
**Officers and Professional Advisers**

**Directors** Lesley Beattie (Appointed 29 June 2011)  
Ian Jackson  
Stephen Reid

**Secretary** Bernadette Lewis

**Registered Office** 88 Wood Street  
London  
EC2V 7QQ

**Bankers** Clydesdale Bank PLC

**Auditors** Ernst & Young LLP  
Registered Auditor  
Ten George Street  
Edinburgh  
EH2 2DZ

## **MLC SAVINGS LIMITED**

### **Report of the Directors**

The Directors of MLC Savings Limited ("the Company") submit their report and Financial Statements for the year ended 30 September 2011

#### **Activities**

The Company receives trail commission relating to the sale of its investment business in 2009

#### **Profits and appropriations**

The profit attributable to the shareholder for the year ended 30 September 2011 amounted to £33 000 (2010 £31 000)

There were no dividends paid during the year to 30 September 2011 (2010 £Nil). The Directors do not recommend the payment of a final dividend on the ordinary shares and non-cumulative preference shares in respect of this financial year (2010 £Nil).

#### **Business Review**

The Directors consider that the Company's activities will remain unchanged for the foreseeable future

#### **Principal risks and uncertainties**

The key risks facing the Company are discussed further in note 10

#### **Directors and Directors' interests**

The current Directors are shown on page 2

#### **Appointments**

Lesley Beattie	29 June 2011
Scott Butterworth	25 February 2011

#### **Resignations**

Iain Smith	25 February 2011
Dean Cutbill	3 May 2011
Lynne Peacock	30 June 2011
Scott Butterworth	26 January 2012

#### Director' interests

No Director had any interest in the shares, debentures or share options of the Company at any time during the year. As the Company is a wholly-owned subsidiary of National Australia Bank Limited ("NAB"), which is incorporated in Australia, any interest which the Directors may have in NAB does not need to be notified to the Company so is not disclosed in this report.

#### Directors' liabilities

During the year the NAB Group paid a premium for a contract insuring the directors and officers of NAB, its subsidiaries and controlled entities against personal liabilities which may arise in the course of the performance of their duties as well as protecting the Company itself to the extent that it is obligated to indemnify directors and officers for such liability.

#### Directors' remuneration

The Directors of the Company are remunerated as employees of the National Australia Group Europe Limited ("NAGE") and do not receive incremental remuneration in respect of their duties as Directors of the Company. As there has been no substantial new activity in the year requiring executive input, the Directors believe it would be inappropriate to apportion part of their remuneration as being in respect of their duties to the Company.

## **MLC SAVINGS LIMITED**

### **Report of the Directors (continued)**

#### **Corporate governance**

It is the Company's policy not to include all the disclosures in respect of voluntary corporate governance Codes of Practice as it is a wholly owned subsidiary of NAB. The NAB Group's 2011 Annual Financial Statements detail the Corporate Governance framework applicable to the Company. These disclosures are made after consideration of authoritative pronouncements on audit committees and associated disclosures in Australia, the USA and the UK.

#### **Re-appointment of auditors**

In accordance with section 487 of the Companies Act 2006, the Company's auditors, Ernst & Young LLP, will be deemed to have been re-appointed at the end of the period of 28 days following circulation of copies of these Financial Statements as no notice has been received from members pursuant to section 488 of the Companies Act 2006 prior to the end of the accounting reference period to which these Financial Statements relate.

#### **Financial risk management**

Details of the Company's critical accounting policies and key sources of accounting judgements are included in the accounting policies note set out in note 2.

The Directors consider there not to be a material exposure to market risk. The impact of market price volatility did not have a significant effect on the operating activities of the Company. The Directors consider, liquidity and interest rate risk not to have a material effect on the Company's financial performance. Detail on the group's market and liquidity risk is discussed in notes 10 in the accounts.

