

Company Registration No SC238163

ROBOSCOT VENTURES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 December 2007

Group Secretariat  
The Royal Bank of Scotland Group plc  
3 Princess Way  
Redhill  
Surrey  
RH1 1NP



# ROBOSCOT VENTURES LIMITED

CONTENTS	Page
Officers and Professional Advisers	1
Directors' Report	2
Independent Auditors' Report	4
Income Statement	6
Balance Sheet	7
Statement of changes in equity	8
Cash flow statement	9
Notes to the Financial Statements	10

# **ROBOSCOT VENTURES LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**  
I McGillivray  
L McMurray  
J D B Workman

**SECRETARY.** M Castro

**REGISTERED OFFICE:**  
24/25 St Andrew Square  
Edinburgh  
EH2 1AF

**AUDITORS.**  
Deloitte & Touche LLP  
London

**Registered in Scotland**

## **ROBOSCOT VENTURES LIMITED**

### **DIRECTORS' REPORT**

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

### **ACTIVITIES AND BUSINESS REVIEW**

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4)(a) of the Companies Act 1985

#### **Activity**

The Company's activity is providing payment of carried interest entitlement, where appropriate, to the members of Royal Bank Equity Finance (RBEF) Carried Interest Scheme

The retained profit for the period was £99 (2006 retained profit/loss £9,226) and this was transferred to reserves. No interim dividend was paid during the period (2006 £nil). The directors do not recommend that a final dividend be paid (2006 £nil)

The directors do not anticipate any material change in either the type or level of activities of the Company

In April 2008 the Company received £250,000 capital contribution from The Royal Bank of Scotland Group PLC to enable it to provide payment of, carried interest entitlement to the members of RBEF Carried Interest scheme

### **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

	<b>Appointed</b>	<b>Resigned</b>
<b>Directors</b>		
T J D Boag		14 March 2007
C L Carmichael	15 March 2007	2 July 2007
L McMurray	19 June 2007	

### **DIRECTORS' RESPONSIBILITIES**

The directors are required by the Companies Acts 1985 and 2006 to prepare a directors' report and financial statements for each financial year and have elected to prepare them in accordance with International Financial Reporting Standards as adopted by the European Union. They are responsible for preparing financial statements that present fairly the financial position, financial performance, and cash flows of the Company. 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,

**DIRECTORS' REPORT (CONTINUED)**

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping proper accounting records which 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 Acts 1985 and 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 AUDITORS**

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

- a) so far as he/she is aware there is no relevant audit information of which the Company's auditors are unaware, and
- b) the director has taken all the steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and shall be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

**DIRECTORS' INDEMNITIES**

In terms of section 236 of the Companies Act 2006, Mr I McGillivray, Ms L McMurray and Mr J D B Workman have been granted Qualifying Third Party Indemnity Provisions by The Royal Bank of Scotland Group plc.

**POLICY AND PRACTICE ON PAYMENT OF CREDITORS**

The Company follows the policy and practice on payment of creditors determined by The Royal Bank of Scotland Group plc ('RBSG'), as outlined below.

RBSG is committed to maintaining a sound commercial relationship with its suppliers. Consequently, it is RBSG's policy to negotiate and agree terms and conditions with its suppliers, which includes the giving of an undertaking to pay suppliers within 30 days of receipt of a correctly prepared invoice submitted in accordance with the terms of the contract or such other payment period as may be agreed.

**ROBOSCOT VENTURES LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

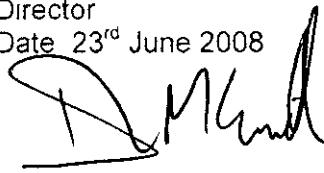
**AUDITORS**

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors

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

Ian Mc Gillivray  
Director

Date 23<sup>rd</sup> June 2008

A handwritten signature in black ink, appearing to read 'I. Mc Gillivray', written over the printed name and date.

**Independent auditors' report to the members of Roboscot Ventures Limited**

We have audited the financial statements of Roboscot Ventures Limited ('the company') for the year ended 31 December 2007 which comprise the income statement, the balance sheet, the cash flow statement, the statement of changes in equity, the accounting policies and the related Notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

As described in the directors' report, the company's directors are responsible for the preparation of the directors' report and the financial statements in accordance with applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report for the above year and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the directors' report.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

## ROBOSCOT VENTURES LIMITED

### Independent auditors' report to the members of Roboscot Venture Limited (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London, United Kingdom

24/6/2008



# ROBOSCOT VENTURES LIMITED

## INCOME STATEMENT

For the year ended 31 December  
2007

	Notes	2007 £	2006 £
<b>CONTINUING OPERATIONS</b>			
Revenue	3	141	13,743
Administrative expenses			(563)
		<hr/>	<hr/>
<b>PROFIT BEFORE TAX</b>		141	13,180
		<hr/>	<hr/>
Income tax expense	5	(42)	(3,954)
		<hr/>	<hr/>
<b>PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS</b>		<hr/> <hr/> 99	<hr/> <hr/> 9,226

