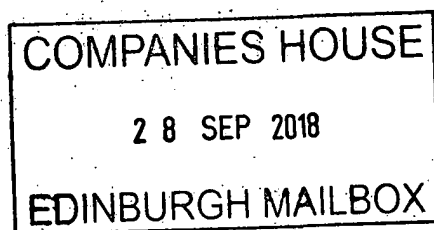


Company Registered No: SC044073

KUC PROPERTIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2017



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KUC PROPERTIES LIMITED

SC044073

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

M Brandwood
J M Rowney

COMPANY SECRETARY:

RBS Secretarial Services Limited

REGISTERED OFFICE:

24/25 St Andrew Square
Edinburgh
Scotland
EH2 1AF

INDEPENDENT AUDITOR:

Ernst & Young LLP
Atria One, 144 Morrison Street
Edinburgh
United Kingdom
EH3 8EX

Registered in Scotland

DIRECTORS' REPORT

The directors of KUC Properties 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 special 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 the assessment and execution of opportunities to acquire and dispose of properties and investments.

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. The company received a capital contribution of £8,800,000 from National Westminster Bank Plc in March 2017 to be re-invested in Gatehouse Way Developments Limited.

An additional investment was made in Walton Lake Developments Limited as well as Gatehouse Way Developments Limited funded from the entity's reserves of £6,900,000 and £160,000 respectively. The total investment in the above entities of £15,860,000 was written off due to the entities being prepared for windup and is therefore irrecoverable.

FINANCIAL PERFORMANCE

The Company's financial performance is presented on page 8. The loss before taxation for the year was £16,057,910 (2016: profit of £3,788,560). The retained loss for the year was £15,859,727 (2016: profit of £5,949,828).

At the end of the year total assets were £11,083,072 (2016: £20,979,187).

Dividends

The directors do not recommend payment of dividend (2016: £nil).

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 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'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.

Interest rate risk

Interest rate risk arises where assets and liabilities have different repricing maturities.

The Company manages interest rate risk by monitoring the consistency in the interest rate profile of its assets and liabilities, and limiting any repricing mismatches. The only interest bearing financial assets or liabilities are in relation to balances held with group companies where the risks are not considered significant.

DIRECTORS' REPORT

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

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, the following changes have taken place:

	Appointed	Resigned
Directors		
H D Lincoln	-	30 November 2017
M Brandwood	30 November 2017	-

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.

DIRECTORS' REPORT

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.

INDEPENDENT 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:



James Rowney
Director
Date: 28th September 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KUC PROPERTIES LIMITED

Opinion

We have audited the financial statements of KUC Properties Limited for the year ended 31 December 2017 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 19, 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 loss 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 KUC PROPERTIES 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
- 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 3, 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.

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.



Matthew Philpott (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh

Date: 28/9/18

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2017

		2017	2016
	Notes	£	£
Continuing operations			
Revenue	3	3,000	50,610
Gross profit		3,000	50,610
Other operating income	4	222,968	4,354,722
Operating expenses	5	(419,544)	(568,098)
Impairment losses	8	(15,860,000)	-
Operating (loss)/profit		(16,053,576)	3,837,237
Net interest expense	6	(4,334)	(48,674)
(Loss)/profit on ordinary activities before tax		(16,057,910)	3,788,560
Tax credit	7	198,183	2,161,268
(Loss)/profit for the financial year		(15,859,727)	5,949,828

The Company had no recognised income or expenses in the financial year or preceding financial year other than those dealt with in the Profit and Loss Account.

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

BALANCE SHEET
as at 31 December 2017

	Notes	2017 £	2016 £
Non-current assets			
Investments in group undertakings	8	105	105
Investments in joint ventures	9	500	500
Prepayments, accrued income and other assets	11	770,005	-
		<u>770,610</u>	<u>605</u>
Current assets			
Amounts due from group undertakings	10	294,399	341,826
Current tax assets		150,019	2,161,266
Prepayments, accrued income and other assets	11	3,417,743	4,044,891
Cash at bank	12	6,450,301	14,430,599
		<u>10,312,462</u>	<u>20,978,582</u>
Total assets		<u>11,083,072</u>	<u>20,979,187</u>
Current liabilities			
Amounts due to group undertakings	14	773,240	371,775
Accruals, deferred income and other liabilities	15	3,083,505	3,872,605
Overdrafts	13	-	3,218,758
		<u>3,856,745</u>	<u>7,463,138</u>
Non-Current liabilities			
Amounts due to group undertakings	14	770,005	-
Total liabilities		<u>4,626,750</u>	<u>7,463,138</u>
Equity			
Called up share capital	16	200	200
Capital contribution		8,800,000	-
Profit and loss account		(2,343,878)	13,515,849
Total shareholders' funds		<u>6,456,322</u>	<u>13,516,049</u>
Total liabilities and shareholders' funds		<u>11,083,072</u>	<u>20,979,187</u>

