Company Registered No: SC051151

R.B. LEASING COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30 September 2020

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:	S C Lowe K D Pereira
COMPANY SECRETARY:	NatWest Markets Secretarial Services Limited
REGISTERED OFFICE:	RBS Gogarburn 175 Glasgow Road Edinburgh EH12 1HQ
INDEPENDENT AUDITOR:	Ernst & Young LLP Statutory Auditor The Paragon Counterslip Bristol BS1 6BX

Registered in Scotland

DIRECTORS' REPORT

CHANGE OF REGISTERED OFFICE

On 14 August 2020, the Registered Office of the Company changed from 24/25 St Andrew Square, Edinburgh, EH2 1AF to RBS Gogarburn, 175 Glasgow Road, Edinburgh, EH12 1HQ.

ACTIVITIES AND BUSINESS REVIEW

This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and therefore does not include a Strategic Report.

Activity
The principal activity of the Company continues to be the provision of fixed asset finance usually involving individually structured facilities. The Company currently holds two aircraft under a finance lease.

Review of the year

Business review

There is no revenue during the year resulted in an overall loss for the Company. The directors will continue to monitor the performance over subsequent periods; however, the company is loss making due to the management fees which are at the discretion of the parent company. There is a parental support in place see note 1(a) and the company would continue going concern basis until termination of lease while there is not exact date for such termination of lease.

Financial performance

The loss for the year was $65,000 (2019: $87,000) and this was transferred from reserves. An interim dividend of £nil was paid during the year (2019: £nil).

Principal risks and uncertainties

The Company seeks to minimise its exposure to financial risks other than credit risk.

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

The Company has funding facilities from Lombard Corporate Finance (11) Limited. These are denominated in US dollars which is the functional currency and carry no significant financial risk.

The Company's assets mainly comprise finance lease receivables and cash at bank which would expose it to interest, credit, liquidity, operational and market risk except that the counterparties are group companies and credit risk is not considered significant.

The principal risks associated with the Company are as follows:

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

The principal market risk to which the Company is exposed is interest rate risk.

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.

DIRECTORS' REPORT

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Currency risk

The Company does not maintain material non-trading open currency positions.

The Company undertakes certain transactions denominated in foreign currencies, hence exchange rate fluctuations arise. The Company's policy is normally to match foreign currency receivables with borrowings in the same currency.

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.

All material loans receivable are with group undertakings. Although credit risk arises this is not considered to be significant and no amounts are past due.

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.

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 NatWest Group framework, through systems and procedures to monitor transactions and positions, the documentation of transactions and periodic review by internal audit. The Company also maintains contingency facilities to support operations in the event of disasters.

Going concern

These financial statements are prepared on a going concern basis, see note 1(a) on page 10.

DIRECTORS AND SECRETARY

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

There have been no changes to the directors and secretary since the last reporting period.

DIRECTORS' REPORT

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

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

AUDITOR

Ernst & Young have expressed their willingness to continue in office as auditor.

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

S C Lowe
Director
Date: 8 April 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R.B. LEASING COMPANY LIMITED

Opinion

We have audited the financial statements of R.B. Leasing Company Limited ('the Company') for the year ended 30 September 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 30 September 2020 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Richard Page (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
Date: 9 April 2021

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2020

Income from continuing operations	Notes	2020 $'000	2019 $'000
Turnover	3	2	2
Operating income	4	-	8
Operating expenses	5	(125)	(85)
Operating loss		(123)	(75)
Finance costs	6	(3)	(4)
Loss on ordinary activities before tax		(126)	(79)
Tax credit / (charge)	7	61	(8)
Loss and total comprehensive loss for the year		(65)	(87)

