

Company Registered No: 03930930

GL LEASE COMPANY NO.8 LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2012

**RBS Secretariat
The Royal Bank of Scotland Group plc
PO Box 1000
Gogarburn
Edinburgh
EH12 1HQ**

TUESDAY



A2D80U8H

A26

23/07/2013

#123

COMPANIES HOUSE

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2012

CONTENTS	Page
Officers and professional advisers	2
Directors' report	3
Independent auditor's report	5
Balance sheet	7
Statement of changes in equity	8
Cash flow statement	9
Notes to the financial statements	10

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

**N T J Clibbens
C F Glenn
I J Isaac
B K Weir**

SECRETARY:

RBS Secretarial Services Limited

REGISTERED OFFICE:

**3 Princess Way
Redhill
Surrey
RH1 1NP**

AUDITOR:

**Deloitte LLP
Reading**

Registered in England and Wales.

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2012

ACTIVITIES AND BUSINESS REVIEW

This directors' report has been prepared in accordance with the special provisions available to companies entitled to the small companies exemption

Activity

Historically, the principal activity of the company was the provision of residual value guarantees

Review of the year***Financial performance***

The retained profit for the year was £nil (2011 £nil) No dividend was paid during the year (2011 £nil)

Principal risks and uncertainties

The company's financial risk management objectives and policies regarding the use of financial instruments are set out in note 9 to these financial statements

Going concern

The directors, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, have prepared the financial statements on a going concern basis

DIRECTORS AND SECRETARY

The present directors and secretary, who have served throughout the year except where noted below, are listed on page 2

From 1 January 2012 to date the following changes have taken place

	Appointed	Resigned
Secretary		
K Daly		11 January 2012
A Williamson	24 February 2012	14 September 2012
RBS Secretarial Services Limited	14 September 2012	

DIRECTORS' REPORT (continued)**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare a directors' report and financial statements for each financial year and the directors have elected to prepare them in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. 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 at the end of the year and the profit or loss for the financial year of the company. In preparing these financial statements, under International Accounting Standard 1, the directors are required to

- select suitable accounting policies and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions of the entity's financial position and performance, and
- make an assessment of the company's ability to continue as a going concern

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

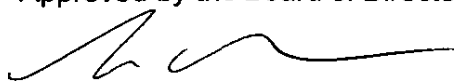
- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

This confirmation is given and shall be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

AUDITOR

Deloitte LLP has expressed its willingness to continue in office as auditor.

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



N T J Clibbens

Director

Date 14th July 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GL LEASE COMPANY NO.8 LIMITED

We have audited the financial statements of GL Lease Company No 8 Limited ('the company') for the year ended 31 December 2012 which comprise the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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. 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 2012 and of its result for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GL LEASE COMPANY
NO.8 LIMITED (continued)**

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 in preparing the directors' report



Elanor Gill, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor,
Reading, United Kingdom

18th July 2013

BALANCE SHEET
as at 31 December 2012

	Notes	2012 £	2011 £
Current assets			
Loans and receivables	6	3	-
Trade and other receivables	7	1	1
Total assets		<u>4</u>	<u>1</u>
Current liabilities			
Borrowings from group undertakings	8	-	19,381
Total liabilities		<u>-</u>	<u>19,381</u>
Equity			
Share capital	10	4	4
Retained earnings		-	(19,384)
Total equity		<u>4</u>	<u>(19,380)</u>
Total liabilities and equity		<u>4</u>	<u>1</u>

The accompanying notes form an integral part of these financial statements

The financial statements were approved by the Board of Directors on 11 July 2013 and signed on its behalf by



N T J Clibbens
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2012

	Note	Share capital £	Retained earnings £	Total £
At 1 January 2011 and 31 December 2011		4	(19,384)	(19,380)
Capital contribution	13	-	19,384	19,384
At 31 December 2012		4	-	4

Total comprehensive income for the year of £nil (2011 £nil) was wholly attributable to the owners of the company

