Company Registered No: 05984100

TOTAL CAPITAL FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2017

TOTAL CAPITAL FINANCE LIMITED **05984100**

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:	T J D Boag L R Morse
COMPANY SECRETARY:	RBS Secretarial Services Limited
REGISTERED OFFICE:	1 Princes Street London England EC2R 8PB
INDEPENDENT AUDITOR:	Ernst & Young LLP 25 Churchill Place Canary Wharf London E14 5EY

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 2017.

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.

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. Post balance sheet events are described in note 14 to the financial statements.

FINANCIAL PERFORMANCE

The Company's financial performance is presented on pages 8 to 11.

The operating profit before taxation for the year was £9,218,995 (2016: £369,480). The retained profit for the year was £7,444,658 (2016: £2,548,637).

At the end of the year total assets were £9,457,437 (2016: £6,706,152).

Dividends

The directors do not recommend the payment of a dividend (2016: £1,000,000).

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 NatWest Markets Plc (formerly 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 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.

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.

DIRECTORS' REPORT

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Interest rate risk (continued)

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 £33,539 (2016: £1,177). 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

Credit risk is the risk that companies, financial institutions, individuals and other counterparties will be unable to meet their obligations to the Company.

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

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

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 AND SECRETARY

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

From 1 January 2017 to date, there have been no changes to the directors and secretary of the Company.

DIRECTORS' REPORT

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 (FRS) 101 Reduced Disclosure Framework, and must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs at the end of the year and the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether FRS 101 has been followed; and
- make an assessment of the Company's ability to continue as a going concern.

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 R Morse
Director
Date: 20 September 2018

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

Opinion

We have audited the financial statements of Total Capital Finance Limited ("the Company") for the year ended 31 December 2017 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 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 2017 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 TOTAL CAPITAL FINANCE 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 exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Use of our report

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

Ernst & Young LLP

Helen Joseph *(Senior statutory auditor)*
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date: 21 September *2018*

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2017

Income from continuing operations	**Notes**	**2017 £**	2016 £
Turnover	3	**9,219,270**	383,930
Operating expenses	4	**(275)**	(14,450)
Operating profit before tax		**9,218,995**	369,480
Tax (charge)/credit	5	**(1,774,337)**	2,772
Profit for the year		**7,444,658**	372,252

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

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2017

	2017	2016
	£	£
Profit for the year	**7,444,658**	372,252
Other comprehensive income subject to reclassification:		
Fair value adjustment for available-for-sale financial assets	-	2,176,385
Realised gain on sale of available-for-sale investments reclassified to P&L	(6,467,985)	-
Total comprehensive income for the year	**976,673**	**2,548,637**

BALANCE SHEET
as at 31 December 2017

	Notes	2017 £	2016 £
Non-current assets			
Investments - available-for-sale	6	-	6,468,000
Current assets			
Amounts due from group undertakings	7	2	2
Prepayments, accrued income and other assets	8	2,749,555	-
Cash at bank		6,707,880	235,377
Current tax asset		-	2,773
		9,457,437	238,152
Total assets		9,457,437	6,706,152
Current liabilities			
Current tax liability		1,774,337	-
Amounts due to group undertakings	9	10,000	-
Accruals, deferred income and other liabilities	10	-	9,725
Total liabilities		1,784,337	9,725
Equity			
Called up share capital	12	1	1
Available-for-sale reserve		-	6,467,985
Profit and loss account		7,673,099	228,441
Total equity		7,673,100	6,696,427
Total liabilities and equity		9,457,437	6,706,152

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

The financial statements were approved by the Board of Directors on 20 September 2018 and signed on its behalf by:

L R Morse
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2017

	Share capital	Available-for-sale reserve	Profit and loss account	Total
	£	£	£	£
At 1 January 2016	1	4,291,600	856,189	5,147,790
Profit for the year	-	-	372,252	372,252
Available-for-sale financial investments	-	2,176,385	-	2,176,385
Dividends paid	-	-	(1,000,000)	(1,000,000)
At 31 December 2016	1	6,467,985	228,441	6,696,427
Profit for the year	-	-	**7,444,658**	**7,444,658**
Available-for-sale financial investments	-	**(6,467,985)**	-	**(6,467,985)**
At 31 December 2017	**1**	-	**7,673,099**	**7,673,100**

Total comprehensive income for the year of £976,673 (2016: £2,548,637) 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 accounts
These financial statements are prepared:
- on a going concern basis;
- 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); and
- on the historical cost basis.