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

BALANCE SHEET
as at 30 September 2020

	Notes	2020 $'000	2019 $'000
Assets			
Non-current assets			
Finance lease receivables	9	-	2
Deferred tax asset	7	347	332
		347	334
Current assets			
Finance lease receivables	9	1	2
Cash at bank		14	4
		15	6
Total assets		362	340
Current liabilities			
Borrowings	10	-	67
Current tax liabilities		190	122
Obligation under finance leases	11	1	2
Accruals, deferred income and other liabilities	12	275	186
		466	377
Non-current liabilities			
Obligation under finance leases	11	-	2
Total liabilities		466	379
Equity			
Called up share capital	13	102	102
Capital contribution		5,650	5,650
Profit and loss account		(5,856)	(5,791)
Total equity		(104)	(39)
Total liabilities and equity		362	340

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

The financial statements of the Company were approved by the Board of Directors on 8 April 2021 and signed on its behalf by:

S C Lowe
Director

STATEMENT OF CHANGES IN EQUITY
as at 30 September 2020

	Share Capital $'000	Capital Contribution $'000	Profit and loss account $'000	Total $'000
At 1 October 2018	102	5,650	(5,704)	48
Loss for the year	-	-	(87)	(87)
At 30 September 2019	102	5,650	(5,791)	(39)
Loss for the year	**-**	**-**	**(65)**	**(65)**
At 30 September 2020	**102**	**5,650**	**(5,856)**	**(104)**

Total comprehensive loss for the year of $65,000 (2019: $87,000) was wholly attributable to the owners of the Company.

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

1. Accounting policies

a) *Preparation and presentation of financial statements*

These financial statements are prepared:

- on a going concern basis. In the first quarter of 2020, the World Health Organisation declared the Covid-19 outbreak to be a pandemic. Many governments, including the UK, have taken stringent measures to contain and/or delay the spread of the virus. Actions taken in response to the spread of Covid-19 have resulted in severe disruption to business operations and a significant increase in economic uncertainty, with more volatile asset prices and currency exchange rates, and a marked decline in long-term interest rates in developed economies.

  NatWest Markets Group (the "Group") has a well-developed business continuity plan which includes pandemic response, enabling the Group to quickly adapt to these unprecedented circumstances and continue as viable business.

  There remains significant uncertainty regarding the developments of the pandemic and the future economic recovery. The most likely expected financial impact is in respect of the Company's profitability, assets, operations & liquidity. Management continue to monitor further impacts on profitability, assets, operations & liquidity however, at this stage do not consider there to be any additional material issues for the Company.

  The directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future and have prepared the financial statements on a going concern basis. This conclusion is based on the director's assessment of the Company's financial position, including the parental letter of support provided by the immediate parent company. The directors, in relying on this support, have considered the immediate parent company's ability to provide this support with no issues noted.

- 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 US dollars 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 NatWest Group Plc, these accounts are available to the public and can be obtained as set out in note 14.

The changes to IFRS that were effective from 1 October 2019 have had no material effect on the Company's financial statements for the year ended 30 September 2020.

1. Accounting policies (continued)

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.

c) Foreign currencies

Transactions in foreign currencies are translated into US dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Foreign exchange differences arising on translation are reported in the profit and loss account.

d) Revenue recognition

Turnover comprises income from finance leases, loans and other services which arises in the United Kingdom from continuing activities.

Finance lease income is allocated to accounting periods so as to give a constant periodic rate of return before tax on the net investment. Unguaranteed residual values are subject to regular review; if there is a reduction in the estimated unguaranteed residual value, income allocation is revised and any reduction in respect of amounts accrued is recognised immediately.

Fees in respect of services are recognised as the right to consideration accrues through the performance of each distinct service obligation to the customer. The arrangements are generally contractual and the cost of providing service is incurred as each service is performed. The price is usually fixed & always determinable.

Interest income or expense relates to financial instruments measured at amortised cost and debt instruments classified as fair value through OCI using the effective interest rate method, the effective part of any related accounting hedging instruments and finance lease income recognised at a constant periodic rate of return before tax on the net investment. Negative effective interest accruing to financial assets is presented in interest payable.

e) Taxation

Income tax expense or income, comprising current tax and deferred tax, is recorded in the Statement of Comprehensive Income 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.

1. Accounting policies (continued)

f) Investments in subsidiaries and associates
Investments in group subsidiaries and associates are stated at cost less any impairment.

g) Leases

The Company has adopted IFRS 16 "Leases" with effect from 1 January 2019, replacing IAS 17 "Leases". The Company has applied IFRS 16 on a modified retrospective basis.

