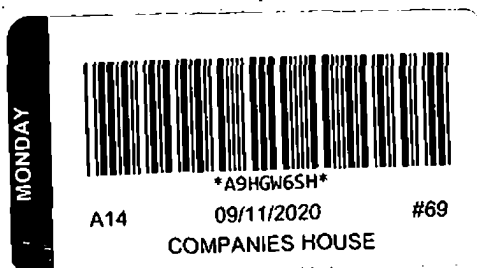


**Company Registered No: 05039276**

**RBS ASSET FINANCE EUROPE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2019**



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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**

L Conner  
I A Ellis  
E M Mayes

**COMPANY SECRETARY:**

NatWest Group Secretarial Services Limited (Previously known  
as RBS Secretarial Services Limited)

**REGISTERED OFFICE:**

250 Bishopsgate  
London  
England  
EC2M 4AA

**INDEPENDENT AUDITOR:**

Ernst & Young LLP  
Statutory Auditor  
The Paragon  
Counterslip  
Bristol  
BS1 6BX

**Registered in England and Wales**

**DIRECTORS' REPORT**

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

**CHANGE OF REGISTERED OFFICE**

On 12 April 2019, the Registered Office of the Company changed from The Quadrangle, The Promenade, Cheltenham, GL50 1PX to 250 Bishopsgate, London, England, EC2M 4AA.

**ACTIVITIES AND BUSINESS REVIEW**

This 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**

Prior to disposal of the lease, the principal activity of the Company was the provision of fixed asset finance usually involving individually structured facilities.

**Review of the year****Business review**

In May 2019, the Company disposed of its lease resulting in it ceasing to trade and has subsequently remained dormant.

**Financial performance**

The retained profit for the year was €319k (2018: retained loss €3k) and this was transferred to reserves.

The directors do not recommend payment of ordinary 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 Royal Bank Leasing Limited. These are denominated in Euros which is the functional currency and carry no significant financial risk. These financial statements are prepared in Euros.

The principal risks associated with the Company were as follows:

**Interest rate risk**

Structural interest rate risk arises where assets and liabilities have different re-pricing maturities.

The Company managed interest rate risk by monitoring the consistency in the interest rate profile of its assets and liabilities, and limiting any re-pricing mismatches.

**Currency risk**

The Company undertakes certain transactions denominated in foreign currencies, hence exchange rate fluctuations arise. The Company's policy is normally to match foreign currency receivables with borrowings in the same currency. The Company does not maintain material non-trading open currency positions.

**Operational risk**

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

**DIRECTORS' REPORT****Outlook of the entity**

The Company ceased to trade during the period and it's the intention of the Directors to liquidate the entity within the next 12 months of these financial statements being approved. As required by IAS 1 Presentation of Financial Statements, the financial statements continued to be prepared on a basis other than going concern. No material adjustments to the valuation of the assets at recoverable amount and liabilities at settlement value were required as a result of preparing the financial statements on other than going concern basis. Any cost of liquidation will be borne by Royal Bank Leasing Limited.

**Going concern**

These financial statements are prepared on a basis other than going concern, see note 1(a) 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:

<b>Directors</b>	<b>Appointed</b>	<b>Resigned</b>
E M Mayes	10 May 2019	-
D G Harris	-	1 November 2019
S J Roulston	-	18 November 2019
L Conner	18 November 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 year. 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 the Directors' Report and Note 1(a), the financial statements have been prepared 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.

**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:



L Conner  
Director

Date: 27 October 2020

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBS ASSET FINANCE EUROPE LIMITED**

## **Opinion**

We have audited the financial statements of RBS Asset Finance Europe 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 14 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 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.

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 RBS ASSET FINANCE EUROPE 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirements 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 RBS ASSET FINANCE EUROPE 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.

A handwritten signature in black ink that reads "Ernst & Young LLP". The signature is written in a cursive, flowing style with a horizontal line underneath the text.

**Richard Page** (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Bristol, United Kingdom  
Date: 30 October 2020

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 31 December 2019

		2019	2018
	Notes	€'000	€'000
<b>Income from continuing operations</b>			
Turnover	3	197	660
Operating income	4	200	8
Operating expenses	5	(25)	(10)
Impairment reversal of losses	6	201	186
<b>Operating profit</b>		<b>573</b>	<b>844</b>
Finance costs	7	(179)	(615)
<b>Profit before tax</b>		<b>394</b>	<b>229</b>
Tax charge	8	(75)	(232)
<b>Profit/(loss) and total comprehensive income/(loss) for the year</b>		<b>319</b>	<b>(3)</b>

