

**Company Registered No: SC192466**

**LAND OPTIONS (WEST) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2017**



## Template Guidance Notes

Mandatory iXBRL tags. This table must not be deleted		
1	Company name	Tagged on cover page
2	Company registered number	Tagged on cover page
3	Period start date	1 January 2017
4	Period end date	31 December 2017
5	Balance Sheet date	31 December 2017
6	Dormant/non-dormant indicator	False
7	Trading/non-trading indicator	True
8	Profit or loss for the period	Tagged in main document
9	Name of director signing Directors' report	Tagged in main document
10	Date of signing Directors' report	Tagged in main document
11	Name of director signing Balance Sheet	Tagged in main document
12	Balance Sheet date of approval	DD MM 2017
13	Description of body authorising accounts	Board of Directors
14	Accounts status, audited or unaudited	See Dimension
15	Accounts type, full or abbreviated	See Dimension
16	Legal form of entity	See Dimension
17	Accounting standards applied	See Dimension

**LAND OPTIONS (WEST) LIMITED**

**SC192466**

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**LAND OPTIONS (WEST) LIMITED**

**SC192466**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**

**J M Rowney  
D C Grant**

**COMPANY SECRETARY:**

**A Nicholson**

**REGISTERED OFFICE:**

**24/25 St Andrew Square  
Edinburgh  
EH2 1AF**

**INDEPENDENT AUDITOR:**

**Ernst & Young LLP  
Chartered Accountants and Statutory Auditor  
25 Churchill Place  
Canary Wharf  
London  
E14 5EY**

**Registered in Scotland**

**DIRECTORS' REPORT**

**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 developing and selling of development land, properties and options over land.

**Review of the year**

***Business review***

The directors are satisfied with the Company's performance in the year. The Company will be guided by its shareholders.

***Financial performance***

The Company's financial performance is presented in the profit and loss account on page 10.

Turnover reduced by £8,510k (2016: £6,900k increase) and administrative expenses decreased by £110k (2016: £457k decrease). After impairment provisions of £nil (2016: £nil), the loss for the year was £337k (2016: £1,565k profit).

The directors do not recommend payment of a dividend for the year (2016: £nil)

At the end of the year, the balance sheet showed total assets of £851k (2016: £1,064k), including development property of £487k (2016: £487k), representing a decrease of 18%. Total shareholders' funds were a deficit of £9,392k (2016: a deficit of £9,055k).

***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 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 The Royal Bank of Scotland plc. These are denominated in sterling which is the functional currency and carry no significant financial risk.

The Company's assets mainly comprise development properties which would expose it to market risk and credit except that the counterparties are group companies and credit risk is not considered significant.

**DIRECTORS' REPORT**

**Interest rate risk**

Structural 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 re-pricing mismatches.

**Credit risk**

Credit risk management seeks to match the risk of credit failure to price of credit on granting a facility whilst maintaining credit risk exposure in line with approved appetite for the risk that customers will be unable to meet their obligations to the Company.

The key principles of the group's Credit Risk Management Framework are set out below:

- Approval of all credit exposure is granted prior to any advance or extension of credit.
- An appropriate credit risk assessment of the customer and credit facilities is undertaken prior to approval of credit exposure. This includes a review of, amongst other things, the purpose of credit and sources of repayment, compliance with affordability tests, repayment history, capacity to repay, sensitivity to economic and market developments and risk-adjusted return.
- Credit risk authority is delegated by the Board and specifically granted in writing to all individuals involved in the granting of credit approval. In exercising credit authority, the individuals act independently of any related business revenue origination.
- All credit exposures, once approved, are effectively monitored and managed and reviewed periodically against approved limits. Lower quality exposures are subject to a greater frequency of analysis and assessment.

**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.

**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 principal market risk to which the Company is exposed is interest rate, and is mitigated by monitoring consistency in the interest rate profile of its assets and liabilities.

***Going concern***

The directors, having made such enquiries as they considered appropriate, and 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 3.