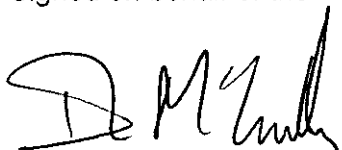
# ROBOSCOT VENTURES LIMITED

## BALANCE SHEET at 31 December 2007

	Notes	2007 £	2006 £
<b>ASSETS</b>			
<b>Non current Assets</b>			
Investment in group undertaking	6	1	1
		<u>1</u>	<u>1</u>
<b>Current Assets</b>			
Cash and cash equivalents			7,013
			<u>7,013</u>
<b>TOTAL ASSETS</b>		<u>1</u>	<u>7,014</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	2,949	10,061
<b>TOTAL LIABILITIES</b>		<u>2,949</u>	<u>10,061</u>
<b>Equity</b>			
Share capital	8	401	401
Capital contribution		800,000	800,000
Retained earnings		(803,349)	(803,448)
<b>TOTAL EQUITY</b>		<u>(2,948)</u>	<u>(3,047)</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1</u>	<u>7,014</u>

These financial statements were approved by the Board of Directors and authorised for issue on 23rd June 2008

Signed on behalf of the Board of Directors



Ian McGillivray  
Director

# ROBOSCOT VENTURES LIMITED

## STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2007

	Share capital £	Capital contribution £	Retained Earnings £	Total £
<b>Balance at 1 January 2006</b>	401	800,000	(609,837)	190,564
Profit for the year			9,226	9,226
Dividends paid			(202,837)	(202,837)
<b>Total recognised income and expense for the year</b>			(193,611)	(193,611)
<b>Balance at 31 December 2006</b>	401	800,000	(803,448)	(3,047)
Profit for the year			99	99
<b>Total recognised income and expense for the year</b>			99	99
<b>Balance at 31 December 2007</b>	401	800,000	(803,349)	(2,948)

# ROBOSCOT VENTURES LIMITED

## CASH FLOW STATEMENT

For the year ended 31 December 2007

	2007 £	2006 £
<b>Operating activities</b>		
Profit before tax	141	13,180
<b>Operating cash flows before movement in working capital</b>	<u>141</u>	<u>13,180</u>
Decrease in trade and other payables	(3,200)	
Decrease in trade and other receivables		401
<b>Cash generated by operations</b>	<u>(3,059)</u>	<u>13,581</u>
Income taxes paid	(3,954)	(5,960)
<b>Net cash used in operating activities</b>	<u>(7,013)</u>	<u>7,621</u>
<b>Investing activities</b>		
Sale proceeds from disposal of gilts		155,493
<b>Cash flows from investing activities</b>		<u>155,493</u>
<b>Financing activities</b>		
Dividends paid		(202,837)
Additional loan facility		3,708
<b>Net cash used in financing activities</b>		<u>(199,129)</u>
Net increase in cash and cash equivalents	(7,013)	(36,015)
Cash and cash equivalents at the beginning of the year	7,013	43,028
<b>Cash overdraft at the end of the year</b>	<u><u>0</u></u>	<u><u>7,013</u></u>

## NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

### 1 GENERAL

RoboScot Ventures Limited is a company incorporated in Great Britain under Companies Act 1985. The address of the registered office is on page 1. The nature of the company's operations and its principal activities are set out in the Directors' Report.

### 2 ACCOUNTING POLICIES

The accounts are prepared in accordance with 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 (together "IFRS") as adopted by the European Union ("EU"). The EU has not adopted the complete text of IAS 39 'Financial Instruments: Recognition and Measurement', it has relaxed some of the standard's hedging requirements. The Company has not taken advantage of this relaxation and has adopted IAS 39 as issued by the IASB.

#### Accounting convention

The financial statements are prepared on the historical cost convention, in compliance with the Companies Act 1985. The principal accounting policies adopted are set out below.

The Company received £250,000 capital contribution from The Royal Bank of Scotland Group PLC in April 2008. This is deemed to be a post balance sheet event and therefore its impact on the basis of preparation of the accounts has been recognised for the year ended 31 December 2007. These events did not require the Company to remeasure, reclassify or adjust the settlement date of any assets or liabilities.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 8 Operating segments

IFRIC 11 IFRS 2 Group Treasury Share Transactions

IFRIC 12 Service Concession Arrangements

IFRIC 14 IAS 19 The limit on defined benefit asset, minimum funding requirements and their interaction

The directors anticipate that the adoption of these Standards in the future will have no material impact on the financial statements.

NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

**2 ACCOUNTING POLICIES (continued)**

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described below, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There are no critical accounting judgements and key sources of estimation uncertainty that require further disclosure.

