

Company Registered No: 05984100

TOTAL CAPITAL FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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TOTAL CAPITAL FINANCE LIMITED**05984100****CONTENTS****Page**

OFFICERS AND PROFESSIONAL ADVISERS

1

DIRECTORS' REPORT

2

INDEPENDENT AUDITOR'S REPORT

6

PROFIT AND LOSS ACCOUNT

8

STATEMENT OF COMPREHENSIVE INCOME

9

BALANCE SHEET

10

STATEMENT OF CHANGES IN EQUITY

11

NOTES TO THE FINANCIAL STATEMENTS

12

TOTAL CAPITAL FINANCE LIMITED

05984100

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

T J D Boag
L R Morse

SECRETARY:

RBS Secretarial Services Limited

REGISTERED OFFICE:

1 Princes Street
London
England
EC2R 8PB

INDEPENDENT AUDITOR:

Deloitte LLP
Chartered Accountants and Statutory Auditor
Hill House
1 Little New Street
London
EC4A 3TR
United Kingdom

Registered in England and Wales

DIRECTORS' REPORT

The directors of Total Capital Finance Limited ("the Company") present their annual report together with the audited financial statements for the year ended 31 December 2015.

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.

Principal activity

The principal activity of the Company continues to be that of an investment company.

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

Business review

The directors are satisfied with the Company's performance in the year. The Company will be guided by its shareholders in seeking further opportunities for growth.

FINANCIAL PERFORMANCE

The Company's financial performance is presented in the Profit and Loss Account on page 8.

The operating profit before taxation for the year was £265,681 (2014: £256,320). The retained profit for the year was £1,348,923 (2014: £2,193,384).

At the end of the year total assets were £5,152,790 (2014: £3,806,971).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company seeks to minimise its exposure to financial risks.

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 RBS Asset and Liability Management Committee (RBS ALCO).

The major risks associated with the Company's business are liquidity and interest rate risks. The Company has no material liquidity risk as it has access to group funding. The Company's exposure to interest rate risk is not considered to be significant as interest arises on amounts due to group undertakings.

The Company is funded by facilities from The Royal Bank of Scotland plc. These are denominated in the functional currency and carry no significant financial risk.

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

Market risk

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

DIRECTORS' REPORT**PRINCIPAL RISKS AND UNCERTAINTIES (continued)****Interest rate risk**

Interest rate risk arises where assets and liabilities have different repricing maturities. The only interest bearing financial assets or liabilities are cash balances held.

The sensitivity analysis below has been determined based on the exposure to interest rates at the balance sheet date. The analysis is prepared on the assumption that the balances receivable and/or payable at the balance sheet date were receivable and/or payable for the whole year.

If interest rates had been 0.5% higher and all other variables were held constant, the Company's profit before tax for the year would have increased by £4,304 (2014: £2,983). This is mainly due to the Company's exposure to interest rates on its variable rate balances. There would be no other impact on equity.

Credit risk

The objective of credit risk management is to enable the Company to achieve appropriate risk versus reward performance whilst maintaining credit risk exposure in line with approved appetite for the risk that customers will be unable to meet their obligations to the Company.

The key principles of The Royal Bank of Scotland Group plc Credit Risk Management Framework are set out below:

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

The Company's exposure to credit risk is not considered to be significant as the credit exposures are with Group companies.

Liquidity risk

Liquidity risk arises where assets and liabilities have different contractual maturities.

Operational risk

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

GOING CONCERN

The directors, having a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, have prepared the financial statements on a going concern basis.

DIRECTORS' REPORT**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 2015 to date the following changes have taken place:

Secretary	Appointed	Resigned
R Beattie RBS Secretarial Services Limited	16 February 2015	30 January 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws 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 101 Reduced Disclosure Framework (FRS 101), 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.

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
- the director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

DIRECTORS' REPORT

INDEPENDENT AUDITOR

The Royal Bank of Scotland Group plc has appointed Ernst & Young LLP as auditor for the year ending 31 December 2016.

A resolution to appoint Ernst & Young LLP as the Company's auditor will be proposed at the forthcoming meeting of the Board of Directors.

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

A handwritten signature in black ink, appearing to be 'L R Morse', written over a horizontal line.

L R Morse
Director

Date: 7-SEP-16

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL CAPITAL FINANCE LIMITED

We have audited the financial statements of Total Capital Finance Limited ("the Company") for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement 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 Financial Reporting Standard 101 Reduced Disclosure Framework.