The accompanying notes form an integral part of these financial statements

CASH FLOW STATEMENT
for the year ended 31 December 2012

	Note	2012	2011
		£	£
Operating activities			
Profit for the year before tax		-	-
Operating cash flows before movements in working capital		-	-
Decrease in trade and other receivables		-	3
Increase in loans and receivables		(3)	-
Decrease in prepayments, accrued income and other assets		-	4,771
Decrease in accruals, deferred income and other liabilities		-	(6,257)
(Decrease)/increase in borrowings from group undertakings		(19,381)	75,490
Net cash flows (used in)/from operating activities before tax		(19,384)	74,007
Tax paid		-	(74,007)
Net cash flows used in operating activities		(19,384)	-
Net cash flows from investing activities		-	-
Cash flows from financing activities			
Capital contribution	13	19,384	-
Net cash flows from financing activities		19,384	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies****a) Presentation of accounts**

The accounts are prepared on a going concern basis and in accordance with 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 European Union (EU) (together IFRS)

The accounts are prepared on the historical cost basis except as noted in the following policies

The company's financial statements are presented in sterling which is the functional currency of the company

The company is incorporated in Great Britain and registered in England and Wales. The company's accounts are presented in accordance with the Companies Act 2006

Adoption of new and revised standards

Changes to IFRS that were effective from 1 January 2012 have had no material effect on the company's financial statements for the year ended 31 December 2012

b) Taxation

Current tax is income tax payable in respect of the taxable profit for the year arising in income or in equity. Provision is made for current tax at rates enacted or substantively enacted at the balance sheet date

c) Loans and receivables

Loans and receivables are initially recognised at fair value plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment losses

d) Impairment of financial assets

The company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets classified as held-to-maturity, available-for-sale or loans and receivables is impaired. A financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset

e) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

f) Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or when it has been transferred and the transfer qualifies for derecognition

NOTES TO THE FINANCIAL STATEMENTS (continued)**1. Accounting policies (continued)****g) Accounting developments**

No recent IASB announcement is expected to have a material effect on the company's accounting policies or financial statements

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.

Loan impairment provisions

The company's loan impairment provisions are established to recognise incurred impairment losses in its portfolio of loans classified as loans and receivables and carried at amortised cost. A loan is impaired when there is objective evidence that events since the loan was granted have affected expected cash flows from the loan. The impairment loss is the difference between the carrying value of the loan and the present value of estimated future cash flows at the loan's original effective interest rate.

3. Statement of comprehensive income

The company has not traded during the accounting period, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss. A statement of comprehensive income is therefore not presented.

4. Staff costs, number of employees and directors' emoluments

All staff and directors were employed by Royal Bank of Scotland plc, the accounts for which contain full disclosure of employee benefit expenses incurred in the period including share based payments and pensions. The company has no employees and the directors of the company do not receive remuneration for specific services provided to the company.

5. Auditor's remuneration

There was no charge in either the current or prior year's financial statements for auditor's remuneration as the fees were charged in the financial statements of a related group entity, GL Lease Company No 10 Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Loans and receivables

	2012 £	2011 £
Amounts owed by group undertakings	<u>3</u>	<u>-</u>

7. Trade and other receivables

	2012 £	2011 £
Other receivables	<u>1</u>	<u>1</u>

8. Borrowings from group undertakings

	2012 £	2011 £
Borrowings from group undertakings	<u>-</u>	<u>19,381</u>

9. Financial instruments and risk management

(i) Categories of financial instruments

The following tables analyse the company's financial assets and liabilities in accordance with the categories of financial instruments in IAS 39 'Financial Instruments, Recognition and Measurement'. Assets and liabilities outside the scope of IAS 39 are shown separately.

2012	Loans and receivables	Non financial assets/ liabilities £	Total £
Assets			
Loans and receivables	3	-	3
Trade and other receivables	-	1	1
	<u>3</u>	<u>1</u>	<u>4</u>
Equity			<u>4</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Financial instruments and risk management (continued)

(i) Categories of financial instruments (continued)

2011	At amortised cost £	Non financial assets/ liabilities £	Total £
Assets			
Trade and other receivables	-	1	1
	-	1	1
Liabilities			
Borrowings from group undertakings	19,381	-	19,381
	19,381	-	19,381
Equity			(19,380)
			1

