

ROYAL BANK OF SCOTLAND GROUP PLC  
Form 6-K  
August 06, 2010

**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 August 6, 2010

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

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

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:

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Appendix 1

Reconciliations of pro forma to statutory income statements and balance sheets



**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the quarter ended 30 June 2010**

		<b>Adjustments</b>		
		Reallocation		
		RFS		
		Minority	of one-off	
	<b>Pro forma</b>	interest	items	<b>Statutory</b>
	<b>£m</b>	£m	£m	<b>£m</b>
<b>Net interest income</b>	<b>3,684</b>	(8)	-	<b>3,676</b>
Non-interest income (excluding insurance net premium income)	<b>3,820</b>	21	642	<b>4,483</b>
Insurance net premium income	<b>1,278</b>	-	-	<b>1,278</b>
<b>Non-interest income</b>	<b>5,098</b>	21	642	<b>5,761</b>
<b>Total income</b>	<b>8,782</b>	13	642	<b>9,437</b>
<b>Operating expenses</b>	<b>(4,103)</b>	4	(354)	<b>(4,453)</b>
<b>Profit before other operating charges</b>	<b>4,679</b>	17	288	<b>4,984</b>
Insurance net claims	<b>(1,323)</b>	-	-	<b>(1,323)</b>
<b>Operating profit before impairment losses</b>	<b>3,356</b>	17	288	<b>3,661</b>
Impairment losses	<b>(2,487)</b>	-	-	<b>(2,487)</b>
<b>Operating profit</b>	<b>869</b>	17	288	<b>1,174</b>
Amortisation of purchased intangible assets	<b>(85)</b>	-	85	-
Integration and restructuring costs	<b>(254)</b>	-	254	-
Gain on redemption of own debt	<b>553</b>	-	(553)	-
Strategic disposals	<b>(411)</b>	-	411	-
Bonus tax	<b>(15)</b>	-	15	-
Asset Protection Scheme credit default swap - fair value changes	<b>500</b>	-	(500)	-
<b>Operating profit before tax</b>	<b>1,157</b>	17	-	<b>1,174</b>
Tax	<b>(825)</b>	-	-	<b>(825)</b>
<b>Profit from continuing operations</b>	<b>332</b>	17	-	<b>349</b>
	<b>(26)</b>	(993)	-	<b>(1,019)</b>

Loss from discontinued operations, net of tax

<b>Profit/(loss) for the period</b>	<b>306</b>	<b>(976)</b>	<b>-</b>	<b>(670)</b>
Minority interests	<b>(30)</b>	<b>976</b>	<b>-</b>	<b>946</b>
Preference share and other dividends	<b>(19)</b>	<b>-</b>	<b>-</b>	<b>(19)</b>
<b>Profit attributable to ordinary shareholders</b>	<b>257</b>	<b>-</b>	<b>-</b>	<b>257</b>









**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the quarter ended 31 March 2010**

		<b>Adjustments</b>		
		Reallocation		
		RFS		
		Minority	of one-off	
	<b>Pro forma</b>	interest	items	<b>Statutory</b>
	<b>£m</b>	£m	£m	<b>£m</b>
<b>Net interest income</b>	<b>3,534</b>	8	-	<b>3,542</b>
Non-interest income (excluding insurance net premium income)	<b>4,131</b>	8	(447)	<b>3,692</b>
Insurance net premium income	<b>1,289</b>	-	-	<b>1,289</b>
<b>Non-interest income</b>	<b>5,420</b>	8	(447)	<b>4,981</b>
<b>Total income</b>	<b>8,954</b>	16	(447)	<b>8,523</b>
<b>Operating expenses</b>	<b>(4,430)</b>	-	(287)	<b>(4,717)</b>
<b>Profit before other operating charges</b>	<b>4,524</b>	16	(734)	<b>3,806</b>
Insurance net claims	<b>(1,136)</b>	-	-	<b>(1,136)</b>
<b>Operating profit before impairment losses</b>	<b>3,388</b>	16	(734)	<b>2,670</b>
Impairment losses	<b>(2,675)</b>	-	-	<b>(2,675)</b>
<b>Operating profit/(loss)</b>	<b>713</b>	16	(734)	<b>(5)</b>
Amortisation of purchased intangible assets	<b>(65)</b>	-	65	-
Integration and restructuring costs	<b>(168)</b>	-	168	-
Strategic disposals	<b>53</b>	-	(53)	-
Bonus tax	<b>(54)</b>	-	54	-
Asset Protection Scheme credit default swap - fair value changes	<b>(500)</b>	-	500	-
<b>Operating loss before tax</b>	<b>(21)</b>	16	-	<b>(5)</b>
Tax credit	<b>(106)</b>	(1)	-	<b>(107)</b>
<b>Loss from continuing operations</b>	<b>(127)</b>	15	-	<b>(112)</b>
(Loss)/profit from discontinued operations, net of tax	<b>(4)</b>	317	-	<b>313</b>

