

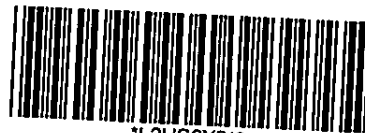
Company Registration Number 1931397

## UBS UK HOLDING LIMITED

### REPORT AND FINANCIAL STATEMENTS

For the year ended  
**31 DECEMBER 2012**

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# **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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## **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

### **DIRECTORS AND OFFICERS**

#### **BOARD OF DIRECTORS**

Wayne Lawson-Turnbull (Chairman)

Matthew I Burbedge

Anna M I Haemmerli

John Quarmby

Sean E Ryan

#### **SECRETARY**

Harriet H L Charles, ACIS

#### **REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

1 Finsbury Avenue  
LONDON EC2M 2PP

#### **AUDITORS**

Ernst & Young LLP  
Registered Auditor  
1 More London Place  
LONDON SE1 2AF

## **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

### **REPORT OF THE DIRECTORS**

The Directors present their Report together with the audited Financial Statements ('Accounts') of the Company for the year ended 31 December 2012 ('the year') which have been prepared in accordance with the provisions of the Companies Act 2006

#### **Principal Activities and Business Review**

During the year under review, the Company continued to carry out investment holding activities, including the provision of funding either in the form of share capital or loans to its subsidiary undertakings

The Company continues to undertake a trustee role over an account at UBS AG London Branch held for the purposes of receiving insurance proceeds in connection with former client money balances held by three UK subsidiaries of UBS AG. The Company also continues to retain its investments in UBS Saudi Arabia which was acquired on 29 October 2008 and in its remaining three subsidiaries: UBS Reorganisation 2006-01 Ltd (In Liquidation) (Co No 1928270), S G Securities U K Limited (Co No 292689) and S G Warburg & Company Limited (Co No 1121735) ('SGW&CL')

During the year the following two subsidiaries of SGW&CL, having previously completed their respective members' voluntary winding up process, were dissolved on the respective dates shown

UBS Reorganisation 2011-01 Ltd (Co No 1929335) on 15 February 2012,

UBS Reorganisation 2010-01 Ltd (Co No 759374) on 19 March 2012

#### **Principal Risks and Uncertainties**

Risks associated with the business continue to be managed according to UBS AG guidelines. As a direct wholly-owned subsidiary of UBS AG the Company operates in line with UBS AG Group policies, including environmental and ethical standards

For the purposes of the revised guidance to Directors of UK companies issued in 2009 by the UK Financial Reporting Council on Going Concern and Liquidity Risk, the Directors have, on the basis of their assessment of the Company's financial position and of the enquiries made of the parent UBS AG, reasonably concluded that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, the Directors shall continue to adopt the going concern basis in the preparation of its financial statements

#### **Key Performance Indicators**

Given the limited scope and nature of the business, and that the Company is a wholly-owned subsidiary of UBS AG, the Directors are of the opinion that key performance indicators or other forms of performance measurement are not necessary in providing an understanding of the development, performance or position of the Company and its business for the purposes of Section 417 of the Companies Act 2006. The parent company maintains an oversight of the Company's performance under the UBS Investment Bank business and governance management structures

#### **Future Developments**

The Directors have no plans or intentions, at this time, to develop further the activities of the Company

## **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

### **REPORT OF THE DIRECTORS**

#### **Results and Dividends**

The loss on ordinary activities, before taxation, of the Company for the year amounted to £3,712,000 (2011 £571,000) After taxation, the Company retained a profit of £2,473,000 (2011 £4,909,000)

Interim dividend has been paid for the year 2012 £9,357,000 00 (2011 £nil)

The Directors do not intend to recommend the declaration of a final dividend in respect of the year (2011 £nil)

The state of affairs of the Company as at the year-end are otherwise as detailed in the accompanying Balance Sheet