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

The financial statements were approved by the Board of Directors on 28th September 2018 signed on its behalf by:



James Rowney
Director

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

	Called up share capital £	Capital contribution £	Profit and loss account £	Total £
At 1 January 2016	200	-	7,566,021	7,566,221
Profit for the year	-	-	5,949,828	5,949,828
At 31 December 2016	200	-	13,515,849	13,516,049
Loss for the year	-	-	(15,859,727)	(15,859,727)
Capital contribution	-	8,800,000	-	8,800,000
At 31 December 2017	200	8,800,000	(2,343,878)	6,456,322

Total comprehensive loss for the year of £15,859,727 (2016: income of £5,949,828) 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 Scotland 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:
 - cash-flow statement;
 - standards not yet effective;
 - related party transactions; and
 - disclosure requirements of IFRS 7 "Financial Instruments: Disclosure and IFRS 13 "Fair value Measurement".

Where required, equivalent disclosures are given in the group accounts of The Royal Bank of Scotland Group plc, these accounts are available to the public and can be obtained as set out in note 18.

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

b) Consolidated financial statements

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under IFRS 10 Consolidated Financial Statements and section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the Company and its subsidiaries are included by full consolidation in the IFRS consolidated financial statements of its parent, The Royal Bank of Scotland Group plc, a public company registered in Scotland whose registered address is 36 St Andrew Square, Edinburgh, EH2 2YB.

c) Revenue recognition

Revenue, arising in the UK from continuing activities, is measured at the fair value of the consideration received or receivable and represents amounts receivable from rentals earned and development properties sold in the normal course of business, net of discounts, VAT and other sales-related taxes. Sale of development properties are recognised when legal title has passed to the purchaser.

Rental income, excluding charges for services such as insurance and maintenance, is recognised on a straight-line basis over the lease term even if the payments are not made on that basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished or unless there is significant doubt that it can be collected. Lease incentives granted are recognised as an integral part of the total rental income.

Gains and losses on realisation of investments are recognised in profit or loss on the date of disposal.

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

NOTES TO THE FINANCIAL STATEMENTS**d) Leases**

Contracts to lease assets are classified as finance leases if they transfer substantially all the risks and rewards of ownership of the asset to the customer. Other contracts to lease assets are classified as operating leases.

Operating lease assets are included within investment and development properties (see note 10).

e) Taxation

Income tax expense or income, comprising current tax and deferred tax, is recorded in the Profit and Loss Account except income tax on items recognised outside profit or loss which is credited or charged to other comprehensive income or to equity as appropriate.

Current tax is income tax payable or recoverable in respect of the taxable profit or loss for the year arising in income or in equity. Provision is made for current tax at rates enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable in respect of temporary differences between the carrying amount of an asset or liability for accounting purposes and its carrying amount for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered. Deferred tax is not recognised on temporary differences that arise from initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is calculated using tax rates expected to apply in the periods when the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, at the balance sheet date.

f) Investments in group undertakings

Investments in group undertakings are stated at cost less any impairment.

g) Investments in joint ventures

Investments in joint ventures are stated at cost less any impairment.

h) Financial assets

On initial recognition, financial assets are classified into loans and receivables.

Loans and receivables

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 less any impairment losses. 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.

All financial assets are classified as loans and receivables unless otherwise indicated.

i) 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.

j) Financial liabilities

On initial recognition financial liabilities are classified into held for trading at amortised cost.

Amortised cost

Other than derivatives which are recognised and measured at fair value, all financial liabilities are measured at amortised cost using the effective interest method (see accounting policy 1(h)).

NOTES TO THE FINANCIAL STATEMENTS

k) 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.

A financial liability is removed from the Balance Sheet when the obligation is discharged, or cancelled, or expires.

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.

3. Revenue

	2017 £	2016 £
Rental income	<u>3,000</u>	<u>50,610</u>

4. Other operating income

	2017 £	2016 £
Dividend income from group undertakings and joint ventures	-	1,167,827
Gain on disposal of investments in group undertakings and joint ventures-from sale of Omega Warrington joint venture	-	3,099,950
Profit on disposal of investment and development properties	-	85,000
Other income	222,968	1,945
	<u>222,968</u>	<u>4,354,722</u>

5. Operating expenses

	2017 £	2016 £
Legal and professional fees	21,122	112,198
Management fees	236,680	133,670
Rental expenses	-	149,472
Property management fees	-	59,071
Repairs and maintenance	-	32,279
Audit fees	13,922	13,450
Rates	443	1,633
Other	147,377	66,325
	<u>419,544</u>	<u>568,098</u>

Management fees

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

NOTES TO THE FINANCIAL STATEMENTS

6. Net interest expense

	2017 £	2016 £
Interest payable to group undertakings	4,334	48,674

7. Tax

	2017 £	2016 £
Current tax:		
UK corporation tax credit for the year	(170,767)	(49,330)
Over provision in respect of prior periods	(27,416)	(2,111,938)
Tax credit for the year	(198,183)	(2,161,268)

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

	2017 £	2016 £
(Loss)/profit before tax for the year	(16,057,910)	3,788,560
Expected tax (credit)/charge	(3,090,602)	757,713
Non-deductible items	2,919,835	63,513
Non-taxable items	-	(870,556)
Adjustments in respect of prior years	(27,416)	(2,111,938)
Actual tax credit for the year	(198,183)	(2,161,268)

As at 31 December 2017 the Company has cumulative capital losses of £4.5m (2016 £5.7m). No deferred tax asset is recognised in respect of these losses as no economic benefit is expected to arise therefrom.

