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1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.



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HSBC 

Financial Statements

31 December 2013

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Strategic Report for the year ended 31 December 2013

Review of the Company's business

The Company's principal activities include the holding of investments together with the receipt of dividends and the provision of management services. No change in the Company's activities is anticipated.

The business is funded principally by a parent undertaking through equity investment. The Company has no employees. Services required are provided by fellow HSBC Group companies. The Company's principal stakeholder is its parent company.

Financial Performance

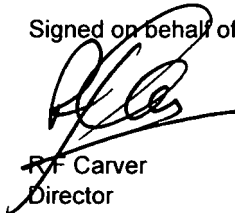
UK corporation tax rates are being reduced and details of the changes are set out in notes 5 and 8 to the financial statements.

The Company's results for the year under review are as detailed in the income statement shown in these accounts.

Risk management

The financial risk management objectives and policies of the Company, together with an analysis of the exposure to such risks are set out in note 11 of the financial statements.

Signed on behalf of the Board



R.F. Carver
Director

Dated: 26 June 2014

Registered Office
8 Canada Square
London
E14 5HQ

Directors' Report for the year ended 31 December 2013

Directors

The Directors who served during the year were as follows:

Name

M J Russell-Brown
R F Carver
G P Hewitt

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the UK Companies Act 2006.

Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors.

Dividends

An interim dividend of £252,554 (in lieu of a final dividend in respect of the previous financial year) was paid on the ordinary share capital during the year (2012: £506,835). The Directors intend to declare an interim dividend of £254,430 in respect of 2013, payable in the financial year ended 31 December 2014.

Significant events since the end of the financial year

No important events affecting the Company have occurred since the end of the financial year.

Future developments

No change in the Company's activities is expected.

Going concern basis

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions.

Disclosure of information to the Auditor

Each person who is a Director at the date of approval of this report confirms that so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware and the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given pursuant to section 418 of the UK Companies Act 2006 and should be interpreted in accordance therewith.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Directors' Report for the year ended 31 December 2013 (continued)

Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and financial statements

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of 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 they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

By order of the Board



K Dean
Secretary

Dated: 26 June 2014

Registered Office
8 Canada Square
London
E14 5HQ

Independent Auditor's Report to the Members of HSBC Asset Finance M.O.G. Holdings (UK) Limited

We have audited the financial statements of HSBC Asset Finance M.O.G. Holdings (UK) Limited for the year ended 31 December 2013 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 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. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

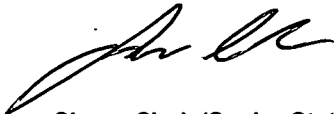
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Simon Clark (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
One Snowhill,
Snow Hill Queensway,
Birmingham,
B4 6GH

Date: 26 June 2014

Financial Statements

Income statement for the year ended 31 December 2013

| | Notes | 2013 £ | 2012 £ |
|----------------------------------|-------|----------------|----------------|
| Revenue | | 150,000 | 150,000 |
| Finance income | 3 | 139,300 | 139,300 |
| Profit before tax | | 289,300 | 289,300 |
| Tax expense | 5 | (34,870) | (36,746) |
| Profit for the year | | 254,430 | 252,554 |

There were no acquisitions, discontinued or discontinuing operations during the year.

The accounting policies and notes on pages 10 to 15 form an integral part of these financial statements.

Statement of comprehensive income for the year ended 31 December 2013

| | 2013 £ | 2012 £ |
|---|----------------|----------------|
| Profit for the year | 254,430 | 252,554 |
| Other comprehensive income/(expense) | | |
| – fair value (losses)/gains | (236,313) | 252,177 |
| – income taxes gains/(expenses) | 65,793 | (46,548) |
| Other comprehensive (expense) /income for the year, net of tax | (170,520) | 205,629 |
| Total comprehensive income for the year | 83,910 | 458,183 |
| Total comprehensive income for the year attributable to the shareholders | 83,910 | 458,183 |

