

Company Registered No: SC046694

RBS COLLECTIVE INVESTMENT FUNDS LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2018

**COMPANIES HOUSE
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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

D B Anderson
P B Hunt
I M B McLaughlin
L Newman

COMPANY SECRETARY:

M A Tait

REGISTERED OFFICE:

24/25 St Andrew Square
Edinburgh
Scotland
EH2 1AF

INDEPENDENT AUDITOR:

Ernst & Young LLP
Chartered Accountants and Statutory Auditor
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Registered in Scotland

STRATEGIC REPORT

The directors of RBS Collective Investment Funds Limited ("the Company") present their annual report together with the audited financial statements for the year ended 31 December 2018.

ACTIVITIES AND BUSINESS REVIEW**Principal activity**

The principal activity of the Company continues to be acting as the Authorised Corporate Director of RBS Investment Funds ICVC, RBS Investment Options ICVC and RBS Stakeholder Investment Fund ICVC.

The Company is a subsidiary of The Royal Bank of Scotland Group plc ("RBS") which provides the Company with direction and access to all central resources it needs and determines policies in all key areas such as finance, risk, human resources or environment. For this reason, the directors believe that performance indicators specific to the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The annual report of RBS reviews these matters on a group basis. Copies can be obtained from RBS Secretariat, The Royal Bank of Scotland Group plc, PO Box 1000, Gogarburn, Edinburgh, EH12 1HQ, the Registrar of Companies or through the RBS website at www.rbs.com

Business review

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

UK ring-fencing legislation requires the separation of essential banking services from investment banking services from 1 January 2019. The Company forms part of the NatWest Holdings Limited ring-fenced banking group and has taken the necessary operational steps to comply with the legislation. Ring-fencing is not expected to have a material impact on the Company's operations or financial performance.

With effect from 22 July 2014, the Company was classified as an Alternative Investment Fund Manager under the Alternative Investment Fund Manager Directive ("AIFMD").

In line with the requirements of the FCA Handbook SYSC 19 (the Alternative Investment Fund Manager (AIFM) Remuneration Code and the UCITS Remuneration Code), RBS Collective Investment Funds Limited is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times, and that the remuneration of senior staff is in line with the risk policies and objectives of the Alternative Investment Funds (AIFs) and UCITS it manages.

FINANCIAL PERFORMANCE

The Company's financial performance is presented in the Profit and Loss Account on page 9.

Total income decreased by £1,613k (2017: £1,559k) and operating expenses increased by £304k (2017: decreased by £1,468k).

The operating profit before taxation for the year was £29,496k (2017: £31,413k). The profit for the year was £23,887k (2017: £25,364k).

At the end of the year, total assets were £49,949k (2017: £52,816k) and shareholder's funds were £33,887k (2017: £35,364k).

Dividends

The directors declared and paid a final dividend of £25,364k (2017: £25,204k).

STRATEGIC REPORT**PRINCIPAL RISKS AND UNCERTAINTIES**

The Company seeks to minimise and/or manage its exposure to financial risk.

Management focuses on both the overall balance sheet structure and the control, within prudent limits, of risk arising from mismatches, including currency, maturity, interest rate and liquidity. It is undertaken within limits and other policy parameters set by the RBS Asset and Liability Management Committee ("RBS ALCO").

The Company is funded by facilities from RBS. These are denominated in Sterling which is 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 and equity prices together with related parameters such as market volatilities.

The Company's revenue is derived from the value of Assets Under Management ("AUM") and subject to market risk. Adverse movements to equity and bond prices will reduce AUM and, therefore, revenue. The Company is exposed to this risk in the course of its business activity.

Certain expenses are also derived from the value of AUM and can also be affected by market risk.

Operational risk

Operational risks are inherent in the Company's business. Operational risk losses occur as the result of fraud, human error, missing or inadequately designed processes, failed systems, damage to physical assets, improper behaviour or from external events. The key mitigating processes and controls include risk and control assessment, scenario analysis, loss data collection, new product approval process, key risk indicators, notifiable events process and the self certification process. The implementation of these processes and controls is facilitated and overseen by operational risk teams, with internal audit providing independent evaluation of the control framework.

Interest rate risk

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

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

Currency risk

Currency risk is the risk of loss due to adverse exchange rate changes affecting the value of transactions and balances that are not denominated in the operating currency of the Company.

The Company's transactions and balances are denominated only in Sterling, which is the operating currency of the Company. The Company, therefore, has no exposure to currency risk.

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 objective of credit risk management is to enable the Company to achieve appropriate risk versus reward performance whilst maintaining credit risk exposure in line with the Company's risk appetite.

The Company's exposure to credit risk is limited to cash amounts held in facilities offered with other banks. These facilities are either immediate access facilities or recoverable with one month's notice. The credit ratings of counterparty banks are monitored for compliance with RBS's credit risk management framework.