**Investment in subsidiaries**

A subsidiary company is a company in which the Company has power to govern the financial and operating activities so as to obtain benefits from its activities. Investment in subsidiaries are stated at cost and written down when, in the opinion of the Directors, there is an indication of impairment of value of such investments. Impairment loss in subsidiaries is recognised as an expense in the period in which the impairment is indicated.

The financial statements contain information about Roboscot Ventures Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary are included by full consolidation in the consolidated financial statements of its parent company, The Royal Bank of Scotland Group plc, a company registered in Scotland.

Fixed asset investments in subsidiaries and associates are shown at cost less provision for impairment.

NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

**2 ACCOUNTING POLICIES (continued)**

**Trade and other receivables**

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method

**Trade and other payables**

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value

**Taxation**

Provision is made for taxation at current enacted rates on taxable profits, arising in income or in equity, taking into account relief for overseas taxation where appropriate. Deferred taxation is accounted for in full for all temporary differences between the carrying amount of an asset or liability for accounting purposes and its carrying amount for tax purposes, except in relation to overseas earnings where remittance is controlled by the Group, and goodwill

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered

**Accounting Developments**

In the current year Roboscot Ventures Limited has adopted IFRS 7 "Financial Instruments Disclosure" for the accounting period beginning 1 January 2007. This has had no effect on the results, cash flows or financial position of the Group or the company. However, there are changes to the notes to the accounts and comparative information is presented accordingly

# ROBOSCOT VENTURES LIMITED

## NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

### 3 REVENUE

	2007	2006
	£	£
Income from debt securities		13,743
Sundry Income	141	
	<u>141</u>	<u>13,743</u>

### 4. OPERATING PROFIT

The auditors' remuneration of £5,000 (2006 £5,000) is borne by RBEF Limited in current and prior year

The directors received no emoluments from the company during the current and prior year

The Company has no employees (2006 none)

### 5 INCOME TAX EXPENSE

	2007	2006
	£	£
Current tax	42	3,954
Income tax expense for the year	<u>42</u>	<u>3,954</u>

Current tax is calculated by applying the standard UK corporation tax rate of 30% to profit before tax

### 6 INVESTMENT IN GROUP UNDERTAKING

	2007	2006
	£	£
Royal Bank Ventures Investments Limited	1	1
	<u>1</u>	<u>1</u>

Bank Ventures Investment Limited (RBVI Ltd), which represents 100% of the Ordinary B shares

RBVI Ltd is in the business of providing equity and equity related transactions in UK companies and it is incorporated in the United Kingdom



# ROBOSCOT VENTURES LIMITED

## NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

7	TRADE AND OTHER PAYABLES	2007	2006
		£	£
	Current tax liability	42	3,954
	Amount owed to parent entity	2,907	147
	Amounts owed from other group companies		5,960
		<u>2,949</u>	<u>10,061</u>

The directors are of the opinion that carrying value equals fair value

8	SHARE CAPITAL	2007	2006
		£	£
	<b>Authorised</b>		
	100 A ordinary shares of 1p each	1	1
	10,000 B ordinary shares of 1p each	100	100
	10,000 C ordinary shares of 1p each	100	100
	10,000 D ordinary shares of 1p each	100	100
	10,000 E ordinary shares of 1p each	100	100
		<u>401</u>	<u>401</u>
	<b>Issued and fully paid</b>		
	100 A ordinary shares of 1p each	1	1
	10,000 B ordinary shares of 1p each	100	100
	10,000 C ordinary shares of 1p each	100	100
	10,000 D ordinary shares of 1p each	100	100
	10,000 E ordinary shares of 1p each	100	100
		<u>401</u>	<u>401</u>
	Issued in the year		
		<u>401</u>	<u>401</u>
	At the end of the year		
		<u>401</u>	<u>401</u>

### Ordinary 'A' Shares

The holders of these shares are entitled to attend and vote at general meetings of the Company

### Ordinary 'B' Shares

The holders of these shares are not entitled to attend and vote at general meetings of the Company. The shareholders are entitled to receive such dividends as are equal to the 'carried interest entitlement' under the RBPE Carried Interest Scheme in respect of the RBV investment portfolio

**NOTES TO THE ACCOUNTS**

**For the year ending 31st December 2007**

**8 SHARE CAPITAL (continued)**

**Ordinary 'C' Shares**

The holders of these shares are not entitled to attend and vote at general meetings of the Company. The shareholders are entitled to receive such dividends as are equal to the 'carried interest entitlement' under the RBPE Carried Interest Scheme in respect of the Natwest IT Fund investment portfolio.

**Ordinary 'D' Shares**

The holders of these shares are not entitled to attend and vote at general meetings of the Company. The shareholders are entitled to receive such dividends as are equal to the 'carried interest entitlement' under the RBPE Carried Interest Scheme in respect of the Other Fund investment portfolio.