#### **Directors' statement as to disclosure of information to auditors**

The Directors who were members of the board at the time of approving the Directors' report are listed on page 2. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware, and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Going concern**

As set out in note 2, after making enquiries the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

By order of the Board



Stephen Reid  
Director  
19 June 2012

## **MLC SAVINGS LIMITED**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable United Kingdom law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union

Company Law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that financial year. In preparing those Financial Statements, 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,
- make judgements and estimates that are reasonable and prudent,
- provide additional disclosures when compliance with the specific requirements of IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- state that the Company has complied with IFRSs, subject to any material departures disclosed and explained in the Financial Statements

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the Financial Statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **MLC SAVINGS LIMITED**

### **Independent Auditor's Report to the members of MLC Savings Limited**

We have audited the Financial Statements of MLC Savings Limited for the year ended 30 September 2011 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flow and the Statements of Changes in Equity, and the related notes 1 to 12. 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 members and auditor**

As explained more fully in the Statement of Director's Responsibilities on page 5, the members 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 September 2011 and of its profit for the period 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

## **MLC SAVINGS LIMITED**

### **Independent Auditor's Report to the members of MLC Savings Limited**

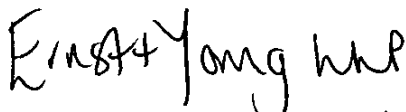
#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the Financial Statements are prepared is consistent with the Financial Statements

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 members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Caroline Mercer (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Edinburgh  
19 June 2012



**MLC SAVINGS LIMITED****Statement of Comprehensive Income for the year ended 30 September 2011**

	Note	2011 £'000	2010 £ 000
Trail commission		22	22
<b>Operating profit</b>		<u>22</u>	<u>22</u>
Interest receivable	3	10	21
<b>Total comprehensive income for the year before tax</b>		<u>32</u>	<u>43</u>
Taxation credit/(charge)	4	1	(12)
<b>Total comprehensive income for the year</b>		<u><u>33</u></u>	<u><u>31</u></u>

All material items dealt with in arriving at the profit on ordinary activities before tax for 2011 and 2010 relate to continuing operations

**MLC SAVINGS LIMITED**  
**Balance Sheet as at 30 September 2011**

	Note	2011 £'000	2010 £'000
<b>Current assets</b>			
Cash at bank	7	5,842	5 792
Trade and other receivables		-	4
<b>Total assets</b>		<u>5,842</u>	<u>5,796</u>
<b>Current liabilities</b>			
Due to related entities	8	26	15
Corporation tax		4	2
<b>Total liabilities</b>		<u>30</u>	<u>17</u>
<b>Net assets</b>		<u><u>5,812</u></u>	<u><u>5,779</u></u>
<b>Shareholder's equity</b>			
Called up share capital	5	4,250	4,250
Retained earnings	6	<u>1,562</u>	<u>1,529</u>
<b>Total shareholder's equity</b>		<u><u>5,812</u></u>	<u><u>5,779</u></u>

These Financial Statements were approved by the Board of Directors on the 19 June 2012 and were signed on it's behalf



**Stephen Reid**  
**Director**

**MLC SAVINGS LIMITED****Statement of Cash Flows for the year ended 30 September 2011**

	Note	2011 £'000	2010 £'000
<b>Cash flows from operating activities</b>			
Operating profit		22	22
<b>Changes in operating assets and liabilities</b>			
<i>Net decrease in</i>			
Trade and other receivables		4	85
<i>Net decrease/(increase) in</i>			
Due to related entities		11	(811)
Net cash provided by/(used in) operating activities before tax		<u>37</u>	<u>(704)</u>
Payments made for group relief		<u>3</u>	<u>(20)</u>
<b>Net cash provided by/(used in) operating activities</b>		<u>40</u>	<u>(724)</u>
<b>Cash flows from financing activities</b>			
Interest received from group companies		-	6
Interest received from non group companies		10	15
<b>Net cash provided by financing activities</b>	-	<u>10</u>	<u>21</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		50	(703)
Cash and cash equivalents at beginning of year		<u>5,792</u>	<u>6 495</u>
<b>Cash and cash equivalents at end of year</b>	7	<u>5,842</u>	<u>5,792</u>

**MLC SAVINGS LIMITED****Statement of Changes in Shareholder's Equity for the year ended 30 September 2011**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	33	31
Opening shareholder's funds	5,779	5 748
Closing shareholder's funds	<u><u>5,812</u></u>	<u><u>5 779</u></u>

## **MLC SAVINGS LIMITED**

### **Notes to the Financial Statements**

#### **1. Authorisation of Financial Statements and statement of compliance with IFRS**

The Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The principal accounting policies adopted by the Company are set out in note 2.

The Financial Statements of MLC Savings Limited for the year ended 30 September 2011 were authorised for issue by the board of Directors on 19 June 2012 and the balance sheet was signed on the board's behalf by Stephen Reid.

