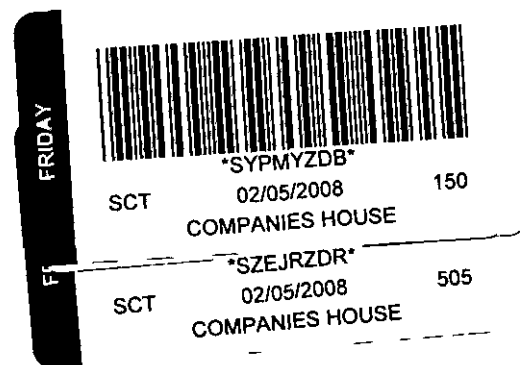


Company Registration No: SC080244

ROYAL BANK GROUP SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 December 2007



Group Secretariat
The Royal Bank of Scotland Group plc
Gogarburn
P O Box 1000
Edinburgh EH12 1HQ

ROYAL BANK GROUP SERVICES LIMITED

CONTENTS

Page

Officers and Professional Advisers

1

Directors' Report

2

Balance Sheet

3

Notes to the Financial Statements

4

ROYAL BANK GROUP SERVICES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

**Alan Wallace McKean
Alan Ewing Mills
Aileen Norma Taylor**

SECRETARY:

Yvonne Wood

REGISTERED OFFICE:

**36 St Andrew Square
Edinburgh
EH2 1YB**

Registered in Scotland.

ROYAL BANK GROUP SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2007

ACTIVITIES AND BUSINESS REVIEW

Activity

The Company is dormant

The Company is a subsidiary of The Royal Bank of Scotland Group plc which provides the Company with direction and access to all central resources it needs and determines policies in all key areas. The annual reports of The Royal Bank of Scotland Group plc review these matters on a group basis. Copies can be obtained from Group Secretariat, RBS Gogarburn, Edinburgh, EH12 1HQ, the Registrar of Companies or through the Group's web site at rbs.com

DIRECTORS AND SECRETARY

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

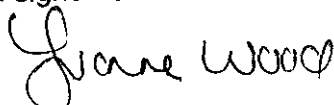
From 1 January 2007 to date the following changes have taken place

	Appointed	Resigned
Directors		
Hew Campbell		1 August 2007
Aileen Norma Taylor	1 August 2007	

DIRECTORS' INDEMNITIES

In terms of section 236 of the Companies Act 2006, Hew Campbell had been granted Qualifying Third Party Indemnity Provisions by The Royal Bank of Scotland Group plc

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



Yvonne Wood

Secretary

Date

29/4/08

ROYAL BANK GROUP SERVICES LIMITED

BALANCE SHEET AS AT 31 December 2007

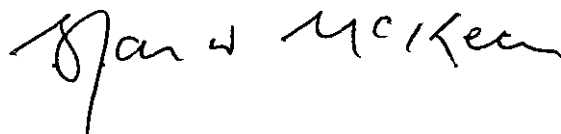
	Note	2007 £	2006 £
Current Assets			
Debtors			
Amounts owed by Group Company (The Royal Bank of Scotland plc)		<u>100</u>	<u>100</u>
Net Assets		<u>100</u>	<u>100</u>
Capital	5	<u>100</u>	<u>100</u>
Called up share capital			

The Notes on pages 4 form part of these accounts

DIRECTORS DECLARATION

- 1 For the period ended 31 December 2006 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985
- 2 No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 249B(2)
- 3 The directors acknowledge their responsibility for
 - a) ensuring the company keeps accounting records which comply with section 221, and
 - b) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company

Director



Date

29/4/08

ROYAL BANK GROUP SERVICES LIMITED

NOTES:

1 Principal Accounting Policies

The accounts have been prepared in accordance with applicable UK Accounting Standards. A summary of the more important accounting policies, which have been applied consistently, is set out below.

2 Basis of Accounting

The accounts have been prepared under the historical cost convention and in compliance with the Companies Act 1985 and 2006.

3 Immediate and Ultimate Parent Company

The company's ultimate holding company, ultimate controlling party, and the parent of the largest group into which the company is consolidated is The Royal Bank of Scotland Group plc which is incorporated in Great Britain and registered in Scotland. Copies of the consolidated financial statements for The Royal Bank of Scotland Group plc can be obtained from The Royal Bank of Scotland Group plc, Gogarburn, PO Box 1000 Edinburgh, EH12 1HQ.

The company's immediate parent and smallest subgroup into which the company is consolidated is The Royal Bank of Scotland plc, a company incorporated in Great Britain and registered in Scotland. Copies of the consolidated financial statements for this subgroup can be obtained from The Royal Bank of Scotland Group plc, Gogarburn, PO Box 1000 Edinburgh, EH12 1HQ.

4 Related Party Transactions

The company is exempt from the requirement of Financial Reporting Standard 8 'Related Party Disclosures' to disclose transactions and balances with other subsidiaries or investees of The Royal Bank of Scotland Group plc. The company's results are included in the Consolidated Financial Statements of The Royal Bank of Scotland Group plc.

5 Called Up Share Capital

	Authorised	Share capital allotted, called up and fully paid
At 31 December 2007 and 31 December 2006		
Ordinary Shares of £1 each	£1,000,000	<u>£100</u>

6 Profit and Loss Account

The company has not traded during the accounting period, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss. A profit and loss account is therefore not presented. None of the directors received any remuneration.

7 Approval of Accounts

The accounts were approved at a meeting of the board of directors.