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

**BALANCE SHEET**  
 as at 31 December 2019

	Notes	2019 €'000	2018 €'000
<b>Current assets</b>			
Finance lease receivables	9	-	13,977
Cash at bank		1,517	771
		<u>1,517</u>	<u>14,748</u>
<b>Total assets</b>		<u>1,517</u>	<u>14,748</u>
<b>Current liabilities</b>			
Deferred tax liability	8	-	2,516
Borrowings	10	-	11,267
Trade and other payables	11	-	10
Current tax liabilities		357	10
Accruals, deferred income and other liabilities	12	99	203
		<u>456</u>	<u>14,006</u>
<b>Total liabilities</b>		<u>456</u>	<u>14,006</u>
<b>Equity</b>			
Called up share capital	13	-	-
Profit and loss account		1,061	742
<b>Total equity</b>		<u>1,061</u>	<u>742</u>
<b>Total liabilities and equity</b>		<u>1,517</u>	<u>14,748</u>

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

The financial statements of the Company were approved by the Board of Directors on 27 October 2020, signed on its behalf by:



L. Conner  
Director

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

	Share Capital €'000	Profit and loss account €'000	Total €'000
At 1 January 2018	-	1,060	1,060
Loss for the year	-	(3)	(3)
Implementation of IFRS9 on 1 January 2018	-	(315)	(315)
At 31 December 2018	-	742	742
Profit for the year	-	319	319
At 31 December 2019	-	1,061	1,061

Total comprehensive income for the year of €319k (2018: comprehensive loss €3k) 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 financial statements**

These financial statements are prepared:

- on an 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 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 Royal Bank Leasing Limited.

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 Holdings 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.

- 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 Euros 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 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 14.

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

**b) Foreign currencies**

Transactions in foreign currencies are translated into Euros at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Foreign exchange differences arising on translation are reported in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS****1. Accounting policies (continued)****c) Revenue recognition**

Turnover comprised income from finance leases, loans, and other services which arose in the United Kingdom from continuing activities.

Finance lease income was allocated to accounting periods so as to give a constant periodic rate of return before tax on the net investment. Unguaranteed residual values were subject to regular review, if there was a reduction in the estimated unguaranteed residual value, income allocation was revised and any reduction in respect of amounts accrued is recognised immediately.

Revenue from the sale of rental assets is recognised on transfer of ownership.

Fees in respect of services are recognised as the right to consideration accrues through the performance of each distinct service obligation to the customer. The arrangements are generally contractual and the cost of providing the service is incurred as the service is rendered. The price is usually fixed and always determinable.

Interest income or expense relates to financial instruments measured at amortised cost and debt instruments classified as fair value through OCI using the effective interest rate method, the effective part of any related accounting hedging instruments and finance lease income recognised at a constant periodic rate of return before tax on the net investment. Negative effective interest accruing to financial assets is presented in interest payable.

Other interest relating to financial instruments measured at fair value is recognised as part of the movement in fair value.

IFRS requires rental income to be calculated using the interest rate at inception of the lease; variations from that rate are presented as contingent rentals.

**c) 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 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.

**d) Leases**

The Company has adopted IFRS 16 'Leases' with effect from 1 January 2019, replacing IAS 17 'Leases'. The Company has applied IFRS 16 on a modified retrospective basis.

**As lessor**

Finance lease contracts are those which transfer substantially all the risks and rewards of ownership of an asset to a customer. All other contracts with customers to lease assets are classified as operating leases.

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

Loans to customers include finance lease receivables measured at the net investment in the lease, comprising the minimum lease payments and any unguaranteed residual value discounted at the interest rate implicit in the lease. Interest receivable includes finance lease income recognised at a constant periodic rate of return before tax on the net investment. Unguaranteed residual values are subject to regular review; if there is a reduction in their value, income allocation is revised and any reduction in respect of amounts accrued is recognised immediately.

**e) 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, 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.

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.

**f) 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, cancelled or expires.

**2. Critical accounting policies and key sources of estimation uncertainty**

The reported results of the Company were 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 factors the directors considered most important to the portrayal of the company's performance and financial condition are discussed below.

**Leased assets**

Judgement was required in the classification of a lease at inception and after any material amendment to assess whether substantially all the significant risks and rewards of ownership accrue to the lessor or the lessee.

## NOTES TO THE FINANCIAL STATEMENTS

## 3. Turnover

	2019 €'000	2018 €'000
Finance lease income:		
Rents receivable	1,802	4,907
Amortisation	(1,572)	(4,202)
Contingent rental expense	(33)	(45)
	<u>197</u>	<u>660</u>

The Company did not enter into any new leasing transactions during the year (2018: nil).

## 4. Operating income

	2019 €'000	2018 €'000
Profit on disposal of lease asset	165	-
Fee income	3	8
Management fees	16	-
Other income	16	-
	<u>200</u>	<u>8</u>

Management fees are a net credit of €16k made up of charge for 2019 of €25k and release of over accrual from 2017 and 2018 of €41k. The change in estimate is due to the basis of management fee recharges being updated during the year.