MLC Savings Limited is incorporated in the UK and registered in England & Wales.

#### **2. Accounting policies**

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Assumptions made at each balance sheet date are based on best estimates at that date.

The Financial Statements have been prepared on the going concern basis under the historical cost convention, as modified by the application of fair value measurements.

#### **Significant accounting judgements and estimates**

In the process of applying the Company's accounting policies, management has exercised judgements and estimates in determining the amounts recognised in the Financial Statements. The most significant use of judgements and estimates are as follows:

##### *Going concern*

The Company's business activities are set out in the Business Review. In addition, note 10 to the Financial Statements includes the Group's risk management objectives and note 9 to the Financial Statements includes the Company's objectives, policies and processes for managing its capital.

The Company's principal sources of income are the receipt of trail commission from the sale of an investment business and interest income from funds on deposit. The Company incurs no direct expenses.

The Company is profitable and is forecast to continue to be so. The Company has net current assets with sufficient liquid resources and shareholder's equity has increased on the prior period. As a consequence, the Directors believe the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries as set out above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the Financial Statements.

#### **Functional and presentation currency**

All amounts are expressed in pounds sterling, which is the Company's functional and presentation currency, rounded to the nearest thousand pounds unless otherwise stated.

#### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

##### *Trail Commission*

The Company receives trail commission in respect of pension products transferred to AXA Group. Due to the nature of the income received this is accounted for on a cash basis.

## MLC SAVINGS LIMITED

### Notes to the Financial Statements (continued)

#### 2 Accounting policies (continued)

##### Corporation tax

Corporation tax on the profit or loss for the year comprises current tax. Corporation tax is recognised in the income statement except to the extent that it is related to items recognised in equity in which case the tax is also recognised in equity.

Corporation tax expense is the tax payable on the current period's taxable income based on the applicable tax rate adjusted by changes in deferred tax assets and liabilities.

##### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

##### Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise balances within three months maturity from the date of inception.

##### Accounting developments

The Company has adopted the following standards, interpretations and amendments which have been endorsed by the European Union. None of the following standards, interpretations and amendments had a material impact on the Company's Financial Statements.

##### (i) Applied in the current financial year

###### - Improvements to IFRSs 2010

Improvements to IFRSs 2010, issued 6 May 2010, makes numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvement project. Certain amendments are effective for financial periods beginning on or after 1 July 2010.

##### (ii) Early adopted and applied in the current financial year

The Company has not early adopted any standard, interpretation or amendment.

##### (iii) To be applied in a future reporting period

The following standards, interpretations and amendments were available for adoption in the European Union, but not mandatory, for the 30 September 2011 reporting period. Those amendments which are applicable to the Company and which are not likely to have an impact on the Company's Financial Statements and have not yet been applied by the Company in preparing this financial report are as follows:

- Revision to IAS 24 Related Party Disclosures, issued 4 November 2009 and effective for financial periods beginning on or after 1 January 2011.

The following standards, interpretations and amendments were not available for adoption in the European Union for the 30 September 2011 reporting period. Those amendments which are applicable to the Company and, which are likely to have an impact on the Company's Financial Statements, and have not yet been applied or early adopted by the Company in preparing this financial report are:

- IFRS 13 Fair Value Measurement, issued May 2011 and effective for financial periods beginning on or after 1 January 2013.

#### 3 Interest receivable

	2011 £'000	2010 £ 000
Interest receivable - group companies (note 8)	-	6
Interest receivable - non group companies	10	15
	<u>10</u>	<u>21</u>

**MLC SAVINGS LIMITED**  
**Notes to the Financial Statements (continued)**

**4 Tax expense**

**a) Analysis of charge in year**

	2011 £'000	2010 £'000
The charge for taxation comprises		
<i>Current tax</i>		
United Kingdom corporation tax at 27%		
- current year	8	12
- prior year	(9)	-
Total tax (credit)/charge for year	<u>(1)</u>	<u>12</u>

**b) Factors affecting tax charge for the year**

Tax assessed for the year is the standard rate of corporation tax in the UK 27% (2010 28%)

	2011 £'000	2010 £'000
Profit on ordinary activities before tax	<u>32</u>	<u>43</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27% (2010 28%)	8	12
Adjustments to tax charge in respect of previous periods	(9)	-
<b>Total tax charge for the year</b>	<u>(1)</u>	<u>12</u>

On 21 March 2012 the UK Government announced a further reduction to the standard rate of corporation tax from the already announced 25% to 24% and this will be effective from 1 April 2012. The UK Government also confirmed its intention to reduce the corporation tax rate by a further 1% per annum falling to 23% from 1 April 2013 and 22% from 1 April 2014. The 23% rate is expected to be substantively enacted in July 2012.