Finance lease contracts are those which transfer substantially all the risks and rewards of ownership of an asset to a customer. All other contracts with customers to lease assets are classified as operating leases.

Loans to customers include finance lease receivables measured at the net investment in the lease, comprising the minimum lease payments and any unguaranteed residual value discounted at the interest rate implicit in the lease. Interest receivable includes finance lease income recognised at a constant periodic rate of return before tax on the net investment. Unguaranteed residual values are subject to regular review; if there is a reduction in their value, income allocation is revised and any reduction in respect of amounts accrued is recognised immediately.

h) Financial instruments

Financial instruments are classified either by product, by business model or by reference to the IFRS default classification.

Classification by product relies on specific designation criteria which are applicable to certain classes of financial assets or circumstances where accounting mismatches would otherwise arise. Classification by business model reflects how the Company manages its financial assets to generate cash flows. A business model assessment determines if cash flows result from holding financial assets to collect the contractual cash flows; from selling those financial assets; or both.

The product classifications apply to financial assets that are either designated at fair value through profit or loss (DFV), or to equity investments designated as at fair value through other comprehensive income (FVOCI). In all other instances, fair value through profit or loss (MFVTPL) is the default classification and measurement category for financial assets.

All financial instruments are measured at fair value on initial recognition.

All liabilities not subsequently measured at fair value are measured at amortised cost.

Most financial assets are held to collect the contractual cash flows that comprise solely payments of principal and interest and are measured at amortised cost.

i) Impairment of financial assets
At each balance sheet date each financial asset or portfolio of loans measured at amortised cost or at fair value through other comprehensive income, issued financial guarantee and loan commitment is assessed for impairment. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability-weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

The costs of loss allowances on assets held at amortised cost are presented as impairments in the income statement.

1. Accounting policies (continued)

j) Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or when it has been transferred and the transfer qualifies for derecognition in accordance with IFRS 9 "Financial Instruments".

A financial liability is removed from the balance sheet when the obligation is discharged, or cancelled, or expires.

k) Obligations under finance leases

Assets held under finance leases are recognised as assets at the present value of the minimum lease payments determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss account.

2. Critical accounting policies and key sources of estimation uncertainty

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

Leased assets

Judgement is required in the classification of a lease at inception and after any material amendment to assess whether substantially all the significant risks and rewards of ownership accrue to the lessor or the lessee.

Loan impairment provisions

At September 2020 the loan impairment provisions have been established in accordance with IFRS 9. Accounting policy 1(i) sets out how the expected loss approach is applied. A loan is impaired when there is objective evidence that the cash flows will not occur in the manner expected when the loan is advanced. Such evidence includes changes in the credit rating of the borrower, the failure to make payments in accordance with the loan agreement; significant reductions in the value of any security, breach of limits or covenants; and observable data about relevant macroeconomic measures.

3. Turnover

	2020	2019
	$'000	$'000
Finance lease income:		
Rents receivable	**2**	2
Amortisation	**(2)**	(2)
Rents receivables under head lease	**2**	2
	2	2

The Company did not enter into any new leasing transactions during the year (2019: £nil).

4. Operating income

	2020	2019
	$'000	$'000
Exchange gains	**-**	8

5. Operating expenses

	2020 $'000	2019 $'000
Legal and professional fees	17	10
Exchange losses	2	-
Audit fee	19	19
Management fees	87	56
	125	85

Management fees include the cost 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.