#### **Directors**

The names of the current Directors are shown on page 2

During the year there were two departures from, and one appointment to, the Board On 17 May 2012 Mr Charles D Ross-Stewart resigned as Director of the Company and on 19 November 2012 Mr Gregory P Simpson resigned as a Director of the Company Mr Sean E Ryan was appointed as a Director of the Company on 19 November 2012

Since the year, there have been no changes to the composition of the Board

No service contracts have subsisted between the Company and any of its Directors during the year and no such contracts have come into being since the year

#### **Directors' Responsibilities**

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each accounting reference period Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing those financial statements, the Directors are required to

- select suitable and appropriate accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, -
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with 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

## **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

### **REPORT OF THE DIRECTORS**

#### **Disclosure of Information to Auditors**

Each of the Directors at the date of Board approval of this Report and the Accounts has confirmed that

- as far as he/she is aware, there was no relevant audit information of which the auditors were unaware, and,
- he/she has taken all the steps they ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditors have been made aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

#### **Employees**

The Company has no employees of its own (2011 Nil) UBS AG group has made, and continues to make, available a number of its employees to be engaged either on a full-time or part-time basis in the performance of certain functions or operations in connection with the Company's continuing business

#### **Charitable Donations and Political Contributions**

There were no charitable donations nor any contributions for political purposes made by the Company during the year (2011 £ Nil)

#### **Auditors**

Ernst & Young LLP, Chartered Accountants and Registered Auditor, have indicated their willingness to continue in office and, in the event the Company dispenses with the holding of annual general meetings, as permitted by the Companies Act 2006 ('the Act'), shall continue in office in accordance with Section 487 of the Act or, if annual general meetings are continued with, until the conclusion of the next annual general meeting and in which case a resolution of their re-appointment will be proposed

Approved by the Board of Directors on 25 September 2013 and signed by order of the board



**Harriet H L Charles**  
Secretary  
1 Finsbury Avenue,  
London EC2M 2PP

## **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UBS UK HOLDING LIMITED**

We have audited the financial statements of UBS UK Holding Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

#### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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.



Neville Gray (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

26 September 2013

**UBS UK HOLDING LIMITED**

Company Registration Number 1931397

**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £000	Restated 2011 £000
Income from fixed asset investments	4	2,139	-
Operating expenses		<u>(30)</u>	<u>(16)</u>
<b>Operating profit / (loss)</b>		<b>2,109</b>	<b>(16)</b>
Impairment of fixed investments		(2,139)	-
Interest receivable and similar income	5	274	318
Interest payable and similar charges	6	<u>(3,956)</u>	<u>(873)</u>
<b>Loss on ordinary activities before taxation</b>		<b>(3,712)</b>	<b>(571)</b>
Tax credit	7	<u>6,185</u>	<u>5,480</u>
<b>Retained profit transferred to reserves</b>	16	<b><u>2,473</u></b>	<b><u>4,909</u></b>

All of the activities of the Company are classed as continuing

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	Notes	2012 £000	Restated 2011 £000
Gain for the financial year attributable to shareholders		2,473	4,909
Prior year adjustment	1	<u>3,126</u>	<u>-</u>
<b>Total gains and losses recognised since the last financial statements</b>		<b><u>5,599</u></b>	<b><u>4,909</u></b>

The notes on pages 9 to 16 form part of these financial statements



**UBS UK HOLDING LIMITED**

Company Registration Number 1931397

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £000	Restated 2011 £000
<b>Fixed assets</b>			
Investments	9	357	2,496
<b>Current assets</b>			
Debtors	10	11	-
Cash at bank and in hand	11	44,132	52,937
		<u>44,143</u>	<u>52,937</u>
<b>Creditors, amounts falling due within one year</b>	12	(12,480)	(20,485)
<b>Net current assets</b>		<u>31,663</u>	<u>32,452</u>
<b>Total assets less current liabilities</b>		32,020	34,948
<b>Provisions for liabilities and charges</b>	13	(19,061)	(15,105)
<b>Net assets</b>		<u>12,959</u>	<u>19,843</u>
<b>Capital and reserves</b>			
Called up share capital	15	5,000	5,000
Profit and loss account	16	7,959	14,843
<b>Equity shareholders' funds</b>		<u>12,959</u>	<u>19,843</u>

