

Balance sheet of the parent company

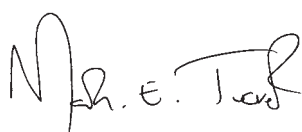
31 December 2007

	Notes	2007 £m	2006 £m
Fixed assets			
Investments:			
Shares in subsidiary undertakings	4	7,151	6,085
Loans to subsidiary undertakings	4	2,809	2,841
		9,960	8,926
Current assets			
Debtors:			
Derivative assets	7	10	17
Amounts owed by subsidiary undertakings		3,291	2,057
Other debtors		25	42
Cash at bank and in hand		178	255
		3,504	2,371
Less liabilities: amounts falling due within one year			
Commercial paper	6	(2,422)	(2,017)
Other borrowings	6	(48)	(5)
Derivative liabilities	7	(144)	(100)
Amounts owed to subsidiary undertakings		(2,455)	(667)
Tax payable		(332)	(290)
Sundry creditors		(6)	(26)
Accruals and deferred income		(44)	(42)
		(5,451)	(3,147)
Net current liabilities		(1,947)	(776)
Total assets less current liabilities		8,013	8,150
Less liabilities: amounts falling due after more than one year			
Subordinated liabilities	6	(1,566)	(1,533)
Debenture loans	6	(797)	(797)
Other borrowings	6	(7)	(10)
Amounts owed to subsidiary undertakings		(2,643)	(2,532)
		(5,013)	(4,872)
Total net assets (excluding pension)		3,000	3,278
Pension asset (net of related deferred tax)	8	117	34
Total net assets (including pension)		3,117	3,312
Capital and reserves			
Share capital	9	123	122
Share premium	9	1,828	1,822
Profit and loss account	10	1,166	1,368
Shareholders' funds	10	3,117	3,312

The financial statements of the parent company on pages 290 to 299 were approved by the Board of directors on 13 March 2008.



Sir David Clementi
Chairman



Mark Tucker
Group Chief Executive



Philip Broadley
Group Finance Director