<b>(Loss)/profit for the period</b>	<b>(131)</b>	332	-	<b>201</b>
Minority interests	<b>(12)</b>	(332)	-	<b>(344)</b>
Preference share and other dividends	<b>(105)</b>	-	-	<b>(105)</b>
<b>Loss attributable to ordinary shareholders</b>	<b>(248)</b>	-	-	<b>(248)</b>







**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the quarter ended 30 June 2009**

		<b>Adjustments</b>		
		Reallocation		
		RFS		
		Minority	of one-off	
	<b>Pro forma</b>	interest	items	<b>Statutory</b>
	<b>£m</b>	£m	£m	<b>£m</b>
<b>Net interest income</b>	<b>3,322</b>	(37)	-	<b>3,285</b>
Non-interest income (excluding insurance net premium income)	<b>1,498</b>	14	4,002	<b>5,514</b>
Insurance net premium income	<b>1,301</b>	-	-	<b>1,301</b>
<b>Non-interest income</b>	<b>2,799</b>	14	4,002	<b>6,815</b>
<b>Total income</b>	<b>6,121</b>	(23)	4,002	<b>10,100</b>
<b>Operating expenses</b>	<b>(4,066)</b>	(31)	(721)	<b>(4,818)</b>
<b>Profit before other operating charges</b>	<b>2,055</b>	(54)	3,281	<b>5,282</b>
Insurance net claims	<b>(925)</b>	-	-	<b>(925)</b>
<b>Operating profit before impairment losses</b>	<b>1,130</b>	(54)	3,281	<b>4,357</b>
Impairment losses	<b>(4,663)</b>	-	-	<b>(4,663)</b>
<b>Operating loss</b>	<b>(3,533)</b>	(54)	3,281	<b>(306)</b>
Amortisation of purchased intangible assets	<b>(55)</b>	-	55	-
Write-down of goodwill and other intangible assets	<b>(311)</b>	-	311	-
Integration and restructuring costs	<b>(355)</b>	-	355	-
Gain on redemption of own debt	<b>3,790</b>	-	(3,790)	-
Strategic disposals	<b>212</b>	-	(212)	-
<b>Operating loss before tax</b>	<b>(252)</b>	(54)	-	<b>(306)</b>
Tax	<b>640</b>	26	-	<b>666</b>
<b>Profit from continuing operations</b>	<b>388</b>	(28)	-	<b>360</b>
(Loss)/profit from discontinued operations, net of tax	<b>(13)</b>	93	-	<b>80</b>

<b>Profit for the period</b>	<b>375</b>	<b>65</b>	<b>-</b>	<b>440</b>
Minority interests	<b>(83)</b>	<b>(65)</b>	<b>-</b>	<b>(148)</b>
Preference share and other dividends	<b>(432)</b>	<b>-</b>	<b>-</b>	<b>(432)</b>
<b>Loss attributable to ordinary shareholders</b>	<b>(140)</b>	<b>-</b>	<b>-</b>	<b>(140)</b>