**Ordinary 'E' Shares**

The holders of these shares are not entitled to attend and vote at general meetings of the Company. The shareholders are entitled to receive such dividends as are equal to the 'carried interest entitlement' under the RBPE Carried Interest Scheme in respect of the RBY Fund investment portfolio.

On a return of capital on liquidation, the surplus assets of the Company remaining after payment of its liabilities shall be applied first to pay any arrears of any 'B', 'C', 'D' or 'E' dividends, second to repay 'the par value of the shares to the 'B', 'C', 'D', 'E' shareholders, with any remaining balance being distributed to the 'A' shareholders.

NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

9 RELATED PARTY TRANSACTIONS

Related parties comprise group companies, companies with common directorships and directors of the company. Details of transactions with related parties during the year are as follows

	Opening Balance £	Receipts/ Income £	Payments/ Expenses £	Closing Balance £
<b>2007</b>				
<b>Accounts with</b>				
Banking members of the group	7,014		(7,014)	
Amounts owed to other group entities				
Amount owed to parent entity	147		2,760	2,907
Amounts owed from other group entities	(5,960)	5,960		
<b>Total</b>	<u>1,201</u>	<u>5,960</u>	<u>(4,254)</u>	<u>2,907</u>
<b>2006</b>				
Banking members of the group	43,028		(36,014)	7,014
Amounts owed to other group entities	401		(401)	
Amount owed to parent entity	187	(40)		147
Amounts owed from other group entities			(5,960)	(5,960)
<b>Total</b>	<u>43,616</u>	<u>(40)</u>	<u>(42,375)</u>	<u>1,201</u>

## NOTES TO THE ACCOUNTS

For the year ending 31st December 2007

## 10 FINANCIAL INSTRUMENTS

Yield/mark up rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market yield/mark up rates. Sensitivity to yield/mark up rate risk arises from mismatches of financial assets and financial liabilities that mature or re price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is exposed to interest rate risk in respect of the following

	Interest bearing		Non interest bearing		Total
	Maturity up to one year	Maturity after one year	Maturity up to one year	Maturity after one year	
	£	£	£	£	£
<b>2007</b>					
<b>Financial assets</b>					
Cash and cash equivalents					
<b>Financial liabilities</b>					
Trade and other payables			2,949		2,949

	Interest bearing		Non interest bearing		Total
	Maturity up to one year	Maturity after one year	Maturity up to one year	Maturity after one year	
	£	£	£	£	£
<b>2006</b>					
<b>Financial assets</b>					
Cash and cash equivalents					
<b>Financial liabilities</b>					
Trade and other payables			10,061		10,061

**Liquidity risk management**

Liquidity risk reflects an enterprise's inability to raise funds to meet commitments. The Company follows an effective cash management to ensure availability of funds and to take appropriate measures for new requirements. The Company financial liabilities relates exclusively to intra group trade payable and the directors do not foresee any problem in raising funds to meet the commitments.

**NOTES TO THE ACCOUNTS**

**For the year ending 31st December 2007**

**10 FINANCIAL INSTRUMENTS (Continued)**

**Fair value of financial assets and financial liabilities**

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values

**Market risk**

Market risk is risk that fair value or future cash flow of the financial instrument will fluctuate because of changes in market prices

The directors do not feel there is any material market risk associate to the Company

**Capital risk management**

The Company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Company consist of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings as disclosed in note 8

**Gearing Ratio**

The Company's capital structure is reviewed on an annual basis as part of a wider funding review

Equity includes all capital and reserves of the Company attributable to equity holder of the company

The Company does not hold any debt thus making it irrelevant to work out a gearing ratio

**Credit risk**

Credit risk is the risk arising from the possibility that the Company will incur losses from the failure of customers to meet their obligations

The Company's principal financial assets are cash and cash equivalents, trade and other receivables and amounts owed by other members of the group. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company does not hold collateral over these balances

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies

The credit risk on group undertakings is limited because the undertakings are solvent, under common control and the directors are confident of them continuing as going concerns. The credit on group undertakings is not past due

**NOTES TO THE ACCOUNTS**

**For the year ending 31st December 2007**

**10 FINANCIAL INSTRUMENTS (Continued)**

The Company's credit risk is primarily attributable to its trade receivables, although this is also considered limited as counterparties are carefully chosen and solvent within 90 days from date of the invoice

There are no trade and other receivables therefore no maturity analysis has been prepared

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers

**11 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. Financial statements for The Royal Bank of Scotland Group plc can be obtained from The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ

The Company's immediate parent company 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, Edinburgh, EH12 1HQ

**12 EVENTS AFTER THE BALANCE SHEET DATE**

In April 2008 a capital contribution of £250,000 has been received by The Royal Bank of Scotland Group plc