The fair value of financial instruments that are not carried at fair value on the balance sheet is considered not to be materially different to the carrying amounts

(ii) Financial risk management

The principal risks associated with the company's businesses are as follows

Market risk

Market risk is the potential for loss as a result of adverse changes in risk factors including interest rates, foreign currency and equity prices together with related parameters such as market volatilities

There are no significant market risks to which the company is exposed

Interest rate risk

Interest rate risk arises where assets and liabilities have different repricing maturities

The company has no significant interest rate risk as it has no interest bearing assets

Currency risk

The company has no currency risk as all transactions and balances are denominated in sterling

Credit risk

Credit risk is the risk that companies, financial institutions, individuals and other counterparties will be unable to meet their obligations to the company

All loans and receivables are with group undertakings. Although credit risk arises this is not considered to be significant and no amounts owed are past due

NOTES TO THE FINANCIAL STATEMENTS (continued)**9. Financial instruments and risk management (continued)****(ii) Financial risk management (continued)****Liquidity risk**

The company has no material liquidity risk as it has no financial liabilities

Operational risk

Operational risk is the risk of unexpected losses attributable to human error, systems failures, fraud or inadequate internal financial controls and procedures. The company manages this risk, in line with the group framework, through systems and procedures to monitor transactions and positions, the documentation of transactions and periodic review by internal audit. The company also maintains contingency facilities to support operations in the event of disasters.

10. Share capital

	2012 £	2011 £
Authorised:		
25 Class A ordinary shares of £1	25	25
75 Class B ordinary shares of £1	75	75
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
Equity shares		
1 Class A ordinary shares of £1	1	1
3 Class B ordinary shares of £1	3	3
	<u>4</u>	<u>4</u>

Dividends

To the extent that distributable reserves are available and dividends are paid, the holder of each A Share shall be entitled to be paid a dividend in respect of each A share which is three times the value of the dividend paid in respect of each B share.

Winding up

On a winding up or on a return of capital or otherwise, the assets of the company available for distribution shall be applied so that there shall be paid to the holder of the A shares in respect of each A share an amount which is three times that paid to the holder of the B Shares in respect of each B share.

Voting rights

The holder of the A Shares shall be entitled to three votes per A share held and the holder of the B Shares shall be entitled to one vote per B Share held, whether on a show of hands or on a poll.

NOTES TO THE FINANCIAL STATEMENTS (continued)**11. Capital resources**

The company's capital consists of equity comprising issued share capital and retained earnings. The company is a member of The Royal Bank of Scotland group of companies which has regulatory disciplines over the use of capital. In the management of capital resources, the company is governed by the group's policy which is to maintain a strong capital base. It is not separately regulated. The group has complied with the FSA's capital requirements throughout the year.

12. Related parties**UK Government**

The UK Government through HM Treasury became 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.

The company enters into transactions with these bodies on an arms' length basis, they consist solely of the payment of taxes including UK corporation tax.

Group undertakings

The company's immediate parent company is Lombard Lessors Limited, a company incorporated in Great Britain and registered in England and Wales. As at 31 December 2012, 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 RBS Secretariat, The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.

The company's ultimate holding company is The Royal Bank of Scotland Group plc, a company incorporated in Great Britain and registered in Scotland. As at 31 December 2011, The Royal Bank of Scotland Group plc heads the largest group in which the company is consolidated. Copies of the consolidated accounts may be obtained from RBS Secretariat, The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.

Related party transactions with group undertakings

The table below details balances and transactions with group undertakings.

	2012 £	2011 £
Amounts owed by group undertakings		
Fellow subsidiary	<u>3</u>	-
Borrowings from group undertakings		
Fellow subsidiary	<u>-</u>	<u>19,381</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)**13. Capital contribution**

On 19 March 2012 the company received a gift of £19,384 from a fellow group undertaking. No new shares have been issued, the gift does not attract dividends or other investment return and nor is there an obligation for repayment. The gift is taken as a capital contribution thereby directly increasing distributable reserves and returning shareholders' funds to a surplus position.

14. Post balance sheet event

There have been no significant events between the year end and the approval of these financial statements which would require a change to or disclosure in the financial statements.