**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the half year ended 30 June 2010**

		<b>Adjustments</b>		
		Reallocation		
		RFS		
		Minority	of one-off	
	<b>Pro forma</b>	interest	items	<b>Statutory</b>
	<b>£m</b>	£m	£m	<b>£m</b>
<b>Net interest income</b>	<b>7,218</b>	-	-	<b>7,218</b>
Non-interest income (excluding insurance net premium income)	<b>7,951</b>	29	195	<b>8,175</b>
Insurance net premium income	<b>2,567</b>	-	-	<b>2,567</b>
<b>Non-interest income</b>	<b>10,518</b>	29	195	<b>10,742</b>
<b>Total income</b>	<b>17,736</b>	29	195	<b>17,960</b>
<b>Operating expenses</b>	<b>(8,533)</b>	4	(641)	<b>(9,170)</b>
<b>Profit before other operating charges</b>	<b>9,203</b>	33	(446)	<b>8,790</b>
Insurance net claims	<b>(2,459)</b>	-	-	<b>(2,459)</b>
<b>Operating profit before impairment losses</b>	<b>6,744</b>	33	(446)	<b>6,331</b>
Impairment losses	<b>(5,162)</b>	-	-	<b>(5,162)</b>
<b>Operating profit</b>	<b>1,582</b>	33	(446)	<b>1,169</b>
Amortisation of purchased intangible assets	<b>(150)</b>	-	150	-
Integration and restructuring costs	<b>(422)</b>	-	422	-
Gain on redemption of own debt	<b>553</b>	-	(553)	-
Strategic disposals	<b>(358)</b>	-	358	-
Bonus tax	<b>(69)</b>	-	69	-
<b>Operating profit before tax</b>	<b>1,136</b>	33	-	<b>1,169</b>
Tax	<b>(931)</b>	(1)	-	<b>(932)</b>
<b>Profit from continuing operations</b>	<b>205</b>	32	-	<b>237</b>
Loss from discontinued operations, net of tax	<b>(30)</b>	(676)	-	<b>(706)</b>

<b>Profit/(loss) for the period</b>	<b>175</b>	<b>(644)</b>	<b>-</b>	<b>(469)</b>
Minority interests	<b>(42)</b>	644	-	<b>602</b>
Preference share and other dividends	<b>(124)</b>	-	-	<b>(124)</b>
<b>Profit attributable to ordinary shareholders</b>	<b>9</b>	-	-	<b>9</b>







**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the half year ended 30 June 2009**

		<b>Adjustments</b>		
			Reallocation	
			RFS	
		Minority	of one-off	
	<b>Pro forma</b>	interest	items	<b>Statutory</b>
	<b>£m</b>	£m	£m	<b>£m</b>
<b>Net interest income</b>	<b>6,860</b>	(11)	-	<b>6,849</b>
Non-interest income (excluding insurance net premium income)	<b>5,274</b>	(2)	4,243	<b>9,515</b>
Insurance net premium income	<b>2,657</b>	-	-	<b>2,657</b>
<b>Non-interest income</b>	<b>7,931</b>	(2)	4,243	<b>12,172</b>
<b>Total income</b>	<b>14,791</b>	(13)	4,243	<b>19,021</b>
<b>Operating expenses</b>	<b>(8,733)</b>	(42)	(1,185)	<b>(9,960)</b>
<b>Profit before other operating charges</b>	<b>6,058</b>	(55)	3,058	<b>9,061</b>
Insurance net claims	<b>(1,891)</b>	-	-	<b>(1,891)</b>
<b>Operating profit before impairment losses</b>	<b>4,167</b>	(55)	3,058	<b>7,170</b>
Impairment losses	<b>(7,521)</b>	-	-	<b>(7,521)</b>
<b>Operating loss</b>	<b>(3,354)</b>	(55)	3,058	<b>(351)</b>
Amortisation of purchased intangible assets	<b>(140)</b>	-	140	-
Write-down of goodwill and other intangible assets	<b>(311)</b>	-	311	-
Integration and restructuring costs	<b>(734)</b>	-	734	-
Gain on redemption of own debt	<b>3,790</b>	-	(3,790)	-
Strategic disposals	<b>453</b>	-	(453)	-
<b>Operating loss before tax</b>	<b>(296)</b>	(55)	-	<b>(351)</b>
Tax	<b>412</b>	44	-	<b>456</b>
<b>Profit from continuing operations</b>	<b>116</b>	(11)	-	<b>105</b>
(Loss)/profit from discontinued operations, net of tax	<b>(58)</b>	88	-	<b>30</b>
<b>Profit for the period</b>	<b>58</b>	77	-	<b>135</b>
Minority interests	<b>(554)</b>	(77)	-	<b>(631)</b>
Preference share and other dividends	<b>(546)</b>	-	-	<b>(546)</b>



<b>Loss attributable to ordinary shareholders</b>	<b>(1,042)</b>	-	-	<b>(1,042)</b>
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**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Balance sheet at 30 June 2010**

