

REGISTERED NO.237454

STRAND NOMINEES LIMITED

**Directors' Report & Accounts for
the year ended 31 December 2000**

Registered Office

440 Strand
London
WC2R 0QS



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Directors' Report

The Directors present their report together with the financial statements for the year ending 31 December 2000.

Principal Activities

The Company has not traded during the year, has received no income and incurred no expenditure and consequently has made neither profit or loss.

Offer from Royal Bank of Scotland Group plc

On 29 November 1999 The Royal Bank of Scotland Group plc ('RBS Group'), announced an offer for all of the ordinary shares of National Westminster Bank Plc ('NatWest'), the company's ultimate parent undertaking. This offer was increased on 31 January 2000 and on 14 February 2000 RBS Group announced that NatWest shareholders holding 60.05% of NatWest's ordinary shares had accepted the increased offer. The offer from RBS Group was approved by its own shareholders at an Extraordinary General Meeting of RBS Group held on 28 February 2000 and RBS Group acquired control of NatWest on 6 March 2000.

Directors

The current directors of the company are:-

Nigel Desmond Carter
Andrew Robert Clark
Peter Weatherley Watson

Mr Nigel Desmond Carter was appointed a director and Mr Martin John Binks resigned as a director on 14 February 2000.

Directors' Interests

Shares

The interests, all beneficial, of those who were directors of the company at 31 December 2000 in the ordinary shares of RBS Group were as follows:-

RBS Group ordinary shares of £0.25 each

	As at 1 January 2000 or date of appointment to Board if later	As at 31 December 2000
N Carter	-	1005
A Clark	-	307
P Watson	-	6623

The interests, all beneficial, of those who were directors of the company at 31 December 2000 in the ordinary shares of National Westminster Bank Plc were as follows:-

National Westminster Bank Plc ordinary shares of £1 each

	As at 1 January 2000 or date of appointment to Board if later	As at 31 December 2000
N Carter	1838	-
A Clark	1597	-
P Watson	6499	-

P Watson had a non beneficial interest in 400 ordinary shares of £1 of National Westminster Bank Plc as at 1 January 2000 and 336 ordinary shares of RBS Group as at 31 December 2000.

Floating Rate Unsecured Loan Notes & Additional Value Shares

The interests, all beneficial, of those who were directors of the company at 31 December 2000 in Floating Rate Unsecured Loan Notes 2005 and in the additional value shares of RBS Group were as follows:-

	Floating Rate Unsecured Loan Notes As at 31 December 2000	Additional Value shares (‘AVS’) As at 31 December 2000
N Carter	3604	715
A Clark	1720	307
P Watson	28360	6623

P Watson had a non beneficial interest 336 additional value shares of RBS Group as at 31 December 2000.

Share Options

Share options in RBS Group ordinary shares were as follows:

	As at 1 January 2000 or date of appointment if later	Post AVS adjustment	Granted		Exercised		As at 31 December 2000
			Options	Price(p)	Options	Price(p)	
N Carter	-	13637	393	985	290	401	13890
			150	1240			
A Clark	-	2866	616	985	623	276	3009
			150	1240			
P Watson	-	11464	196	985	811	276	10999
			150	1240			

Options outstanding are exercisable at prices between 345p and 1240p per share.
Options granted under the Executive Share Option Scheme are subject to the achievement of performance conditions.

Share options in National Westminster Bank Plc ordinary shares were as follows:

	As at 1 January 2000 or date of appointment if later				As at 31 December 2000
		Granted		Exercised	
		Options	Price(p)	Options	Price(p)
N Carter	8621				-
A Clark	1814				-
P Watson	7289				-

Elective Resolutions

On 11 June 1992, the company passed elective resolutions pursuant to Section 379A of the Companies Act 1985, dispensing with the holding of annual general meetings and the laying of accounts before the shareholders in general meeting.

On behalf of the Board



Sally Doyle
Company Secretary

Registered Office:-
440 Strand
London
WC2R 0QS

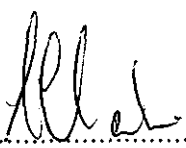
8 October 2001

BALANCE SHEET AS AT 31 December 2000

	31 December 2000 £	31 December 1999 £
CURRENT ASSETS		
Cash at bank and in hand	500	500
NET ASSETS		
CAPITAL & RESERVES		
Called-up share capital	500	500

The company was dormant within the meaning of Section 250 of the Companies Act 1958 throughout the financial year ended 31 December 2000.

These accounts were approved by the Board of Directors on 8 October 2001 and signed on its behalf by:-


.....
Director

Date: 8 October 2001

NOTES TO THE ACCOUNTS - 31 December 2000

1. ACTIVITIES

The company did not trade during the year. No profit and loss account has been prepared as the company received no income and incurred no expenditure during the year.

2. DIRECTORS' EMOLUMENTS

None of the directors received any emoluments in respect of their services to the company during the year (1999:Nil).

3. SHARE CAPITAL

	Authorised	Issued Allotted & Fully Paid
Ordinary Shares of £1	<u>500</u>	<u>500</u>

4. ULTIMATE HOLDING COMPANY

During the year the ultimate holding company was The Royal Bank of Scotland Group plc, which is the largest group in which the results of the Company are consolidated. Copies of the accounts of The Royal Bank of Scotland Group plc can be obtained from The Company Secretary, 42 St Andrew Square, Edinburgh, EH2 2YE.

The smallest group in which the results are consolidated is that of Coutts & Co. incorporated in England and Wales.