6. Finance costs

	2,020 $'000	2,019 $'000
Interest on loans from group companies	1	2
Obligations under finance lease	2	2
	3	4

7. Tax

	2020 $'000	2019 $'000
Current taxation:		
UK corporation tax credit for the year	(46)	(41)
Over provision in respect of prior periods	-	(16)
	(46)	(57)
Deferred taxation:		
(Credit)/charge for the year	(15)	65
Tax (credit)/charge for the year	(61)	8

The actual tax (credit)/charge differs from the expected tax credit computed by applying the standard rate of UK corporation tax of 19% (2019: 19%) as follows:

	2020 $'000	2019 $'000
Expected tax credit	(24)	(15)
Non-deductible items	-	1
(Increase) / reduction in deferred tax asset following change in rate of UK corporation tax	(37)	38
Adjustments in respect of prior periods	-	(16)
Tax (credit)/charge for the year	(61)	8

7. Tax (continued)

Deferred tax
Deferred tax asset comprises:

	Capital allowances $'000
1 October 2018	(397)
Charge to profit and loss	65
At 30 September 2019	(332)
Credit to profit and loss	**(15)**
At 30 September 2020	**(347)**

In the current period, the substantively enacted UK Corporation tax rate applicable to the company from 1 April 2020 was increased from 17% to 19%. The closing deferred tax assets have been calculated at 19% and accordingly a rate change adjustment has arisen as the opening deferred tax balance had been calculated taking into account the previously enacted rate of 17%.

Since the balance sheet date, it was announced in the UK Government's Budget on 3 March 2021 that the main UK corporation tax rate will increase to 25% from 1 April 2023. This change has not yet been substantively enacted. As a result, existing temporary differences on which deferred tax has been provided may unwind in periods subject to the 19%/25% rates. The impact of the post balance sheet date change in tax rate is not expected to be material.

8. Investment in subsidiaries

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

	2020 $	2019 $
1 October 2019 and 30 September 2020	**100**	100

The subsidiary undertaking of the Company, which has an accounting reference date of 30 September, is:

Name of subsidiary	**Country of incorporation and operations**	**Proportion of ownership interest %**	**Proportion of voting power held %**	**Principal activity**
R.B. Leasing BDA One Limited	Bermuda	100	100	Lease registration

The capital of the subsidiary undertaking consists of ordinary and preference shares which are unlisted.

9. Finance lease receivables

Amount receivable under finance lease	**2020 £'000**
Within 1 year	1

	Within 1 year $'000	**Between 1 and 5 years $'000**	**Total £'000**
2019			
Present value of minimum lease payments receivable	2	2	4

Analysed as:

	2020 $'000	2019 £'000
Due within one year	1	2
Due after more than one year	-	2
	1	4

The average term of the finance lease is 10 years (2019:10 years).

The average effective interest rate in relation to finance lease agreements approximates 9% (2019: 9%).

Finance lease receivables relating to the aircraft have been fully impaired (see note 13). The remaining rentals relate to a back to back lease arrangement with the subsidiary RB Leasing BDA One Ltd.

10. Borrowings

	2020 $'000	2019 $'000
Loans from fellow subsidiary	-	67
Current	-	67
	-	67

The Company has no unsecured borrowing from group undertakings greater than five years: nil (2019: nil).

11. Obligations under finance leases

	Within 1 year $'000	**Between 1 and 5 years $'000**	**Total $'000**
2020 Net carrying value	1	-	1
2019 Net carrying value	2	2	4

The Company leases two aircraft under finance leases. The average term is 10 years. The counterparty is a subsidiary company.

12. Accruals, deferred income and other liabilities

	2020 $'000	2019 $'000
Accruals	**275**	186

13. Share capital

	2020 $'000	2019 $'000
Authorised:		
1000 Ordinary shares of £1 each	**2**	2
100,000 Ordinary shares of $1 each	**100**	100
	102	102
Allotted, called up and fully paid:		
Equity shares		
1000 Ordinary shares of £1 each	**2**	2
100,000 Ordinary shares of $1 each	**100**	100
	102	102

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

14. Related parties

UK Government

The UK Government through HM Treasury is the ultimate controlling party of NatWest Group plc. Its shareholding is managed by UK Government 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 companies

As at 30 September 2020

The Company's immediate parent was:	Lombard Corporate Finance (11) Limited
The smallest consolidated accounts including the company were prepared by:	NatWest Markets Plc
The ultimate parent company was:	NatWest Group plc

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

On 22 July 2020 The Royal Bank of Scotland Group plc changed its name to NatWest Group plc.