	<b>Pro forma £m</b>	Transfers £m	<b>Statutory £m</b>
<b>Assets</b>			
Cash and balances at central banks	29,591	-	29,591
Net loans and advances to banks	54,471	18	54,489
Reverse repurchase agreements and stock borrowing	47,663	-	47,663
Loans and advances to banks	102,134	18	102,152
Net loans and advances to customers	539,340	35	539,375
Reverse repurchase agreements and stock borrowing	39,396	-	39,396
Loans and advances to customers	578,736	35	578,771
Debt securities	236,260	-	236,260
Equity shares	17,326	-	17,326
Settlement balances	20,718	-	20,718
Derivatives	522,871	-	522,871
Intangible assets	14,482	-	14,482
Property, plant and equipment	17,608	-	17,608
Deferred taxation	5,841	(2)	5,839
Prepayments, accrued income and other assets	13,630	465	14,095
Assets of disposal groups	21,656	684	22,340
<b>Total assets</b>	<b>1,580,853</b>	1,200	<b>1,582,053</b>
<b>Liabilities</b>			
Bank deposits	96,614	96	96,710
Repurchase agreements and stock lending	44,165	-	44,165
Deposits by banks	140,779	96	140,875
Customer deposits	420,890	-	420,890
Repurchase agreements and stock lending	70,655	-	70,655
Customer accounts	491,545	-	491,545
Debt securities in issue	217,317	-	217,317
Settlement balances and short positions	62,724	-	62,724
Derivatives	508,966	-	508,966
Accruals, deferred income and other liabilities	24,842	25	24,867
Retirement benefit liabilities	2,600	11	2,611
Deferred taxation	2,126	69	2,195
Insurance liabilities	6,521	-	6,521
Subordinated liabilities	27,523	-	27,523
Liabilities of disposal groups	16,999	616	17,615
<b>Total liabilities</b>	<b>1,501,942</b>	817	<b>1,502,759</b>

<b>Equity</b>			
Minority interests	<b>2,109</b>	383	<b>2,492</b>
Owners' equity	<b>76,802</b>	-	<b>76,802</b>
Total equity	<b>78,911</b>	383	<b>79,294</b>
<b>Total liabilities and equity</b>	<b>1,580,853</b>	1,200	<b>1,582,053</b>









**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Balance sheet at 31 December 2009**

	<b>Pro forma £m</b>	Transfers £m	<b>Statutory £m</b>
<b>Assets</b>			
Cash and balances at central banks	51,548	713	52,261
Net loans and advances to banks	48,777	7,879	56,656
Reverse repurchase agreements and stock borrowing	35,097	-	35,097
Loans and advances to banks	83,874	7,879	91,753
Net loans and advances to customers	554,654	132,699	687,353
Reverse repurchase agreements and stock borrowing	41,040	-	41,040
Loans and advances to customers	595,694	132,699	728,393
Debt securities	249,095	18,159	267,254
Equity shares	15,960	3,568	19,528
Settlement balances	12,024	9	12,033
Derivatives	438,199	3,255	441,454
Intangible assets	14,786	3,061	17,847
Property, plant and equipment	17,773	1,624	19,397
Deferred taxation	6,492	547	7,039
Prepayments, accrued income and other assets	18,604	2,381	20,985
Assets of disposal groups	18,432	110	18,542
<b>Total assets</b>	<b>1,522,481</b>	174,005	<b>1,696,486</b>
<b>Liabilities</b>			
Bank deposits	115,642	(11,504)	104,138
Repurchase agreements and stock lending	38,006	-	38,006
Deposits by banks	153,648	(11,504)	142,144
Customer deposits	414,251	131,598	545,849
Repurchase agreements and stock lending	68,353	-	68,353
Customer accounts	482,604	131,598	614,202
Debt securities in issue	246,329	21,239	267,568
Settlement balances and short positions	50,875	1	50,876
Derivatives	421,534	2,607	424,141
Accruals, deferred income and other liabilities	24,624	5,703	30,327
Retirement benefit liabilities	2,715	248	2,963
Deferred taxation	2,161	650	2,811
Insurance liabilities	7,633	2,648	10,281
Subordinated liabilities	31,538	6,114	37,652
Liabilities of disposal groups	18,857	33	18,890
<b>Total liabilities</b>	<b>1,442,518</b>	159,337	<b>1,601,855</b>

<b>Equity</b>			
Minority interests	2,227	14,668	16,895
Owners' equity	77,736	-	77,736
Total equity	79,963	14,668	94,631
<b>Total liabilities and equity</b>	<b>1,522,481</b>	174,005	<b>1,696,486</b>

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### Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 6, 2010

THE ROYAL BANK OF SCOTLAND  
GROUP plc (Registrant)

By: /s/ Jan Cargill

Name: Jan Cargill  
Title: Deputy Secretary