

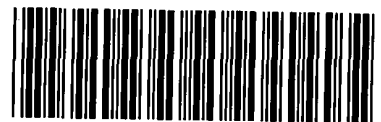
Company Registered No: 03870261

KUC (PUBLIC HOUSES) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2016

FRIDAY



A6C3ESII

A24

04/08/2017

#364

COMPANIES HOUSE

CONTENTS**Page**

OFFICERS AND PROFESSIONAL ADVISERS

1

DIRECTORS' REPORT

2

INDEPENDENT AUDITOR'S REPORT

4

PROFIT AND LOSS ACCOUNT

6

BALANCE SHEET

7

STATEMENT OF CHANGES IN EQUITY

8

NOTES TO THE FINANCIAL STATEMENTS

9

KUC (PUBLIC HOUSES) LIMITED

03870261

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

P D Eyre
P J M McClay

COMPANY SECRETARY:

RBS Secretarial Services Limited

REGISTERED OFFICE:

1 Princes Street
London
England
EC2R 8PB

INDEPENDENT AUDITOR:

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

Registered in England and Wales

DIRECTORS' REPORT

The directors of KUC (Public Houses) Limited ("the Company") present their annual report together with the audited financial statements for the year ended 31 December 2016.

ACTIVITIES AND BUSINESS REVIEW

The Directors' Report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemption and therefore does not include a Strategic Report.

Principal activity

Historically the principal activity of the Company was investment in and management of commercial property.

The Company did not trade during the year under review nor the prior year and is not expected to in the foreseeable future.

FINANCIAL PERFORMANCE

At the end of the year total assets were £2 (2015: £5,076).

Dividends

An interim dividend of £5,074 was paid on 31 August 2016 (2015: £nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company seeks to minimise its exposure to financial risks.

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).

GOING CONCERN

The directors, having taken into account their intention to liquidate the Company within the next 12 months, have prepared the financial statements on a basis other than that of going concern. The directors do not consider this basis of preparation has affected the recognition and measurement of the assets or liabilities of the Company.

DIRECTORS AND SECRETARY

The present directors and secretary, who have served throughout the year and subsequently, are listed on page 1.

From 1 January 2016 to date, no changes have taken place.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws 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 101 Reduced Disclosure Framework (FRS 101), 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 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

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

- make an assessment of the Company's ability to continue as a going concern. For the reasons stated in the Director's Report and Note 1, the financial statements have not been prepared on a going concern basis.

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

The auditors, Ernst & Young LLP, Chartered Accountants and Statutory Audit Firm, have taken up in office in accordance with the Companies Act 2006.

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



P J M McClay

Director

Date: 21 July 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KUC (PUBLIC HOUSES) LIMITED

We have audited the financial statements of KUC (Public Houses) Limited ("the Company") for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 4. 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. These financial statements have been prepared on a basis other than going concern as disclosed in Note 1 to the financial statements.

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its result for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework; 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.

The directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KUC (PUBLIC HOUSES) LIMITED

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the directors' report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take the advantage of the small companies' exemptions in not preparing the Strategic Report.

Ernst & Young LLP

Helen Joseph (Senior statutory auditor)

for and on behalf of Ernst & Young LLP

Statutory Auditor

London, United Kingdom

27 July 2017

PROFIT AND LOSS ACCOUNT

The Company has not traded during the accounting period. It received no income and incurred no expenditure and consequently has made neither a profit nor a loss. A Profit and Loss Account is therefore not presented.

BALANCE SHEET

as at 31 December 2016

	Notes	2016 £	2015 £
Current assets			
Cash at bank		2	5,076
Total assets		2	5,076
Equity: capital and reserves			
Called-up share capital	3	2	2
Profit and loss account		-	5,074
Total shareholders' funds		2	5,076
Total liabilities and shareholders' funds		2	5,076

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

The financial statements of the Company were approved by the Board of Directors on 21 July 2017 and signed on its behalf by:



P J M McClay
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2016

	Share capital £	Profit and loss account £	Total £
At 1 January and 31 December 2015	2	5,074	5,076
Dividends paid	-	(5,074)	(5,074)
At 31 December 2016	2	-	2

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

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies****a) Preparation and presentation of financial statements**

These financial statements are prepared:

- on a basis other than that of going concern; the directors do not consider this basis of preparation has affected the recognition and measurement of the assets or liabilities of the Company as described in the accounting policies below.
- 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 which approximates, without material differences, the recoverable value for assets and settlement value for liabilities.

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 England and Wales and the financial statements are presented:

- in accordance with the Companies Act 2006.
- in Sterling which is the functional currency of the Company.
- with the benefit of the disclosure exemptions permitted by FRS 101 with regards to:
 - cash-flow statement;
 - standards not yet effective;
 - related party transactions.

Where required, equivalent disclosures are given in the group financial statements of The Royal Bank of Scotland Group plc, these financial statements are available to the public and can be obtained as set out in note 4.

The few changes to IFRS that were effective from 1 January 2016, have had no material effect on the Company's financial statements for the year ended 31 December 2016.

b) Cash at bank

Cash at bank comprises non-interest bearing deposits held with banks.

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. UK company law and IFRS require the directors, in preparing the Company's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. In the absence of an applicable standard or interpretation, IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', requires management to develop and apply an accounting policy that results in relevant and reliable information in the light of the requirements and guidance in IFRS dealing with similar and related issues and the IASB's Framework for the Preparation and Presentation of Financial Statements. The judgements and assumptions involved in the Company's accounting policies that are considered by the directors to be the most important to the portrayal of its financial condition are discussed below. The use of estimates, assumptions or models that differ from those adopted by the Company would affect its reported results.

NOTES TO THE FINANCIAL STATEMENTS

3. Share capital

	2016 £	2015 £
Equity shares		
Authorised:		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called-up and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

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

4. 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.

There have been no transactions between the Company and the UK Government and UK Government controlled bodies during current year or preceding year.

Group undertakings

The Company's immediate parent company is The Royal Bank of Scotland plc, a company which is incorporated in the UK. As at 31 December 2016, The Royal Bank of Scotland plc heads the smallest group in which the Company is consolidated. Copies of the consolidated accounts may be obtained from Corporate Governance and Regulatory Affairs, The Royal Bank of Scotland Group plc, Gogarburn, PO Box 1000, Edinburgh EH12 1HQ.

The Company's ultimate holding company The Royal Bank of Scotland Group plc, which is incorporated in the UK, heads the largest group in which the Company is consolidated. Copies of the consolidated accounts may be obtained from Corporate Governance and Regulatory Affairs, The Royal Bank of Scotland Group plc, Gogarburn, PO Box 1000, Edinburgh, EH12 1HQ.