Liquidity risk

Liquidity risk arises where assets and liabilities have different contractual maturities. Management focuses on risk arising from the mismatch of maturities across the balance sheet and from undrawn commitments and other contingent obligations.

STRATEGIC REPORT**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' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare a Strategic report, Directors' report and financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs at the end of the year and the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Strategic report, Directors' report and financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the directors at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the 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.

DIRECTORS' INDEMNITIES

The Royal Bank of Scotland Group plc has indemnified all of the directors under the qualifying third party terms.

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



P B Hunt
Director

Date: 23 April 2019

DIRECTORS' REPORT

The Strategic report includes the review of the year, risk report, disclosure of information to auditors, and directors' indemnities.

DIRECTORS AND COMPANY SECRETARY

The present directors and company secretary, who have served throughout the year except where noted below, are listed on page 1.

From 1 January 2018 to date the following changes have taken place;

	Appointed	Resigned
Director		
L Newman	31 July 2018	

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:



P B Hunt
Director
Date: 23 April 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBS COLLECTIVE INVESTMENT FUNDS LIMITED

Opinion

We have audited the financial statements of RBS Collective Investment Funds Limited for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 17, 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 2018 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBS COLLECTIVE INVESTMENT FUNDS LIMITED

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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have 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 strategic report or 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBS COLLECTIVE INVESTMENT FUNDS LIMITED

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.

Ernst & Young LLP.

David Reeves (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh, United Kingdom
23 April 2019

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2018

		2018 £'000	2017 £'000
Continuing operations	Note		
Interest receivable		95	48
Net interest income	3	95	48
Fees and commissions receivable		44,029	45,768
Fees and commissions payable		(1,358)	(1,437)
Non-interest income		42,671	44,331
Total income		42,766	44,379
Operating expenses	4	(13,270)	(12,966)
Profit on ordinary activities before tax		29,496	31,413
Tax charge	6	(5,609)	(6,049)
Profit and total comprehensive income for the year		23,887	25,364

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


BALANCE SHEET

as at 31 December 2018

	Note	2018 £'000	2017 £'000
Current assets			
Trade and other receivables	9	5,244	4,671
Investments - designated as at fair value	8	289	330
Amounts due from group undertakings	10	37,725	28,448
Prepayments, accrued income and other assets	11	3,547	3,662
Cash at bank	12	3,144	15,705
Total assets		49,949	52,816
Current liabilities			
Trade and other payables	13	3,794	4,022
Current tax liabilities		5,610	6,029
Amounts due to group undertakings	14	2,316	2,888
Accruals, deferred income and other liabilities	15	4,342	4,513
Total liabilities		16,062	17,452
Equity			
Called-up share capital	16	10,000	10,000
Profit and loss account		23,887	25,364
Total equity		33,887	35,364
Total liabilities and equity		49,949	52,816

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

The financial statements of the Company were approved by the Board of Directors and authorised for issue on 23 April 2019 and signed on its behalf by:



P B Hunt
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2017	10,000	25,204	35,204
Profit for the year	-	25,364	25,364
Dividends paid	-	(25,204)	(25,204)
At 31 December 2017	10,000	25,364	35,364
Profit for the year	-	23,887	23,887
Dividends paid	-	(25,364)	(25,364)
At 31 December 2018	10,000	23,887	33,887

Total comprehensive income for the year of £23,887k (2017: £25,364k) was wholly attributable to the equity holders of the Company.

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

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies****a) Preparation and presentation of financial statements**

These financial statements are prepared:

- on a going concern basis;
- 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 has adopted all of the amendments to FRS 101 as a result of the Triennial review 2017 amendments with effect from 1st January 2018.

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;
 - 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 17.

The changes to IFRS that were effective from 1 January 2018 have had no material effect on the Company's financial statements for the year ended 31 December 2018.

b) Revenue recognition

Interest income on financial assets that are measured at amortised cost or fair value through other comprehensive income and interest expense on financial liabilities other than those at fair value are determined using the effective interest method. The effective interest method allocates the interest income or interest expense over the expected life of the asset or liability at the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount. Credit losses or reversals of credit losses do not change the carrying amount of a financial asset until an impairment or reversal of an impairment is recognised at which point the effective interest rate is recalculated. Reversals cannot exceed the impairment originally charged. 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. Negative effective interest accruing to financial assets is presented in interest payable.

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

Financial assets and financial liabilities which are mandatory fair value through profit or loss, held for trading or designated as at fair value through profit or loss are recorded at fair value. Changes in fair value are recognised in profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

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.

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

d) Provisions

The Company recognises a provision for a present obligation resulting from a past event when it is more likely than not that it will be required to transfer economic benefits to settle the obligation and the amount of the obligation can be estimated reliably.

e) Cash at bank

Cash at bank comprises cash and demand deposits with banks together with short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

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, there are no particular judgements and assumptions involved in the Company's accounting policies that are considered by the directors to be significant to the portrayal of the Company's performance and financial condition.