These financial statements were approved by the Board on 25 September 2013 and are signed on their behalf by



**Matthew I Burbedge**  
Director

The notes on pages 9 to 16 form part of these financial statements

# **UBS UK HOLDING LIMITED**

Company Registration Number 1931397

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparation**

The financial statements are prepared in accordance with the applicable accounting standards of the United Kingdom Accounting Standards Board and the Companies Act 2006

The Company's financial statements for the year ended 31 December 2012 were approved by the Board of Directors on 25 September 2013 and the balance sheet was signed on the Board's behalf by Matthew I Burbidge

The financial statements are prepared under the historical cost convention, as modified by mark-to-market valuation of derivatives, in accordance with applicable accounting standards

The Company has elected to apply the exemption in FRS 29 'Financial Instruments Disclosure', as the Company is a wholly-owned subsidiary within a group which has publicly available financial statements including disclosures that comply with this standard

##### **Cash flow statement**

The Company, a wholly owned subsidiary undertaking, has elected to utilise the exemption available in Financial Reporting Standard ('FRS') 1, 'Cash Flow Statements (revised 1996)', and not produce a cash flow statement

##### **Investment income**

Investment income comprises dividends and distributions which are recognised when the right to receive payment is established

Interest is recorded at the effective interest rate

##### **Group Accounts**

The Company is exempt from the requirement to prepare consolidated accounts under Section 401 of the Companies Act 2006

##### **Fixed asset investments**

Investments in subsidiaries are included at historical cost, less a provision if, in the opinion of the directors, there has been a permanent diminution in value

Other fixed asset investments include Equity instruments accounted for as available for sale (AFS) financial assets and carried at fair value with movements recorded in Equity. Where there is not a quoted market price in an active market and whose fair value cannot be reliably measured these instruments are held at cost

The historical cost of fixed asset investments denominated in currencies, other than sterling, are determined with reference to the exchange rate prevailing at the date of purchase

##### **Determination of fair value**

Fair values are obtained from quoted market prices, dealer price quotations, and discounted cash flow models, which incorporate current market and contractual prices for the underlying instrument, time to expiry, yield curves and volatility of the underlying

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **1 ACCOUNTING POLICIES (CONTINUED)**

##### **Balances with UBS AG**

The Company has a banking relationship with UBS AG, the ultimate parent undertaking. Transactions include, inter alia, current accounts and deposits. In these financial statements, such balances are treated as bank accounts and not as amounts owed to and by group undertakings.

##### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

##### **Hedge accounting**

The company uses hedging instruments, namely money markets, to minimise foreign exchange risks on investments. Where appropriate, foreign exchange movements on the investment are offset through the profit and loss account against foreign currency movements on the hedging instrument.

##### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those for which they are included in the financial statements at the rates of tax anticipated to apply when these differences crystallise.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# UBS UK HOLDING LIMITED

Company Registration Number 1931397

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 1 ACCOUNTING POLICIES (CONTINUED)

##### Prior year adjustment

As a result of a change in real estate strategy by UBS AG, taken in 2010, the date on which the Company will become liable to make a payment has been extended from a date not before 2013 to a date not before 2016. The Company has accordingly revised its provision for the discounted value of the expected obligation. The 2011 figures have been restated to reflect this. See note 13 and note 16 for further details of the restatement.

#### 2 AUDITORS' REMUNERATION

During the year, fees of £4,105 (2011: £4,084) in connection with the audit of the Company's annual accounts were paid by UBS AG on the Company's behalf. In accordance with their normal practice no recharge will be made to the Company.