**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 year/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:

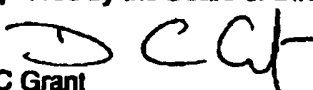
- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the Company's auditor is aware of that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

Approved by the Board of Directors and signed on its behalf



D C Grant

Director

Date: 27<sup>th</sup> September 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAND OPTIONS (WEST) LIMITED**

We have audited the financial statements of Land Options (West) Limited ("the Company") 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 18, 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state 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 set out in pages 4 to 19, 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 LAND OPTIONS (WEST) LIMITED (continued)**

**Opinion on other matter 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 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 6, 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**

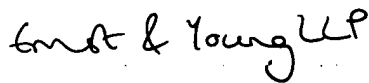
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAND OPTIONS (WEST) LIMITED (continued)**

**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.



Helen Joseph (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP,  
Statutory Auditor  
London, United Kingdom

Date: 28 September 2018

**LAND OPTIONS (WEST) LIMITED****SC192466****PROFIT AND LOSS ACCOUNT  
for the year ended 31 December 2017**

	<b>Notes</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>Income from discontinuing operations</b>			
Turnover	<b>3</b>	-	8,510
Cost of sales		(63)	(6,443)
<b>Gross (loss)/profit</b>		<b>(63)</b>	<b>2,067</b>
Other operating income	<b>4</b>	2	169
Administrative expenses	<b>5</b>	(139)	(249)
Impairment of development property	<b>6</b>	-	-
<b>Operating (loss)/profit</b>		<b>(200)</b>	<b>1,987</b>
Interest payable	<b>8</b>	(175)	(205)
<b>(Loss)/Profit on ordinary activities before tax</b>	<b>7</b>	<b>(375)</b>	<b>1,782</b>
Tax credit/(charge)	<b>9</b>	38	(217)
<b>(Loss)/profit and total comprehensive (loss)/profit for the year</b>		<b>(337)</b>	<b>1,565</b>

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

**LAND OPTIONS (WEST) LIMITED****SC192466****BALANCE SHEET**  
**as at 31 December 2017**

	<b>Notes</b>	<b>2017</b> <b>£'000</b>	<b>2016</b> <b>£'000</b>
<b>Current assets</b>			
Deferred tax asset	<b>16</b>	<b>3</b>	<b>3</b>
Development property	<b>10</b>	<b>487</b>	<b>487</b>
Trade and other receivables	<b>11</b>	<b>287</b>	<b>574</b>
Prepayments, accrued income and other assets	<b>12</b>	<b>74</b>	<b>-</b>
		<b>851</b>	<b>1,064</b>
<b>Total assets</b>		<b>851</b>	<b>1,064</b>
<b>Current liabilities</b>			
Trade and other payables	<b>13</b>	<b>10</b>	<b>48</b>
Amounts due to group companies	<b>14</b>	<b>4,280</b>	<b>4,271</b>
Accruals, deferred income and other liabilities	<b>15</b>	<b>247</b>	<b>226</b>
		<b>4,547</b>	<b>4,545</b>
<b>Non-current liabilities</b>			
Accruals, deferred income and other liabilities	<b>15</b>	<b>5,696</b>	<b>5,574</b>
		<b>5,696</b>	<b>5,574</b>
<b>Total liabilities</b>		<b>10,243</b>	<b>10,119</b>
<b>Equity</b>			
Called up share capital	<b>17</b>	<b>1</b>	<b>1</b>
Profit and loss account		<b>(9,393)</b>	<b>(9,056)</b>
<b>Total equity</b>		<b>(9,392)</b>	<b>(9,055)</b>
<b>Total liabilities and equity</b>		<b>851</b>	<b>1,064</b>

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

The financial statements were approved by the Board of Directors on 27<sup>th</sup> September 2018 and signed on its behalf by:



D C Grant  
Director

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

	<b>Share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
<b>At 1 January 2016</b>	<b>1</b>	<b>(10,621)</b>	<b>(10,620)</b>
<b>Loss for the year</b>	<b>-</b>	<b>1,782</b>	<b>1,782</b>
<b>Tax charge</b>	<b>-</b>	<b>(217)</b>	<b>(217)</b>
<b>At 31 December 2016</b>	<b>1</b>	<b>(9,056)</b>	<b>(9,055)</b>
<b>Profit for the year</b>	<b>-</b>	<b>(375)</b>	<b>(375)</b>
<b>Tax credit</b>	<b>-</b>	<b>38</b>	<b>38</b>
<b>At 31 December 2017</b>	<b>1</b>	<b>(9,393)</b>	<b>(9,392)</b>

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 except for development assets which are carried at the lower of cost and net realisable value.