3. Net Interest income

	2018 £'000	2017 £'000
Bank interest receivable	95	48

4. Operating expenses

	2018 £'000	2017 £'000
Outsourcing & consulting fees	12,968	12,584
Other administrative expenses	246	326
Auditor's remuneration - audit services	56	56
	13,270	12,966

NOTES TO THE FINANCIAL STATEMENTS

5. Profit before tax

Profit before tax is stated after charging

	2018 £'000	2017 £'000
Auditor's remuneration - audit services	56	56
Auditor's remuneration - fund audit services	68	68
Auditor's remuneration - client money audit	62	62
Management fees to Group companies	1,225	1,308

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.

Directors' emoluments

	2018 £	2017 £
Amounts paid to Non-Executive Directors:		
D B Anderson	2,083	-

Fees for Non-Executive Directors are shown above. The Company does not remunerate Executive Directors. There are no other employees.

6. Tax

	2018 £'000	2017 £'000
Current tax:		
UK corporation tax charge for the year	5,609	6,029
Under provision in respect of prior periods	-	20
Tax charge for the year	5,609	6,049

The actual tax charge differs from the expected tax charge computed by applying the standard rate of UK corporation tax of 19% (2017: blended tax rate 19.25%) as follows:

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	29,496	31,413
Expected tax charge	5,605	6,046
Non deductible items	4	-
Non taxable items	-	(17)
Adjustments in respect of prior periods	-	20
Actual tax charge for the year	5,609	6,049

7. Ordinary dividends

	2018 £'000	2017 £'000
Final Dividend paid	25,364	25,204

Final dividend of £25,364k has been paid during the year (2017: £25,204k).

NOTES TO THE FINANCIAL STATEMENTS

8. Investments - designated as at fair value

	2018 £'000	2017 £'000
Collective Investment Scheme shares	<u>289</u>	<u>330</u>

Assets designated as at fair value are valued by reference to observable data or other quoted market prices.

9. Trade and other receivables

	2018 £'000	2017 £'000
Trade receivables	<u>5,244</u>	<u>4,671</u>

Trade receivables primarily relate to debtors arising from i) the sale of fund units to the investors ii) amounts due from the fund following the cancellation of units.

10. Amounts due from group undertakings

	2018 £'000	2017 £'000
The Royal Bank of Scotland Plc	<u>37,725</u>	<u>28,448</u>

Amounts due from The Royal Bank of Scotland Plc primarily relate to the interest bearing deposit in The Royal Bank of Scotland Plc. The balance is recoverable upon demand with immediate effect.

Amounts due from holding companies and fellow subsidiaries have been assessed for impairment under IFRS 9. The balances are all in stage 1 and there is no material charge to apply.

11. Prepayments, accrued income and other assets

	2018 £'000	2017 £'000
Accrued income	<u>3,547</u>	<u>3,662</u>

12. Cash at bank

	2018 £'000	2017 £'000
Cash at bank	<u>3,144</u>	<u>15,705</u>

13. Trade and other payables

	2018 £'000	2017 £'000
Trade creditors	<u>3,794</u>	<u>4,022</u>

Trade creditors mainly relates to the purchase of fund units from the underlying investors, amounts due to the fund following the creation of units and outsourcing to external service providers.

NOTES TO THE FINANCIAL STATEMENTS

14. Amounts due to group undertakings

	2018 £'000	2017 £'000
The Royal Bank of Scotland Group plc - Accounts payable	<u>2,316</u>	<u>2,888</u>

15. Accruals, deferred income and other liabilities

	2018 £'000	2017 £'000
Accruals	<u>4,341</u>	<u>4,512</u>
Other liabilities	<u>1</u>	<u>1</u>
	<u>4,342</u>	<u>4,513</u>

16. Share capital

	2018 £'000	2017 £'000
Equity shares		
Authorised:		
301,210,438 Ordinary Shares of £0.50 each	<u>150,605</u>	<u>150,605</u>
Allotted, called-up and fully paid:		
20,000,000 Ordinary Shares of £0.50 each	<u>10,000</u>	<u>10,000</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. This includes the payment of UK corporation tax.

Group Companies

On 1st October 2017, RBS Asset Management Holdings, a company incorporated in England and Wales, bought the Company's immediate parent company, RBSG Collective Investments Holdings Limited, by share exchange with National Westminster Bank plc, a company incorporated in England and Wales.

RBS Asset Management Holdings was sold by National Westminster Bank plc to Coutts & Company on 1st March 2018.

At 31 December 2018

The Company's immediate parent was:	RBSG Collective Investments Holdings Limited
The smallest consolidated accounts including the company were prepared by:	Coutts & Company
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.