

Registered number: 3780079

ALPHA LEASING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014



ALPHA LEASING LIMITED

COMPANY INFORMATION

DIRECTORS

M Brady
M A Garrett

COMPANY SECRETARIES

R Johnson
D J Goma (resigned 19 March 2014)
Rolls-Royce Secretariat Limited (appointed 19 March 2014)

REGISTERED NUMBER

3780079

REGISTERED OFFICE

62 Buckingham Gate
London
England
SW1E 6AT

ALPHA LEASING LIMITED

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ALPHA LEASING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Directors present their Report and the financial statements for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The principal business of the Company is as a holding company.

FINANCIAL REVIEW

The Company had no income or expense during the year other than dividends receivable.

The Directors declared interim dividends for the year totalling US\$10,000 per ordinary share (2013 - US\$11,000 per ordinary share). They do not recommend payment of any further dividend. The total cost of dividends for the year is US\$1,000,000 (2013 - US\$1,100,000).

DIRECTORS

The Directors who served during the year were:

M Brady
M A Garrett

None of the Directors, or their immediate family, had any beneficial interest in the shares of the Company during the year.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

ALPHA LEASING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice).


Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 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 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.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R Johnson
Secretary

Date: 18 March 2015

62 Buckingham Gate
London
England
SW1E 6AT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHA LEASING LIMITED

We have audited the financial statements of Alpha Leasing Limited for the year ended 31 December 2014, set out on pages 4 to 9. 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 AUDITOR

As explained more fully in the Statement Of Directors' Responsibilities In Respect Of The Directors' Report And The Financial Statements set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 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; or
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Craig Parkin (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

18 March 2015

ALPHA LEASING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Note | 2014 \$ | 2013 \$ |
|--|------|------------|------------|
| Dividends receivable | | 1,000,000 | 1,100,000 |
| Profit on ordinary activities before taxation | | 1,000,000 | 1,100,000 |
| Tax on profit on ordinary activities | 3 | - | - |
| Profit for the financial year | 8 | 1,000,000 | 1,100,000 |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss Account.

The notes on pages 6 to 9 form part of these financial statements.

ALPHA LEASING LIMITED
REGISTERED NUMBER: 3780079

BALANCE SHEET
AS AT 31 DECEMBER 2014

| | Note | 2014 \$ | 2013 \$ |
|--------------------------------------|------|------------|------------|
| Fixed assets | | | |
| Investment in subsidiary undertaking | 5 | 100 | 100 |
| Current assets | | | |
| Debtors | 6 | 100 | 100 |
| Net assets | | <u>200</u> | <u>200</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 100 | 100 |
| Profit and loss account | 8 | 100 | 100 |
| Shareholders' funds | 9 | <u>200</u> | <u>200</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 March 2015.



M Brady
Director

The notes on pages 6 to 9 form part of these financial statements.

ALPHA LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The Company financial statements have been prepared under the historical cost convention and in accordance with UK Generally Accepted Accounting Standards.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.2 Cash flow statement exemption

The Company is exempt from the requirement of FRS 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Alpha Partners Leasing Limited and its cash flows are included within Alpha Partners Leasing Limited's consolidated cash flow statement.

1.3 Transactions with other group subsidiaries

As the entity is a wholly owned subsidiary of Alpha Partners Leasing Limited, the Company has taken advantage of the exception contained in FRS 8 and has, therefore, not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

1.4 Financial guarantee contracts

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

1.5 Functional and presentational currency

The Financial Statements are presented in US Dollars as the Company conducts its principal activities in US Dollars and therefore recognises US Dollars as its functional currency.

1.6 Investments

Investments in subsidiary undertakings are stated at cost.

1.7 Dividends on shares presented within equity

Dividends are only recognised as a liability to the extent that they are declared prior to the year end.

ALPHA LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

2. STAFF COSTS

The Company has no employees other than the Directors, who did not receive any remuneration (2013 - \$NIL).

3. TAXATION

Factors affecting tax charge for the year/period

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

| | 2014 \$ | 2013 \$ |
|---|------------|------------|
| Profit on ordinary activities before tax | 1,000,000 | 1,100,000 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%) | 215,000 | 255,750 |
| Effects of: | | |
| Non-taxable income | (215,000) | (255,750) |
| Current tax charge for the year/period | <u>-</u> | <u>-</u> |

Factors that may affect future tax charges

There are no factors significantly affecting future tax charges.

4. DIVIDENDS

| | 2014 \$ | 2013 \$ |
|--|------------|------------|
| Dividends for the year: US\$10,000 per ordinary share (2013 - US\$11,000.00) per ordinary share. | 1,000,000 | 1,100,000 |

5. FIXED ASSET INVESTMENTS

| | Investments in subsidiary companies \$ |
|--|---|
| Cost or valuation | |
| At 1 January 2014 and 31 December 2014 | 100 |
| Net book value | |
| At 31 December 2014 | 100 |
| At 31 December 2013 | 100 |

ALPHA LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. DEBTORS

| | 2014 \$ | 2013 \$ |
|------------------------------------|------------|------------|
| Due within one year | | |
| Amounts owed by group undertakings | 100 | 100 |
| | <u>100</u> | <u>100</u> |

7. SHARE CAPITAL

| | 2014 \$ | 2013 \$ |
|---|-------------------|-------------------|
| Authorised | | |
| 20,000,000 ordinary shares of \$1 each | <u>20,000,000</u> | <u>20,000,000</u> |
| Allotted, called up and fully paid | | |
| 100 ordinary shares of \$1 each | <u>100</u> | <u>100</u> |

8. RESERVES

| | Profit and loss account \$ |
|-------------------------------|----------------------------------|
| At 1 January 2014 | 100 |
| Profit for the financial year | 1,000,000 |
| Dividends: Equity capital | <u>(1,000,000)</u> |
| At 31 December 2014 | <u>100</u> |

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | 2014 \$ | 2013 \$ |
|--------------------------------------|--------------------|--------------------|
| Opening shareholders' funds | 200 | 200 |
| Profit for the financial year/period | 1,000,000 | 1,100,000 |
| Dividends (Note 4) | <u>(1,000,000)</u> | <u>(1,100,000)</u> |
| Closing shareholders' funds | <u>200</u> | <u>200</u> |

ALPHA LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

10. ULTIMATE HOLDING COMPANIES

Rolls-Royce Holdings plc, a company registered in England and Wales, and GATX Corporation, a company registered in the United States, are the joint ultimate holding companies. Copies of Rolls-Royce Holdings plc's consolidated Financial Statements can be obtained from 62 Buckingham Gate, London SW1E 6AT and those of GATX Corporation from 222 West Adams Street, Chicago, IL60606-5314, Illinois, USA.

Alpha Partners Leasing Limited, a company registered in England and Wales, is the immediate holding company and heads the smallest group in which the results of the Company are consolidated. Copies of its consolidated Financial Statements can be obtained from 62 Buckingham Gate, London SW1E 6AT.

11. PRINCIPAL SUBSIDIARIES

| Company name | Country | Percentage Shareholding | Business |
|-----------------------|---------|-------------------------|--------------------|
| Omega Leasing Limited | England | 100 % | Leasing of engines |

12. CONTINGENT LIABILITIES

The Company and certain affiliates are party to a loan facility. The Company provides guarantees in respect of related parties of US\$83,900,000 (2013 - US\$89,100,000). The related party provides a loan facility of US\$44,299,200 (2013 - US\$47,045,000) to the Company's subsidiary that the Company guarantees.