#### 3 PARTICULARS OF EMPLOYEES AND DIRECTORS

None of the Directors who served during the year received any emoluments for services to the Company (2011: £Nil). The Company had no employees during the year (2011: Nil).

#### 4 INCOME FROM FIXED ASSET INVESTMENTS

	2012 £'000	2011 £'000
Dividend received from investment in subsidiary undertakings	2,139	-
	<u>2,139</u>	<u>-</u>

#### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2012 £'000	2011 £'000
Interest from parent undertaking	273	305
Interest others	1	13
	<u>274</u>	<u>318</u>

**UBS UK HOLDING LIMITED**

Company Registration Number 1931397

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2012</b> <b>£'000</b>	Restated 2011 £'000
Unwinding of discount on provision	<u>3,956</u>	<u>873</u>
	<u><b>3,956</b></u>	<u><b>873</b></u>

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES****(a) Analysis of tax charge in the year**

	<b>2012</b> <b>£'000</b>	Restated 2011 £'000
Current tax		
UK Corporation tax - current tax credit (charge) on loss (profit) for the year	-	-
Adjustment in respect of previous years – UK Corporation tax	<b>6,131</b>	5,480
Adjustment in respect of previous years – Overseas tax	<b>54</b>	-
	<u><b>6,185</b></u>	<u><b>5,480</b></u>
Total current tax credit / (charge)	<u><b>6,185</b></u>	<u><b>5,480</b></u>

**(b) Factors affecting tax charge for the year**

The current tax credit for the year differs from the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%). The differences are explained below

	<b>2012</b> <b>£'000</b>	Restated 2011 £'000
(Loss) / Profit on ordinary activities before tax	<u><b>(3,712)</b></u>	<u><b>(571)</b></u>
(Loss) / Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	<b>(909)</b>	<b>(151)</b>
<u>Effects of</u>		
Utilisation of tax losses	<b>(65)</b>	<b>(81)</b>
Non-taxable dividend income	<b>(524)</b>	-
Notional transfer pricing adjustment – Interest Payable	<b>(2)</b>	<b>(3)</b>
Impairment of fixed asset investment	<b>524</b>	-
Other expenses not recognised for tax purposes	<b>976</b>	<b>235</b>
Adjustments in respect of prior years	<b>(6,185)</b>	<b>(5,480)</b>
	<u><b>(6,185)</b></u>	<u><b>(5,480)</b></u>
Total current tax (credit) / charge for the year	<u><b>(6,185)</b></u>	<u><b>(5,480)</b></u>

**UBS UK HOLDING LIMITED**

Company Registration Number 1931397

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2012****8. DIVIDENDS ON EQUITY SHARES**

	<b>2012</b>	2011
	<b>£000</b>	£000
<i>Equity dividends on Ordinary shares £9,357,000 00 paid on 19 September 2012 at a rate of 1 8714p per share</i>		
Interim paid	<b>9,357</b>	-
<b>Total dividends paid</b>	<b>9,357</b>	-

**9. INVESTMENTS*****Fixed Asset investments***

<b>Fixed asset investments</b>	<i>Shares in subsidiary undertakings £'000</i>	<i>AFS Financial Assets £'000</i>	<i>Total £'000</i>
Cost			
At 1 January 2012	682,824	2	682,826
At 31 December 2012	682,824	2	682,826
Amounts provided			
As at 1 January 2012	680,330	-	680,330
Impairment	2,139		2,139
As at 31 December 2012	682,469	-	682,469
<b>Net book value at 31 December 2012</b>	<b>355</b>	<b>2</b>	<b>357</b>
Net book value at 31 December 2011	2,494	2	2,496