Financial Statements (continued)**Statement of financial position as at 31 December 2013**

| | Notes | 2013 £ | 2012 £ |
|---|-------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Financial investments | 6 | <u>2,620,000</u> | <u>2,856,313</u> |
| Current assets | | | |
| Cash and cash equivalents held with parent undertakings | | 1,098,876 | 852,130 |
| Receivables | 7 | - | 180,000 |
| Accrued income | | <u>35,111</u> | <u>35,111</u> |
| | | <u>1,133,987</u> | <u>1,067,241</u> |
| Total assets | | <u>3,753,987</u> | <u>3,923,554</u> |
| LIABILITIES AND EQUITY | | | |
| Current liabilities | | | |
| Other liabilities | 9 | 844,687 | 777,942 |
| Current tax liabilities | | <u>34,870</u> | <u>36,745</u> |
| | | 879,557 | 814,687 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 8 | <u>133,301</u> | <u>199,094</u> |
| Total liabilities | | <u>1,012,858</u> | <u>1,013,781</u> |
| Equity | | | |
| Called up share capital | 10 | 1,999,995 | 1,999,995 |
| Available-for-sale fair value reserve | | 486,704 | 657,224 |
| Retained earnings | | <u>254,430</u> | <u>252,554</u> |
| Total shareholders' equity | | <u>2,741,129</u> | <u>2,909,773</u> |
| Total equity and liabilities | | <u>3,753,987</u> | <u>3,923,554</u> |

The accounting policies and notes on pages 10 to 15 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 26 June 2014 and were signed on its behalf by:


R F Carver
Director
Company Registration No: 6606400

Financial Statements (continued)**Statement of cash flows for the year ended 31 December 2013**

| | 2013 £ | 2012 £ |
|---|-------------------------|-----------------------|
| Cash flows from operating activities | | |
| Profit before tax | 289,300 | 289,300 |
| Adjustments for: | | |
| – Change in operating assets | 180,000 | 420,000 |
| – Change in operating liabilities | - | (70,000) |
| – Tax paid | (36,745) | (132,465) |
| – Dividend income | (139,300) | (139,300) |
| Net cash generated from operating activities | <u>293,255</u> | <u>367,535</u> |
| Cash flows from investing activities | | |
| Dividends received | <u>139,300</u> | <u>139,300</u> |
| Net cash from investing activities | <u>139,300</u> | <u>139,300</u> |
| Cash flows from financing activities | | |
| Received from other group undertakings in respect of other financing activities | 66,745 | 232,465 |
| Dividends paid | (252,554) | (506,835) |
| Net cash used in financing activities | <u>(185,809)</u> | <u>(274,370)</u> |
| Net increase in cash & cash equivalents | 246,746 | 232,465 |
| Cash and cash equivalents brought forward | <u>852,130</u> | <u>619,665</u> |
| Cash and cash equivalents carried forward | <u>1,098,876</u> | <u>852,130</u> |

The accounting policies and notes on pages 10 to 15 form an integral part of these financial statements.

Financial Statements (continued)**Statement of changes in equity for the year ended 31 December 2013**

| | Called up share capital | Retained earnings | Available-for- sale fair value reserve | Total shareholders' equity |
|---|----------------------------|----------------------|--|----------------------------------|
| | £ | £ | £ | £ |
| 2013 | | | | |
| At 1 January 2013 | 1,999,995 | 252,554 | 657,224 | 2,909,773 |
| Profit for the year | - | 254,430 | - | 254,430 |
| Fair value loss on available-for-sale investments ... | - | - | (236,313) | (236,313) |
| Tax on Other Comprehensive Income | - | - | 65,793 | 65,793 |
| Total comprehensive income for the year | - | 254,430 | (170,520) | 83,910 |
| Dividends to shareholders | - | (252,554) | - | (252,554) |
| At 31 December 2013 | 1,999,995 | 254,430 | 486,704 | 2,741,129 |

| | Called up share capital | Retained earnings | Available-for-sale fair value reserve | Total shareholders' equity |
|--|----------------------------|----------------------|--|----------------------------------|
| | £ | £ | £ | £ |
| 2012 | | | | |
| At 1 January 2012 | 1,999,995 | 506,835 | 451,595 | 2,958,425 |
| Profit for the year | - | 252,554 | - | 252,554 |
| Fair value gain on available-for-sale investments .. | - | - | 252,177 | 252,177 |
| Tax on Other Comprehensive income | - | - | (46,548) | (46,548) |
| Total comprehensive income for the year | - | 252,554 | 205,629 | 458,183 |
| Dividends to shareholders | - | (506,835) | - | (506,835) |
| At 31 December 2012 | 1,999,995 | 252,554 | 657,224 | 2,909,773 |