**5. Share capital**

Authorised	Number	£'000
Ordinary shares of £1 each	2,000,000	2,000
Non-cumulative preference shares of £1 each	2,500,000	2,500
<b>At 30 September 2011 and 2010</b>	<u>4,500,000</u>	<u>4,500</u>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	1,750,001	1,750
Non-cumulative preference shares of £1 each	2,500,000	2,500
<b>At 30 September 2011 and 2010</b>	<u>4,250,001</u>	<u>4,250</u>

**Non-cumulative preference shares**

- (1) Entitle holders, in priority to holders of all other class of shares, to a fixed non-cumulative preferential dividend at a rate of 0.1% per annum per share on the nominal capital paid up.
- (2) On a return of capital on winding-up, or (other than on redemption or purchase of shares) otherwise, will carry the right to repayment of capital. This right is in priority to the rights of ordinary shares.
- (3) The Company shall have the right to redeem at any time and from time to time after the date, which is in each case five years after the issue of such shares, all or any of the Preference Shares for the time being issued and outstanding, upon giving the holders at least 28 days prior notice in writing of the date when such redemption is to occur.

**MLC SAVINGS LIMITED**  
**Notes to the Financial Statements (continued)**

**6. Retained earnings**

	2011 £'000	2010 £'000
At 1 October	1,529	1 498
Comprehensive Income for the year	33	31
At 30 September	<u>1,562</u>	<u>1 529</u>

**7. Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprises the following balances due within 3 months at inception

	2011 £'000	2010 £'000
Cash at bank and on hand	5,842	2,792
Short-term deposits	-	3,000
	<u>5,842</u>	<u>5 792</u>

Cash at bank held with Clydesdale Bank PLC earned interest at floating rates based upon daily bank deposit rates

**8 Related party transactions**

The immediate parent undertaking is National Europe Holdings Wealth Management Limited ("NEHWM") a Company incorporated in the United Kingdom

The ultimate parent undertaking, and ultimate controlling party, is NAB, a Company incorporated in the State of Victoria, Australia. This Company also heads the largest group in which the results of the Company are consolidated

The Company receives a range of services from the parent and related parties, including loans and various administration services

	2011 £'000	2010 £'000
<b>Amount due from related entities</b>		
<i>Cash at bank</i>		
Controlled entities of the ultimate parent	<u>5,842</u>	<u>2,792</u>
	<u>5,842</u>	<u>2,792</u>
<b>Amounts due to related undertakings</b>		
<i>Trade and other payables</i>		
Controlled entities of the ultimate parent	<u>26</u>	<u>15</u>
<b>Transactions with related entities</b>		
<i>Interest receivable</i>		
Controlled entities of the ultimate parent	<u>-</u>	<u>6</u>

**Transactions with Directors, key management and their close family members**

There were no transactions with Directors key management or their close family members during the year and no amounts outstanding at 30 September 2011 under transactions, arrangements and agreements with the Company from Directors key management and their close family members during the year. Amounts outstanding under transactions, arrangements and agreements with credit institutions within the NAB Group for Directors are disclosed in the consolidated Financial Statements of NAB, which are publicly available



## **MLC SAVINGS LIMITED**

### **Notes to the Financial Statements (continued)**

#### **8 Related party transactions (continued)**

##### ***Other related party transactions***

In the normal course of business the Company maintains accounts and conducts transactions with other members of the NAB Group. The Company's audit fees are borne by NAGE who paid £6 000 on behalf of the Company in the current financial year (2010 £15,000).

##### ***Directors' remuneration***

The Directors are employed as executives of other NAGE Group companies. The aggregate emoluments of the Directors of the Company were £Nil (2010 £Nil).

#### **9. Capital Management**

The Company's prime objective is to provide a sufficient capital base to cover business risks, maintain a targeted credit rating and to support future business development. The Company considers its capital to be total shareholders equity as shown in the balance sheet.