## 5. Operating expenses

	2019 €'000	2018 €'000
Audit fee	24	(13)
Management fees	-	23
Exchange losses/(gains)	1	(1)
Other charges	-	1
	<u>25</u>	<u>10</u>

Management fees include the costs of staff and directors borne by other members of the group, none of which can be apportioned meaningfully in respect of services to the Company.

## 6. Impairment reversal of losses

	2019 €'000	2018 €'000
Impairment reversal of losses on finance leases	<u>(201)</u>	<u>(186)</u>

## 7. Finance costs

	2019 €'000	2018 €'000
Interest on loans from group companies	177	615
Break costs	2	-
	<u>179</u>	<u>615</u>



## NOTES TO THE FINANCIAL STATEMENTS

## 8. Tax

	2019 €'000	2018 €'000
<b>Current tax:</b>		
UK corporation tax charge for the year	2,591	626
Under provision in respect of prior periods	-	5
	2,591	631
<b>Deferred taxation:</b>		
Credit for the year	(2,516)	(399)
Tax charge for the year	75	232

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 €'000	2018 €'000
Expected tax charge	75	43
Non-deductible items	-	5
Adjustments in respect of prior periods	-	5
Reduction in deferred tax following change in tax rates	-	179
Actual tax charge for the year	75	232

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest 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. 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 rate to 17% from 1 April 2020 would not proceed. Instead, the UK Corporation tax rate will remain at 19%. This change was substantively enacted on 17 March 2020. 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 non-adjusting post balance sheet date change in tax rate is not expected to be material.

**Deferred tax**

Deferred tax liability comprises:

	Capital allowances €'000	Total €'000
<b>1 January 2018</b>	2,988	2,988
Credit to profit and loss	(399)	(399)
Implementation of IFRS 9 on 1 January 2018	(73)	(73)
<b>At 31 December 2018</b>	2,516	2,516
Credit to profit and loss	(2,516)	(2,516)
<b>At 31 December 2019</b>	-	-

## NOTES TO THE FINANCIAL STATEMENTS

## 9. Finance lease receivables

	2019 €'000	
<b>Amounts included in income statement for finance leases</b>		
Finance income on the net investment in leases		230
Income relating to variable lease payments not included in measurement to net investment in lease		(33)
Selling profit or loss		165
		<u>362</u>
	<b>Within 1 year €'000</b>	<b>Total €'000</b>
2018		
Future minimum lease payments	15,254	15,254
Unearned finance income	(1,076)	(1,076)
Impairment provisions	(201)	(201)
Present value of minimum lease payments receivable	<u>13,977</u>	<u>13,977</u>
Analysed as:	<b>2019 €'000</b>	<b>2018 €'000</b>
Due within one year	<u>-</u>	<u>13,977</u>
	<u>-</u>	<u>13,977</u>

The Company did not enter into a finance leasing arrangement during the year. The Finance lease was disposed of in May 2019. It had an average term of 15 years.

Unguaranteed residual values are estimated at nil (2018: nil)

The average effective interest rate in relation to finance lease agreements approximates nil (2018: 4.2%).

## 10. Borrowings

	2019 €'000	2018 €'000
<b>Due within one year</b>		
Amounts due to parent company Royal Bank Leasing Limited	<u>-</u>	<u>11,267</u>

## 11. Trade and other payables

	2019 €'000	2018 €'000
<b>Due within one year</b>		
Other payables	<u>-</u>	<u>10</u>

## 12. Accruals, deferred income and other liabilities

	2019 €'000	2018 €'000
Accruals	99	190
Deferred income	-	13
	<u>99</u>	<u>203</u>

## NOTES TO THE FINANCIAL STATEMENTS

## 13. Share capital

	2019 €	2018 €
<b>Authorised:</b>		
1,000 Ordinary shares of €1 each	1,000	1,000
100 Deferred ordinary shares of £1 each	136	136
	<b>1,136</b>	<b>1,136</b>
<b>Allotted, called up and fully paid:</b>		
Equity shares		
100 Ordinary shares of €1 each	100	100
2 Deferred ordinary shares of £1 each	3	3
	<b>103</b>	<b>103</b>

The deferred ordinary shares carry no dividend nor voting rights and have no preferential rights to return of capital on winding up. The Company may repurchase these shares at any time for an aggregate consideration of £1.

The value attributed to the Sterling share capital is based on the exchange rate prevailing at the date of issue.

Both classes of ordinary shares carry no right to fixed income.

## 14. 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**

As at 31 December 2019

The Company's immediate parent was:	Royal Bank Leasing Limited
The smallest consolidated accounts including the Company were prepared by:	National Westminster Bank plc
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.