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL CAPITAL FINANCE LIMITED

Matters on which we are required to report by exception

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

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



Alana Sainsbury, ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor,

London, United Kingdom

20/9/2016

PROFIT AND LOSS ACCOUNT
for the financial year ended 31 December 2015

		2015 £	2014 £
Continuing operations	Notes		
Turnover	3	268,577	266,044
Operating expenses	4	<u>(2,896)</u>	<u>(9,724)</u>
Operating profit before tax		265,681	256,320
Tax credit	5	<u>442</u>	<u>1,666</u>
Profit for the year		<u>266,123</u>	<u>257,986</u>

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

STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2015


	2015 £	2014 £
Profit for the year	266,123	257,986
Other comprehensive income		
Fair value adjustment for available-for-sale financial assets	1,082,800	1,935,398
Total comprehensive income for the year	1,348,923	2,193,384

TOTAL CAPITAL FINANCE LIMITED**05984100****BALANCE SHEET
as at 31 December 2015**

	Notes	2015 £	2014 £
Fixed assets			
Investments - available-for-sale	6	<u>4,291,615</u>	<u>3,208,815</u>
Current assets			
Amounts due from group undertakings	7	2	2
Cash at bank		860,731	596,488
Current tax asset		442	1,666
		<u>861,175</u>	<u>598,156</u>
Total assets		<u>5,152,790</u>	<u>3,806,971</u>
Creditors: amounts falling due within one year			
Accruals, deferred income and other liabilities	8	<u>5,000</u>	<u>8,104</u>
Total liabilities		<u>5,000</u>	<u>8,104</u>
Equity: capital and reserves			
Called up share capital	10	1	1
Available-for-sale reserve		4,291,600	3,208,800
Profit and loss account		856,189	590,066
Total shareholder's funds		<u>5,147,790</u>	<u>3,798,867</u>
Total liabilities and shareholder's funds		<u>5,152,790</u>	<u>3,806,971</u>

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

The financial statements were approved by the Board of Directors on 7-SEP-16 and signed on its behalf by:



L R Morse
Director

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2015

	Share capital £	Available-for- sale reserve £	Profit and loss account £	Total £
At 1 January 2014	1	1,273,402	332,080	1,605,483
Profit for the year	-	-	257,986	257,986
Available-for-sale financial investments	-	1,935,398	-	1,935,398
At 31 December 2014	1	3,208,800	590,066	3,798,867
Profit for the year	-	-	266,123	266,123
Available-for-sale financial investments	-	1,082,800	-	1,082,800
At 31 December 2015	1	4,291,600	856,189	5,147,790

Total comprehensive income for the year of £1,348,923 (2014: £2,193,384) was wholly attributable to the equity holders 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 a going concern basis and have been prepared 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) and under Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The Company meets the definition of a qualifying entity under FRS 100: Application of Financial Reporting Requirements issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to capital management, presentation of a cash-flow statement, standards not yet effective and related party transactions. Where required, equivalent disclosures are given in the group accounts of The Royal Bank of Scotland plc, these accounts are available to the public and can be obtained as set out in note 12.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: available-for-sale financial assets.

The Company's financial statements are presented in Sterling which is the functional currency of the Company.

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

The few changes to IFRS that were effective from 1 January 2015 have had no material effect on the Company's financial statement for the year ended 31 December 2015.

b) Revenue recognition

Interest income on financial assets that are classified as loans and receivables or available-for-sale and interest expense on financial liabilities other than those at fair value through profit or loss are determined using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability (or group of financial assets or liabilities) and of allocating the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount. Calculation of the effective interest rate takes into account fees payable or receivable, that are an integral part of the instrument's yield, premiums or discounts on acquisition or issue, early redemption fees and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

Dividend income is recognised when the paying company is obliged to make the payment.

Fees in respect of services are recognised as the right to consideration accrues through the provisions of services to customers. 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. Fees charged for managing investments are recognised as revenue as the services are provided. Incremental costs that are directly attributable to securing an investment management contract are deferred and charged as expense as the related revenue is recognised.

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.

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

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.

d) Financial assets

On initial recognition, financial assets are classified into loans and receivables; or available-for-sale financial assets.

Loans and receivables

Non-derivative financial assets with fixed or determinable repayments that are not quoted in an active market are classified as loans and receivables, except those that are classified as available-for-sale. Loans and receivables are initially recognised at fair value plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest method (see accounting policy 1(b)) less impairment losses.

Available-for-sale investments

Financial assets that are not classified as loans and receivables were classified as available-for-sale. Financial assets can be designated as available-for-sale on initial recognition. Available-for-sale financial assets were initially recognised at fair value plus directly related transaction costs. They were subsequently measured at fair value.

Impairment losses and exchange differences resulting from retranslating the amortised cost of foreign currency monetary available-for-sale financial assets were recognised in profit or loss together with interest calculated using the effective interest method (see accounting policy 1(b)). Other changes in the fair value of available-for-sale financial assets and related tax were reported in other comprehensive income until disposal, when the cumulative gain or loss was reclassified from equity to profit or loss.

e) Impairment of financial assets

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

f) Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or when the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to the another entity.

NOTES TO THE FINANCIAL STATEMENTS

2. Critical accounting policies and key sources of estimation uncertainty

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

Fair value – financial instruments

Financial instruments classified as available-for-sale are recognised in the financial statements at fair value. Unrealised gains and losses on available-for-sale financial assets are recognised directly in equity unless an impairment loss is recognised.