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.

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 Statements for the year ended 31 December 2017.

**b) Revenue recognition**

Turnover represents the total value of development properties sold during the year. Development properties, classified as current assets, represents construction and development work stated at the lower of cost or net realisable value. Cost represents direct materials, labour and production. Profit on each development is taken to the profit and loss account on completion and sale of that development, and the transfer of all related risks and rewards of ownership.

**c) 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, other comprehensive income or in equity. Provision is made for current tax at rates enacted or substantively enacted at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS (continued)****c) Taxation (continued)**

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.

**d) Development property**

Development properties are stated at the lower of cost and net realisable value. Cost comprises direct cost of land and buildings, material and where applicable, direct labour cost and those overheads that have been incurred in bringing the development properties to their present location and condition. Cost is calculated at the actual amount paid or accrued. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing and selling. The properties are being developed for the purpose of sale in future.

**e) 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.

**f) Financial assets**

On initial recognition, financial assets are classified into held-for-trading; designated as at fair value through profit or loss; loans and receivables; or available-for-sale financial assets.

***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.

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

***Other financial assets***

Other financial assets are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the statement of comprehensive income.

**g) 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 held-to-maturity, 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.

**h) Financial liabilities**

On initial recognition financial liabilities are classified into held-for-trading; designated as at fair value through profit or loss; or 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.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

**i) 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 IAS 39 "Financial Instruments : Recognition and Measurement".

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. In accordance with their responsibilities for these financial statements, the factors the directors to be the most important to the portrayal of the Company's performance and financial condition are discussed below.

**Development property**

The recoverable amount of development property, which is not yet subject to a customer contract, depends on the assessment of the market value on completion of the development.

**3. Turnover**

	2017 £'000	2016 £'000
Sale of development property	-	8,510
	<u>-</u>	<u>8,510</u>

**4. Other operating income**

	2017 £'000	2016 £'000
Other	2	169
	<u>2</u>	<u>169</u>

**5. Administrative expenses**

	2017 £'000	2016 £'000
Legal and professional fees	2	191
Management fees	65	(94)
Other charges	72	152
	<u>139</u>	<u>249</u>

**Staff costs, number of employees and directors' emoluments**

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.



**LAND OPTIONS (WEST) LIMITED****SC192466****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. Impairment losses**

The following impairment losses were recognised during the year:

	2017 £'000	2016 £'000
Development property	-	-

**7. Profit/(loss) before tax**

Profit/(loss) before tax is stated after charging:

	2017 £'000	2016 £'000
Auditor's remuneration – audit services	12	12

**8. Interest payable**

	2017 £'000	2016 £'000
Interest payable to group companies	52	82
Subordinated loan note interest	123	123
Other interest payable	-	-
	<u>175</u>	<u>205</u>

**9. Tax**

	2017 £'000	2016 £'000
<b>Current taxation:</b>		
UK corporation tax charge/(credit) for the year	(45)	224
Under/(over) provision in respect of prior periods	6	(8)
	<u>(39)</u>	<u>216</u>
<b>Deferred taxation:</b>		
Charge for the year	1	1
	<u>(38)</u>	<u>217</u>

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 £'000	2016 £'000
Expected tax charge/(credit)	(72)	356
Non deductible items	33	-
Non taxable items	(6)	-
Unrecognised losses brought forward and utilised in year	-	(173)
Other tax adjustments	-	41
Deferred taxation	1	1
Adjustments in respect of prior periods	6	(8)
Actual tax charge/(credit) for the year	<u>(38)</u>	<u>217</u>

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted at the balance sheet date standing at 20% with effect from 1 April 2015, 19% from 1 April 2017 and 17% from 1 April 2020. The closing deferred tax assets and liabilities have been calculated taking into account that existing temporary differences may unwind in periods subject to the reduced rates.