The accounting policies and notes on pages 10 to 15 form an integral part of these financial statements.

Shareholders' equity is wholly attributable to equity shareholders.

Notes on the Financial Statements

1 Basis of preparation

(a) Compliance with International Financial Reporting Standards

The financial statements are presented in sterling and have been prepared on the historical cost basis.

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as endorsed by the European Union ('EU'). EU-endorsed IFRSs could differ from IFRSs as issued by the IASB if, at this point in time, new or amended IFRSs were not to be endorsed by the EU.

At 31 December 2013, there were no unendorsed standards effective for the year ended 31 December 2013 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the Company. Accordingly, the Company's financial statements for the year ended 31 December 2013 are prepared in accordance with IFRSs as issued by the IASB.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the IFRS Interpretations Committee ('IFRIC') and its predecessor body.

During the year, the Company adopted a number of interpretations and amendments to standards which had an insignificant effect on the financial statements.

(b) Future accounting developments

At 31 December 2013, a number of standards and amendments to standards had been issued by the IASB, which are not effective for the Company's financial statements as at 31 December 2013. None of these are expected to have a significant effect on the results or net assets of the Company when adopted.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except where stated otherwise.

(c) General information

HSBC Asset Finance M.O.G. Holdings (UK) Limited is a company domiciled and incorporated in England and Wales.

2 Summary of significant accounting policies

(a) Fee income

Income earned from the provision of services is recognised as revenue as the services are provided.

(b) Income tax

Income tax comprises current and deferred tax and is recognised in the income statement.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the end of the reporting period and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Company intends to settle on a net basis and the legal right to offset exists.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the amounts attributed to such assets and liabilities 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 future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the end of the reporting period.

Notes on the Financial Statements (continued)

Deferred tax relating to fair value re-measurements of available-for-sale investments which are charged or credited directly to other comprehensive income, is also credited or charged to other comprehensive income and is subsequently recognised in the income statement when the deferred fair value gain or loss is recognised in the income statement.

(c) Dividend income

Dividend income from investments is recognised when the right to receive payment is established.

(d) Financial assets and liabilities

(i) Loans and receivables

Loans and receivables include loans and receivables originated by the Company which are not classified either as held for trading or designated at fair value. Loans and receivables are recognised when cash is advanced to a borrower. They are derecognised when either the borrower repays its obligations, or the loans are sold or written off, or substantially all the risks and rewards of ownership are transferred. They are initially recorded at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less impairment losses.

(ii) Available-for-sale investments

Available-for-sale investments are initially measured at fair value plus direct and incremental transaction costs. They are subsequently re-measured at fair value and changes therein are recognised in equity in an 'Available-for-sale reserve' until the investments are either sold or impaired. When available-for-sale investments are sold, cumulative gains or losses previously recognised in equity are recognised in the income statement.

(iii) Financial liabilities

Financial liabilities are initially measured at fair value less any transaction costs that are directly attributable to the purchase or issue. Financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. The Company derecognises the financial liability when the Company's obligations specified in the contract expire, are discharged or cancelled. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method.

A group undertaking acts as a treasury function, providing funding for the Company through an inter-company current account.

(e) Statement of cash flows

The statement of cash flows has been prepared on the basis that, with the exception of tax related transactions which are classified under 'Operating activities', movements in inter-company transactions are shown under the heading of 'Financing activities'. Such movements arise ultimately from the Company's financing activities, through which the Company will acquire resources intended to generate future income and cash flows.

(f) Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

Dividends payable in relation to equity shares are recognised as a liability in the period in which they are declared.