3. Turnover

	2015 £	2014 £
Interest receivable	716	1,973
Dividend income	267,861	264,071
	268,577	266,044

4. Operating expenses

	2015 £	2014 £
Audit fees	2,896	9,704
Bank charges	-	20
	2,896	9,724

Other than the audit fees disclosed above, no additional remuneration was payable to the auditors for non-audit services.

NOTES TO THE FINANCIAL STATEMENTS

4. Operating expenses (continued)

Staff costs, number of employees and directors' emoluments

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

5. Tax

	2015 £	2014 £
Current tax:		
UK corporation tax credit for the year	<u>(442)</u>	<u>(1,666)</u>

The actual tax credit differs from the expected tax charge computed by applying the blended rate of UK corporation tax of 20.25% (2014: 21.5%) as follows:

	2015 £	2014 £
Expected tax charge	53,791	55,091
Non-taxable items	<u>(54,233)</u>	<u>(56,757)</u>
Actual tax credit for the year	<u>(442)</u>	<u>(1,666)</u>

6. Investments - available for sale

	2015 £	2014 £
Equity shares	<u>4,291,615</u>	<u>3,208,815</u>

7. Amounts due from group undertakings

	2015 £	2014 £
The Royal Bank of Scotland plc	1	1
Fellow subsidiary	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

8. Accruals, deferred income and other liabilities

	2015 £	2014 £
Accruals	<u>5,000</u>	<u>8,104</u>

NOTES TO THE FINANCIAL STATEMENTS

9. Financial Instruments

(i) Categories of financial instrument

The following tables analyse the Company's financial assets and liabilities in accordance with the categories of financial instruments in IAS 39 "Financial instruments: recognition and measurement". Assets and liabilities outside the scope of IAS 39 are shown separately.

2015	Available- for-sale £'000	Loans and receivables £'000	Non financial assets/ liabilities £'000	Total £'000
Assets				
Investments - available-for-sale	4,291,615	-	-	4,291,615
Amounts due from group undertakings	-	2	-	2
Cash at bank	-	860,731	-	860,731
Current tax asset	-	-	442	442
	<u>4,291,615</u>	<u>860,733</u>	<u>-</u>	<u>5,152,790</u>
Liabilities				
Accruals, deferred income and other liabilities	-	-	5,000	5,000
	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Equity				<u>5,147,790</u>
				<u>5,152,790</u>

2014	Available- for-sale £'000	Loans and receivables £'000	Non financial assets/ liabilities £'000	Total £'000
Assets				
Investments - available-for-sale	3,208,815	-	-	3,208,815
Amounts due from group undertakings	-	2	-	2
Cash at bank	-	596,488	-	596,488
Current tax asset	-	-	1,666	1,666
	<u>3,208,815</u>	<u>596,490</u>	<u>1,666</u>	<u>3,806,971</u>
Liabilities				
Accruals, deferred income and other liabilities	-	-	8,104	8,104
	<u>-</u>	<u>-</u>	<u>8,104</u>	<u>8,104</u>
Equity				<u>3,798,867</u>
				<u>3,806,971</u>

NOTES TO THE FINANCIAL STATEMENTS

9. Financial Instruments (continued)

(i) Categories of financial instrument (continued)

Financial assets and liabilities have been classified according to a valuation hierarchy that reflects the valuation techniques used to determine fair value:

Level 1: valued by reference to unadjusted quoted prices in active markets for identical assets and liabilities

Level 2: valued by reference to observable market data, other than quoted market prices

Level 3: valuation is based on inputs other than observable market data

Financial assets designated as available-for-sale comprise equity investments in unlisted companies and are categorised as level 3. The level 3 assumptions are EBITDA multiples.

Level 3 portfolio movement tables

	Available-for-sale assets	
	2015 £'000	2014 £'000
At 1 January	3,208,815	1,273,417
Amounts recognised in the Statement of Comprehensive Income	1,082,800	1,935,398
At 31 December	4,291,615	3,208,815

The fair value of financial instruments that are not carried at fair value on the Balance Sheet is considered not to be materially different to the carrying amounts.

10. Share capital

	2015 £	2014 £
Equity shares		
Authorised:		
100 ordinary shares of £1	100	100
Allotted, called up and fully paid:		
1 ordinary share of £1	1	1

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

11. Commitments and contingent liabilities

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

NOTES TO THE FINANCIAL STATEMENTS**12. Related parties****UK Government**

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

The Company enters into transactions with these bodies on an arms' length basis; they include the payment of taxes including UK corporation tax.

Group undertakings

The Company's immediate parent company is The Royal Bank of Scotland plc a company incorporated in the UK and registered in Scotland. As at 31 December 2015, The Royal Bank of Scotland plc heads the smallest group in which the Company is consolidated. Copies of the consolidated accounts may be obtained from Corporate Governance and Secretariat, The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.

The Company's ultimate holding company, The Royal Bank of Scotland Group plc, which is incorporated in the UK, heads the largest group in which the Company is consolidated. Copies of the consolidated accounts may be obtained from Corporate Governance and Secretariat, The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.