

ROYAL BANK OF SCOTLAND GROUP PLC  
Form 6-K  
May 04, 2012

FORM 6-K  
SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934

For May 4, 2012

Commission File Number: 001-10306

The Royal Bank of Scotland Group plc

RBS, Gogarburn, PO Box 1000  
Edinburgh EH12 1HQ

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  X

Form 40-F  \_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): \_\_\_\_\_

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  \_\_\_

No  X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-  
\_\_\_\_\_

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The following information was issued as a Company announcement in London, England and is furnished pursuant to General Instruction B to the General Instructions to Form 6-K:

Condensed consolidated income statement  
for the quarter ended 31 March 2012

	Quarter ended		
	31 March	December	31 March
	2012	2011	2011
	£m	£m	£m
Interest receivable	5,017	5,234	5,401
Interest payable	(2,018)	(2,160)	(2,100)
Net interest income	2,999	3,074	3,301
Fees and commissions receivable	1,487	1,590	1,642
Fees and commissions payable	(290)	(573)	(260)
Income from trading activities	212	(238)	835
Gain/(loss) on redemption of own debt	577	(1)	-
Other operating income (excluding insurance net premium income)	(747)	205	391
Insurance net premium income	938	981	1,149
Non-interest income	2,177	1,964	3,757
Total income	5,176	5,038	7,058
Staff costs	(2,570)	(1,993)	(2,399)
Premises and equipment	(563)	(674)	(571)
Other administrative expenses	(1,016)	(1,296)	(921)
Depreciation and amortisation	(468)	(513)	(424)
Write-down of goodwill and other intangible assets	-	(91)	-
Operating expenses	(4,617)	(4,567)	(4,315)
Profit before insurance net claims and impairment losses	559	471	2,743
Insurance net claims	(649)	(529)	(912)
Impairment losses	(1,314)	(1,918)	(1,947)
Operating loss before tax	(1,404)	(1,976)	(116)
Tax (charge)/credit	(139)	186	(423)
Loss from continuing operations	(1,543)	(1,790)	(539)
Profit from discontinued operations, net of tax	5	10	10

Loss for the period	(1,538)	(1,780)	(529)
Non-controlling interests	14	(18)	1
Loss attributable to ordinary and B shareholders	(1,524)	(1,798)	(528)
Basic loss per ordinary and B share from continuing operations	(1.4p)	(1.7p)	(0.5p)
Diluted loss per ordinary and B share from continuing operations	(1.4p)	(1.7p)	(0.5p)
Basic loss per ordinary and B share from discontinued operations	-	-	-
Diluted loss per ordinary and B share from discontinued operations	-	-	-

In the income statement above, one-off and other items as shown on page 17 are included in the appropriate captions. A reconciliation between the income statement above and the managed view income statement on page 11 is given in Appendix 1 to this announcement.

Condensed consolidated statement of comprehensive income  
for the quarter ended 31 March 2012

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	Quarter ended		
	31 March	December	31 March
	2012	2011	2011
	£m	£m	£m
Loss for the period	(1,538)	(1,780)	(529)
Other comprehensive income/(loss)			
Available-for-sale financial assets	525	(107)	(37)
Cash flow hedges	33	124	(227)
Currency translation	(554)	(117)	(360)
Actuarial losses on defined benefit plans	-	(581)	-
Other comprehensive income/(loss) before tax	4	(681)	(624)
Tax (charge)/credit	(19)	(500)	32
Other comprehensive loss after tax	(15)	(1,181)	(592)
Total comprehensive loss for the period	(1,553)	(2,961)	(1,121)
Total comprehensive loss is attributable to:			
Non-controlling interests	(3)	(12)	(9)
Ordinary and B shareholders	(1,550)	(2,949)	(1,112)

(1,553) (2,961) (1,121)

## Key points

- The movement in available-for-sale financial assets reflects net unrealised gains on sovereign bonds.
- Currency translation losses largely result from the 3.4% weakening of the US dollar against sterling during the quarter.
- The tax charge for Q4 2011 included a £664 million write-off of deferred tax assets in The Netherlands associated with available-for-sale assets in the liquidity portfolio.

Condensed consolidated balance sheet  
at 31 March 2012

	31 March 2012 £m	December 2011 £m
Assets		
Cash and balances at central banks	82,363	79,269
Net loans and advances to banks	36,064	43,870
Reverse repurchase agreements and stock borrowing	34,626	39,440
Loans and advances to banks	70,690	83,310
Net loans and advances to customers	440,406	454,112
Reverse repurchase agreements and stock borrowing	56,503	61,494
Loans and advances to customers	496,909	515,606
Debt securities	195,931	209,080
Equity shares	17,603	15,183
Settlement balances	20,970	7,771
Derivatives	453,354	529,618
Intangible assets	14,771	14,858
Property, plant and equipment	11,442	11,868
Deferred tax	3,849	3,878
Prepayments, accrued income and other assets	10,079	10,976
Assets of disposal groups	25,060	25,450
<b>Total assets</b>	<b>1,403,021</b>	<b>1,506,867</b>
Liabilities		
Bank deposits	65,735	69,113
Repurchase agreements and stock lending	41,415	39,691
Deposits by banks	107,150	108,804
Customer deposits	410,207	414,143

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Repurchase agreements and stock lending	87,303	88,812
Customer accounts	497,510	502,955
Debt securities in issue	142,943	162,621
Settlement balances	17,597	7,477
Short positions	37,322	41,039
Derivatives	446,534	523,983
Accruals, deferred income and other liabilities	20,278	23,125
Retirement benefit liabilities	1,840	2,239
Deferred tax	1,788	1,945
Insurance liabilities	6,251	6,312
Subordinated liabilities	25,513	26,319
Liabilities of disposal groups	23,664	23,995
<b>Total liabilities</b>	<b>1,328,390</b>	<b>1,430,814</b>
<b>Equity</b>		
Non-controlling interests	1,215	1,234
Owners' equity*		
Called up share capital	15,397	15,318
Reserves	58,019	59,501
<b>Total equity</b>	<b>74,631</b>	<b>76,053</b>
<b>Total liabilities and equity</b>	<b>1,403,021</b>	<b>1,506,867</b>
* Owners' equity attributable to:		
Ordinary and B shareholders	68,672	70,075
Other equity owners	4,744	4,744