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

The Company is incorporated in the UK and registered in England and Wales and the financial statements are presented:
- in accordance with the Companies Act 2006:
- in Sterling which is the functional currency of the Company: and
- with the benefit of the disclosure exemptions permitted by FRS 101 with regard to:
  - comparative information in respect of certain assets;
  - cash-flow statement;
  - standards not yet effective; and
  - related party transactions.

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 12.

The few changes to IFRS that were effective from 1 January 2017 have had no material effect on the Company's Financial Statements for the year ended 31 December 2017.

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 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 it has been transferred and the transfer qualifies for derecognition in accordance with IAS 39 "Financial Instruments : Recognition and Measurement".

2. Critical accounting policies and key sources of estimation uncertainty

The reported results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. In accordance with their responsibilities for these financial statements, the factors the directors consider most important to the portrayal of the Company's performance and financial condition are discussed below.

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

	2017 £	2016 £
Interest receivable	1,268	587
Dividend income	454,000	383,343
Liquidation proceeds on investments	8,763,540	-
Other revenue	462	-
	9,219,270	383,930

4. Operating expenses

	2017 £	2016 £
Audit fees	275	14,450
	275	14,450

Auditor's remuneration
Audit fees for the year are charged as a group service to NatWest Markets Plc (formerly The Royal Bank of Scotland plc) and reallocated specifically to the Company, being the sum of £5,000 (2016: £5,000).

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

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

5. Tax

	2017 £	2016 £
Current tax:		
UK corporation tax charge/(credit) for the year	1,774,337	(2,773)
Under provision in respect of prior periods	-	1
Tax charge/(credit) for the year	1,774,337	(2,772)

NOTES TO THE FINANCIAL STATEMENTS

5. Tax (continued)

The actual tax charge/(credit) differs from the expected tax charge computed by applying the blended UK corporation tax rate of 19.25% (2016: standard tax rate 20%) as follows:

	2017	2016
	£	£
Expected tax charge	1,774,341	73,896
Non-taxable items	(4)	(76,669)
Adjustments in respect of prior periods	-	1
Actual tax charge/(credit) for the year	1,774,337	(2,772)

6. Investments - available for sale

	2017	2016
	£	£
Equity shares	-	6,468,000

7. Amounts due from group undertakings

	2017	2016
	£	£
NatWest Markets Plc (formerly The Royal Bank of Scotland plc)	1	1
Fellow subsidiary	1	1
	2	2

8. Prepayments, accrued income and other assets

	2017	2016
	£	£
Other assets	2,749,555	-
	2,749,555	-

Other assets comprise of contribution received from the Company's investment in Hamsard 3120 Limited on account of its Liquidation.

9. Amounts due to group undertakings

	2017	2016
	£	£
NatWest Markets Plc	10,000	-

10. Accruals, deferred income and other liabilities

	2017	2016
	£	£
Accruals	-	9,725

NOTES TO THE FINANCIAL STATEMENTS

11. Financial Instruments

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.

2017	Available-for-sale £	Loans and receivables £	Non financial assets/ liabilities £	Total £
Assets				
Amounts due from group undertakings	-	2	-	2
Prepayments, accrued income and other assets	-	2,749,555	-	2,749,555
Cash at bank	-	6,707,880	-	6,707,880
	-	9,457,437	-	9,457,437
Liabilities				
Current tax liability	-	-	1,774,337	1,774,337
Amounts due to group undertakings	-	-	10,000	10,000
	-	-	1,784,337	1,784,337
Equity				7,673,100
				9,457,437

2016	Available-for-sale £	Loans and receivables £	Non financial assets/ liabilities £	Total £
Assets				
Investments - available-for-sale	6,468,000	-	-	6,468,000
Amounts due from group undertakings	-	2	-	2
Cash at bank	-	235,377	-	235,377
Current tax asset	-	-	2,773	2,773
	6,468,000	235,379	2,773	6,706,152
Liabilities				
Accruals, deferred income and other liabilities	-	-	9,725	9,725
	-	-	9,725	9,725
Equity				6,696,427
				6,706,152

NOTES TO THE FINANCIAL STATEMENTS

11. Financial Instruments (continued)

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	
	2017	2016
	£	£
At 1 January	**6,468,000**	4,291,615
Liquidation distribution	**(6,468,000)**	2,176,385
	-	6,468,000

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.

12. Share capital

	2017	2016
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.

13. 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.

13. Related parties (continued)

Group undertakings

At 31 December 2017

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

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

The Royal Bank of Scotland Plc has changed its name to NatWest Markets Plc on 29 April 2018.

14. Post balance sheet events

The Company received £1.5m on 22 February 2018 and a final distribution of a further £1.2m on 12 September 2018 from the Company's investment in Hamsard 3120 Limited. The income has been recognised as an adjusting post balance sheet event.