NOTES TO THE FINANCIAL STATEMENTS

8. Investments in group undertakings

Investments in group undertakings are carried at cost less impairment. Carrying value at the year end was as follows:

	2017 £	2016 £
At 1 January	105	100
Additions : Capital injections to:		
- Gatehouse Way Developments Limited ⁽¹⁾	8,960,000	3
- Walton Lake Developments Limited ⁽¹⁾	6,900,000	2
Impairment losses	(15,860,000)	-
At 31 December	105	105

⁽¹⁾ Capital injections in Gatehouse Way Developments Limited and Walton Lake Development Limited were made in order to pay off their overdrafts as a precursor to final wind-down and wind-up.

The subsidiary undertakings of the Company, which have an accounting reference date of 31 December, are:

Name of subsidiary	Registered address	Country of Incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Property Ventures (B&M) Limited	1 Princes Street, London, EC2R 8PB	England	100	100	Holding company
Gatehouse Way Developments Limited	1 Princes Street, London, EC2R 8PB	England	100	100	Property development
Walton Lake Developments Limited	1 Princes Street, London, EC2R 8PB	England	100	100	Property development

9. Investments in joint ventures

Investments in joint ventures are carried at cost less impairment. Movements during the year were as follows:

	2017 £	2016 £
At 1 January	500	550
Disposals	-	(50)
At 31 December	500	500

Name of joint ventures	Country of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Carrying value	Principal activity
Cala Campus Limited ⁽¹⁾	Great Britain	50%	50%	500	Property development

⁽¹⁾ The registered office is Ledingham Chalmers, 52-54 Rose Street, Aberdeen, AB10 1HA.

NOTES TO THE FINANCIAL STATEMENTS

10. Amounts due from group undertakings

	2017 £	2016 £
Priority Sites Investments Limited	40,089	68,365
Priority Sites Limited	103,273	68,365
Gatehouse Way Developments Limited	69,797	68,365
Walton Lake Developments Limited	69,797	68,365
West Register Project Developments Limited	11,443	68,366
	<u>294,399</u>	<u>341,826</u>

11. Prepayments, accrued income and other assets

	2017 £	2016 £
Due within one year		
Value added tax	46,176	39,182
Property management receivables	3,191,567	4,005,709
Property income receivable	180,000	-
	<u>3,417,743</u>	<u>4,044,891</u>
Due after more than one year		
Accrued income*	770,005	-
Total	<u>4,187,748</u>	<u>4,044,891</u>

*Accrued income relates to property contracts that were novated to the Company during the year and are subject to market and execution risk.

12. Cash at bank

	2017 £	2016 £
Cash at bank	<u>6,450,301</u>	<u>14,430,599</u>

13. Overdrafts

	2017 £	2016 £
Amounts owed to group banks	<u>-</u>	<u>3,218,758</u>

14. Amounts due to group undertakings

	2017 £	2016 £
Due within one year		
RBS Property Venture Investments Limited	4,831	6,100
Property Venture Partners Limited	4,831	6,100
Gatehouse Way Developments Limited	-	6,100
Walton Lake Developments Limited	-	6,100
Priority Sites Limited	-	12,201
Priority Sites Investments Limited	-	12,201
Land Options (West) Limited	70,483	-
NatWest Markets Plc	693,095	322,973
	<u>773,240</u>	<u>371,775</u>
Due after more than one year		
West Register (Realisations) Limited	770,005	-
Total	<u>1,543,245</u>	<u>371,775</u>

NOTES TO THE FINANCIAL STATEMENTS

15. Accruals, deferred income and other liabilities

	2017 £	2016 £
Accruals	26,318	422,604
Provision for onerous leases	3,057,187	3,450,001
	<u>3,083,505</u>	<u>3,872,605</u>

16. Called up share capital

	2017 £	2016 £
Authorised:		
200 ordinary shares of £1	<u>200</u>	<u>200</u>
Allotted, called up and fully paid:		
200 ordinary shares of £1	<u>200</u>	<u>200</u>

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

17. 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 and value added tax.

Group undertakings

At 31 December 2017

The Company's immediate parent was:	National Westminster Bank 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.

18. Post balance sheet events

During February 2018, the Company received a dividend of £37,437 from Cala Campus Limited.