(g) Determination of fair value

All financial instruments are recognised initially at fair value. In the normal course of business, the fair value of a financial instrument on initial recognition is the transaction price (that is, the fair value of the consideration given or received).

Subsequent to initial recognition, the fair values of financial instruments measured at fair value that are quoted in active markets are based on bid prices for assets held and offer prices for liabilities issued.

Notes on the Financial Statements (continued)

When independent prices are not available, fair values are determined by using valuation techniques which refer to observable market data. These include comparison to similar instruments where market observable prices exist, discounted cash flow analysis and other valuation techniques commonly used by market participants.

(h) Use of assumptions and estimates

When preparing the financial statements, it is the Directors' responsibility to select suitable accounting policies and to make judgements and estimates that are reasonable and prudent.

The accounting policy that is deemed critical to the Company's IFRS results and financial position, in terms of the materiality of the items to which the policy is applied, which involves a high degree of judgement and estimation, is provision against financial investments.

Provisions are calculated on the basis of current and expected future market conditions.

3 Finance income

Finance income comprises dividend income from investments in preference shares.

4 Profit for the year

Any services required including auditor's remuneration have been borne by a fellow group undertaking and are therefore not charged in arriving at the profit before taxation (2012: £Nil).

The Company has no employees and hence no staff costs (2012: £Nil). The Directors made no charge for their services (2012: £Nil).

5 Tax expense

| | 2013 £ | 2012 £ |
|---|---------------|---------------|
| Current tax | | |
| UK Corporation tax | | |
| – for this year..... | 34,870 | 36,746 |
| Total tax charged to the income statement | <u>34,870</u> | <u>36,746</u> |

The UK corporation tax rate applying to the Company was 23.25 per cent (2012: 24.5 per cent).

The following table reconciles the tax expense:

| | 2013 £ | Percentage of overall profit before tax % | 2012 £ | Percentage of overall profit before tax % |
|---|---------------|--|---------------|--|
| Tax at 23.25% (2012 24.5%) | 67,252 | 23.2% | 70,871 | 24.5% |
| Non taxable income and gains | (32,382) | (11.2)% | (34,125) | (11.8)% |
| Total tax charged to the income statement | <u>34,870</u> | 12.0% | <u>36,746</u> | 12.7% |

The UK Government announced that the main rate of corporation tax for the year beginning 1 April 2013 will reduce from 24% to 23% to be followed by a further 2% reduction to 21% for the year beginning 1 April 2014 and a further 1% reduction to 20% for the year beginning 1 April 2015. The reduction in the corporation tax rate to 23% was enacted through the 2012 Finance Act and this results in a weighted average rate of 23.25% for 2013 (2012: 24.5%). The reductions to 21% and 20% that were announced in the 2012 Autumn Statement and 2013 Budget respectively became enacted through the 2013 Finance Act on 17 July 2013.

Notes on the Financial Statements (continued)**6 Financial investments**

| Available-for-sale investments | 2013 £ | 2012 £ |
|---|------------------|------------------|
| At 1 January | 2,856,313 | 2,604,136 |
| Revaluation through other comprehensive (expense)/ income | (236,313) | 252,177 |
| At 31 December | <u>2,620,000</u> | <u>2,856,313</u> |

The Company holds an investment in 1,990,000 7% £1 Cumulative preference shares and 9,995 ordinary shares at par, in Motability Operations Group plc representing a 19.99% interest. The investment is available for sale and stated in the statement of financial position at fair value.

7 Receivables

| | 2013 £ | 2012 £ |
|---------------------|-----------|----------------|
| Other debtors | - | 180,000 |
| | <u>-</u> | <u>180,000</u> |

8 Deferred tax liabilities

| Available -for-sale investments: | 2013 £ | 2012 £ |
|---|----------------|----------------|
| At 1 January | 199,094 | 152,546 |
| Other comprehensive(expense)/ income – available-for-sale investments | (65,793) | 46,548 |
| At 31 December | <u>133,301</u> | <u>199,094</u> |

In the financial statements for the year ended 31 December 2013, deferred tax has been calculated at the corporation tax rates applicable to the financial years in which it is expected that the assets will be realised or the liabilities settled, being 21.5% for the year ended 31 December 2014, 20.25% for the year ended 31 December 2015 and 20% thereafter. The effect of the reduction in the UK corporation tax rate is one-off reduction in the recognised deferred tax liability of £10,858.