***Subsidiary undertakings of the Company***

	<i>Country of incorporation or registration</i>	<i>Holding</i>	<i>Percentage holding</i>	<i>Principal activity</i>
S G Securities U K Limited	England	Ordinary shares	100	Investment Holding
S G Warburg & Company Limited	England	Ordinary shares	100	Investment Holding
UBS Reorganisation 2006-01 Ltd (In Liquidation)	England	Ordinary shares	100	In Members' Voluntary Winding Up

# UBS UK HOLDING LIMITED

Company Registration Number 1931397

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 9. INVESTMENTS (CONTINUED)

##### *Other Investments*

The Company continues to retain its interests in 1,000 shares of Saudi Riyal 10 each fully paid in the issued share capital of UBS Saudi Arabia

All the Company's subsidiaries are incorporated in Great Britain

The company uses hedging instruments, namely money markets, to minimise foreign exchange risks on investments. Where appropriate, foreign exchange movements on the investment are offset through the profit and loss account against foreign currency movements on the hedging instrument

#### 10 DEBTORS

	2012 £'000	2011 £'000
Amounts due from subsidiary undertakings	11	-
	<u>11</u>	<u>-</u>

#### 11 CASH AT BANK AND IN HAND

Included in cash at bank and in hand are cash balances of £44,132,000 (2011 £52,937,000) placed with group undertakings

#### 12 CREDITORS: Amounts falling due within one year

	2012 £'000	2011 £'000
Corporation tax creditor	12,345	18,404
Amounts owed to parent undertaking	-	2
Amounts owed to subsidiary undertakings	103	2,073
Other creditors	32	6
	<u>12,480</u>	<u>20,485</u>

## UBS UK HOLDING LIMITED

Company Registration Number 1931397

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 13 PROVISIONS FOR LIABILITIES AND CHARGES

	Restated Total £000
At 1 January 2011	14,232
Unwinding of discount	873
At 1 January 2012	15,105
Unwinding of discount	3,956
At 31 December 2012	19,061

The Company previously entered into a contract for the sale of a subsidiary to a third party. The Company will become liable to make a payment at a date not before 2016, should an event stated in this contract occur. The Company has accordingly made a provision for the discounted value of the expected obligation.

#### 14 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption given to subsidiaries in FRS 8, 'Related Party Disclosures', from disclosing related party transactions with other group companies.

#### 15. SHARE CAPITAL

##### Issued, allotted and fully paid

	2012 £'000	2011 £'000
5,000,000 ordinary shares of £1 each	5,000	5,000



**UBS UK HOLDING LIMITED**

Company Registration Number 1931397

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2012****16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<i>Share Capital</i>	<i>Restated Profit and loss account</i>	<i>Restated Total</i>
	£'000	£'000	£'000
At 1 January 2011 as previously stated	5,000	6,989	11,989
Prior year adjustment	-	2,945	2,945
At 1 January 2011 as restated	<u>5,000</u>	<u>9,934</u>	<u>14,934</u>
Retained profit for the year (after prior year adjustment of £181,000 profit)	-	4,909	4,909
At 1 January 2012 as restated (for prior year cumulative adjustment of £3,126,000 profit)	5,000	14,843	19,843
Retained profit for the year	-	2,473	2,473
Dividend paid	<u>-</u>	<u>(9,357)</u>	<u>(9,357)</u>
<b>At 31 December 2012</b>	<b><u>5,000</u></b>	<b><u>7,959</u></b>	<b><u>12,959</u></b>

Amounts restated in the prior period include Interest payable (reduced by £181,000), Provisions for liabilities and charges (reduced by £3,126,000), and Retained Earnings brought forward (increased by £2,945,000) See note 1 for further detail of the prior year adjustment

**17. ULTIMATE PARENT COMPANY**

UBS AG, a company incorporated with limited liability in Switzerland, is the immediate and ultimate parent undertaking and the parent undertaking of the largest and smallest group for which group financial statements are prepared

Copies of the group financial statements can be obtained from UBS AG, 1 Finsbury Avenue, London, EC2M 2PP