#### **10 Financial Risk Management**

##### **Management of Risk**

In line with the NAB Group Risk Charter, the Company's approach to risk management is based on an overriding principle that risk management capability must be embedded within the business' front-line teams to be effective.

Control is exercised through clearly defined delegation of authority, with clear and rapid communication and escalation channels throughout the organisation. The first line of defence comprises the business units managing the risk associated with their activities. The second line encompasses dedicated risk functions who are accountable for independent monitoring and oversight. The third line of defence relates to Internal Audit independently reviewing, monitoring and testing business unit compliance with risk policies and procedures, and regularly assessing the overall effectiveness of the risk management framework.

##### **Operational risk and compliance**

Operational risk is the risk of loss resulting from inadequate or failed processes, people or systems, or from external events. The NAB Group continues to place significant focus on improving its operational risk management processes and systems. One area of improvement has been the governance process supporting operational risk management, including in particular, revisions to the Group Operational Risk and Compliance Committee charter and the reporting and escalation of risks and issues.

Various reports are produced at management, Board sub-committee and Board level to assist with their oversight and monitoring obligations.

##### **Strategy in using financial instruments**

The Company does not have any exposure to fair value hedging, cash flow hedging, derivatives or credit related commitments.

##### **Market risk**

The Directors consider the Company to have a minimum exposure to market risk. The impact of market price volatility does not have a significant effect on the operating activities of the Company.

##### **Credit risk**

Credit risk is the risk of loss resulting from the failure of a counterparty to perform its financial obligations or to perform them in a timely fashion. The Company holds no significant concentrations of credit risk, and cash is held with at least BBB+ rated banks (Standard and Poor's rating). The amount disclosed in the balance sheet in respect of current assets of £5,842,000 (2010 £5,796 000) represents the Company's maximum exposure to credit risk.

**MLC SAVINGS LIMITED**  
**Notes to the Financial Statements (continued)**

**10. Financial Risk Management (continued)**

**Interest Rate Risk**

The exposure to interest rate risk is related to cash balances held with related parties. Therefore, the Directors consider this risk to be minimal.

**Liquidity and funding risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities when they fall due. Liquidity risk arises from the possibility that market conditions prevailing at some point in the future will require the Company to sell assets at a value which is below their underlying worth. The liquidity can be reduced substantially as a result of external economic or market events, market size or the actions of individual participants.

Due to the nature of the Company's operations, cash balances are held with related parties. The Directors therefore consider the exposure to liquidity risk to be minimal.

<b>2011</b>	<b>Call £'000</b>	<b>3 months or less £'000</b>	<b>No specified maturity £'000</b>	<b>Total £'000</b>
<b>Assets</b>				
Cash at bank	5,842	-	-	5,842
<b>Liabilities</b>				
Due to related entities	-	-	26	26
Corporation tax	4	-	-	4
	4	-	26	30
<b>2010</b>				
	<b>Call £'000</b>	<b>3 months or less £'000</b>	<b>No specified maturity £'000</b>	<b>Total £'000</b>
<b>Assets</b>				
Cash at bank	2,792	3,000	-	5,792
Trade and other receivables	4	-	-	4
	2,796	3,000	-	5,796
<b>Liabilities</b>				
Due to related entities	-	-	15	15
Corporation tax	2	-	-	2
	2	-	15	17

**Cash flows payable under financial liabilities**

<b>2011</b>	<b>Call £'000</b>	<b>No specified maturity £'000</b>	<b>Total £'000</b>
Due to related entities	-	26	26
Corporation tax	4	-	4
	4	26	30
<b>2010</b>			
	<b>Call £'000</b>	<b>No specified maturity £'000</b>	<b>Total £'000</b>
Due to related entities	-	15	15
Corporation tax	2	-	2
	2	15	17

The amounts above agree to the balances reported in the Company's balance sheet as these amounts reflect the best estimate of the values which will be settled when the liabilities fall due.

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## **MLC SAVINGS LIMITED**

### **Notes to the Financial Statements (continued)**

#### **11. Employees**

All staff were provided by NAGE group companies to fellow subsidiaries of National Wealth Management Europe Holdings Limited

#### **12. Events since the balance sheet date**

On the 21st December 2011 the Company made a loan to its immediate holding company NEHWM for £5m. The funds were used by NEHWM to repay a loan to NAB.