9 Other liabilities

| | 2013 £ | 2012 £ |
|--|----------------|----------------|
| Amounts owed to other group undertakings | 814,687 | 747,942 |
| Value added tax | <u>30,000</u> | <u>30,000</u> |
| | <u>844,687</u> | <u>777,942</u> |

Amounts owed to other group undertakings have no fixed date for repayment and are therefore technically repayable on demand. They are accounted for as financial liabilities, measured at amortised cost and the fair value is not considered to be significantly different from the carrying value.

Notes on the Financial Statements (continued)**10 Share capital**

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Allotted, called up and fully paid | | |
| 1,999,995 Ordinary shares of £1 each | 1,999,995 | 1,999,995 |
| | 1,999,995 | 1,999,995 |

11 Risk Management

The Company has exposure to the following types of risk arising from its use of financial instruments: liquidity risk and market risk. Market risk includes interest rate risk and foreign exchange risk.

The management of all risks which are significant, together with the quantitative disclosures not already included elsewhere in the financial statements, is described in this note. The Company's risk management policies are consistent with the HSBC Group's risk management policies.

Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its cash flow requirements on a monthly basis and will compare expected cash flow obligations with expected cash flow receipts to ensure they are appropriately aligned. In light of this the Company will borrow funds as and when required from group undertakings.

The Business manages liquidity risk for this entity as described above for risks generally.

Another group undertaking provides an inter-company current account. This is reflected in the Statement of financial position as amounts owed to other group undertakings. This funding has no fixed repayment date and therefore is technically repayable on demand.

The following is an analysis of undiscounted cash flows payable under financial liabilities by remaining contractual maturities at the end of the reporting period:

| | Carrying value £ | Contractual cash flows £ | On demand £ |
|--|---------------------|--------------------------------|----------------|
| 31 December 2013 | | | |
| Amounts owed to other group undertakings | 814,687 | 814,687 | 814,687 |
| | 814,687 | 814,687 | 814,687 |
| 31 December 2012 | | | |
| Amounts owed to other group undertakings | 747,942 | 747,942 | 747,942 |
| | 747,942 | 747,942 | 747,942 |

Market risk management

Market risk is the risk that movements in market risk factors, including the value of the Company's investments, will reduce the Company's income. The Company is not exposed to interest rate risk or foreign exchange risk on its financial assets or financial liabilities.

Appropriate actions to mitigate the impact of such risk, if material are considered as part of the ongoing management of the business.

The Company's investments carry a fixed rate of return and are mainly funded by equity.

Notes on the Financial Statements (continued)

12 Related-party transactions

The Company has a related party relationship with its parent, with other group undertakings and with its Directors.

Particulars of transactions, arrangements and agreements involving third parties are disclosed elsewhere within the financial statements.

The ultimate parent undertaking (which is the ultimate controlling party) and the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is HSBC Holdings plc, and the parent undertaking of the smallest such group is HSBC Bank plc. The immediate holding Company is HSBC Bank plc. The result of the Company is included in the group financial statements of HSBC Bank plc and HSBC Holdings plc.

Copies of the group financial statements may be obtained from the following addresses:

HSBC Bank plc
8 Canada Square
London
E14 5HQ

HSBC Holdings plc
8 Canada Square
London
E14 5HQ

13 Capital management

The Company is not subject to externally imposed capital requirements and is dependent on the HSBC group to provide necessary capital resources which are therefore managed on a group basis.

The Company defines capital as total shareholders' equity. It is HSBC's objective to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times. There were no changes to the Company's approach to capital management during the year.

14 Contingent liabilities

There were no contingent liabilities at 31 December 2013 (2012: £Nil).

15 Subsequent events

There are no subsequent events requiring disclosure in the financial statements.