**LAND OPTIONS (WEST) LIMITED****SC192466****NOTES TO THE FINANCIAL STATEMENTS (continued)****10. Development property**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	487	6,448
Additions	-	282
Disposals	-	(6,243)
Impairments	-	-
At 31 December	<u>487</u>	<u>487</u>
Expected to be sold within one year	487	487
Expected to be sold after one year	<u>-</u>	<u>-</u>
	<u>487</u>	<u>487</u>

**11. Trade and other receivables**

	<b>Due within one year</b>	
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Trade receivables	87	354
Value added tax	-	10
Other receivables	200	210
	<u>287</u>	<u>574</u>

The fair value of all receivables approximates to their carrying amount in the balance sheet. Included within other receivables is a balance of £142k due from fellow subsidiaries (2016: £152k)

**12. Prepayments, accrued income and other assets**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Other debtors	35	-
Group relief receivable	39	-
	<u>74</u>	<u>-</u>

**13. Trade and other payables**

	<b>Due within one year</b>	
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Trade payables	9	48
Value added tax	1	-
	<u>10</u>	<u>48</u>

**LAND OPTIONS (WEST) LIMITED****SC192466****NOTES TO THE FINANCIAL STATEMENTS (continued)****14. Amounts due to group companies**

	2017 £'000	2016 £'000
The Royal Bank of Scotland plc	4,290	4,271
	<u>4,290</u>	<u>4,271</u>

The fair value of amounts due to group companies approximates to their carrying value in the balance sheet.

The overdraft facility is secured by a bond and floating charge over the company's assets and property as a whole.

Amounts owed to group undertakings are secured by standard securities over certain of the company's assets.

**15. Accruals, deferred income and other liabilities**

	2017 £'000	2016 £'000
Accruals	878	735
Other liabilities	<u>5,065</u>	<u>5,065</u>
	<u>5,955</u>	<u>5,800</u>
Amounts falling due within one year	247	226
Amounts falling due after more than one year	<u>5,696</u>	<u>5,574</u>
	<u>5,955</u>	<u>5,800</u>

Subordinated debt of £4,899K (2016: £4,899K) accrues interest at 2.5% non-compounding and is repayable when certain conditions are met. There was no repayment made during the year and last year as the repayment conditions were not met. 50% of the subordinated debt and interest thereon is due to group companies.

**16. Deferred tax**

Net deferred tax liability/(asset) comprised:

	Capital allowances £'000	Total £'000
At 1 January 2016	(4)	(4)
Charge to profit and loss	<u>1</u>	<u>1</u>
At 31 December 2016	(3)	(3)
Charge to profit and loss	<u>1</u>	<u>1</u>
At 31 December 2017	<u>(3)</u>	<u>(3)</u>
	2017 £'000	2016 £'000
Deferred tax assets	(3)	(3)
Deferred tax liabilities	-	-
Total deferred tax asset	<u>(3)</u>	<u>(3)</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 17. Share capital

	2017 £'000	2016 £'000
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	1	1
<b>Allotted, called up and fully paid:</b>		
<b>Equity shares</b>		
1,000 ordinary shares of £1 each	1	1

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

## 18. 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 UK Corporation Tax and value added tax; together with banking transactions such as loans and deposits undertaken in the normal course of banker-customer relationships.

## Group Companies

At 31 December 2017:

The Company's immediate parent was:	West Register (Realisations) Limited
The smallest consolidated accounts including the company were prepared by:	The Royal Bank of Scotland plc
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 Group plc, Gogarburn, PO Box 1000, Edinburgh, EH12 1HQ.

On 05 March 2018, the shares of Land Options (West) Limited were acquired by National Westminster Bank plc.

On 29 April 2018, The Royal Bank of Scotland plc changed its name to Natwest Markets plc.