

Company Registration No: 04986124

RBSSAF (11) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 December 2008

**Group Secretariat
The Royal Bank of Scotland Group plc
Gogarburn
P.O. Box 1000
Edinburgh EH12 1HQ**



RBSSAF (11) LIMITED

CONTENTS	Page
Officers and Professional Advisers	1
Directors' Report	2-3
Independent Auditors' Report	4
Income Statement	5
Statement of Recognised Income and Expense	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Financial Statements	9-17

RBSSAF (11) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

**S Caterer
P Sullivan
R Warren
J Rogers**

SECRETARY:

C Whittaker

REGISTERED OFFICE:

**The Quadrangle
The Promenade
Cheltenham
Gloucestershire
GL50 1PX**

AUDITORS:

**Deloitte LLP
Bristol**

Registered in England and Wales.

RBSSAF (11) LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2008.

ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is the provision of fixed asset finance usually involving individually structured facilities.

The Company is a subsidiary of The Royal Bank of Scotland Group plc which provides the Company with direction and access to all central resources it needs and determines policies in all key areas such as finance, risk, human resources or environment. For this reason, the directors believe that performance indicators specific to the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The annual reports of The Royal Bank of Scotland Group plc review these matters on a group basis. Copies can be obtained from Group Secretariat, RBS Gogarburn, Edinburgh, EH12 1HQ, the Registrar of Companies or through the Group's website at rbs.com.

Review of the year

The directors are satisfied with the Company's performance in the year. The Company will be guided by its immediate parent company in seeking further opportunities for growth.

The Company paid a dividend of £11,500,000 during the year £5,750,000 per share (2007: £nil). The Company's financial performance is presented in the Income Statement on Page 6. At the end of the year, the financial position showed total assets of £426,236,000 (2007: £431,780,000) and equity of £1,444,000 (2007: £11,210,00).

The directors, having made such enquiries as they considered appropriate, including regarding the continuing availability of sufficient resources from the Group, have prepared the financial statements on a going concern basis. They considered the interim financial statements of The Royal Bank of Scotland Group plc for the half year ended 30 June 2009, approved on 6 August 2009, which were prepared 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 1.

From 1 January 2008 to date the following changes have taken place:

Directors	Appointed	Resigned
A Devine		31 July 2008
A Farnell		31 July 2008
P Tubb		15 August 2008
R Warren	31 July 2008	
P Sullivan	31 July 2008	
I Shephard	20 August 2008	10 February 2009
J Rogers	16 March 2009	

DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Acts 1985 and 2006 to prepare a directors' report and financial statements for each financial year and have elected to prepare them in accordance with International Financial Reporting Standards as adopted by the European Union. They are responsible for preparing financial statements that present fairly the financial position, financial performance, and cash flows of the Company. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which 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 Acts 1985 and 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 AUDITORS

Each of the directors at the date of approval of this report confirms that:

- a) so far as he/she is aware there is no relevant audit information of which the Company's auditors are unaware; and
- b) the director has taken all the steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and shall be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

AUDITORS

On 1 December 2008, Deloitte & Touche LLP changed their name to Deloitte LLP.

Deloitte LLP have expressed their willingness to continue in office as auditors.

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



S Caterer
Director
Date: 26 October 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RBSSAF (11) LIMITED

We have audited the financial statements of RBSSAF (11) Limited ("the company") for the year ended 31 December 2008 which comprise the Income Statement, the Statement of Recognised Income and Expense, the Balance Sheet, the Cash Flow Statement and the related Notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the statement of directors' responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition we also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
Bristol, United Kingdom

29 October 2009

RBSSAF (11) LIMITED**INCOME STATEMENT**

for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
CONTINUING OPERATIONS			
Revenue	4	15,846	15,408
Other operating income	5	-	5,562
Administrative expenses	6	<u>(2)</u>	<u>(6)</u>
OPERATING PROFIT	6	15,844	20,964
Finance costs	8	<u>(13,299)</u>	<u>(15,216)</u>
PROFIT BEFORE TAXATION		2,545	5,748
Tax (charge)/credit	9	<u>(811)</u>	<u>7,116</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u>1,734</u>	<u>12,864</u>

The notes on pages 9 to 17 form part of these financial statements.

RBSSAF (11) LIMITED

STATEMENT OF RECOGNISED INCOME AND EXPENSE
for the year ended 31 December 2008

	2008 £'000	2007 £'000
Profit for the year	<u>1,734</u>	<u>12,864</u>
Total recognised income and expense for the year	<u>1,734</u>	<u>12,864</u>

RBSSAF (11) LIMITED
BALANCE SHEET
as at 31 December 2008

	Note	2008 £'000	2007 £'000
NON-CURRENT ASSETS			
Finance lease receivables	11	<u>419,254</u>	<u>409,133</u>
		<u>419,254</u>	<u>409,133</u>
CURRENT ASSETS			
Finance lease receivables	11	5,725	-
Cash and cash equivalents	12	<u>1,257</u>	<u>22,647</u>
		6,982	22,647
		<u>426,236</u>	<u>431,780</u>
TOTAL ASSETS			
CURRENT LIABILITIES			
Trade and other payables	13	(5,942)	(3,913)
Bank overdraft and loans	14	<u>(1,257)</u>	<u>(3,616)</u>
		<u>(7,199)</u>	<u>(7,529)</u>
NON CURRENT LIABILITIES			
Bank loans	14	(298,620)	(289,275)
Deferred tax liabilities	15	<u>(118,973)</u>	<u>(123,766)</u>
		<u>(417,593)</u>	<u>(413,041)</u>
TOTAL LIABILITIES			
		<u>(424,792)</u>	<u>(420,570)</u>
NET ASSETS			
		<u>1,444</u>	<u>11,210</u>
EQUITY			
Share capital	16	-	-
Retained earnings	17	<u>1,444</u>	<u>11,210</u>
TOTAL EQUITY			
		<u>1,444</u>	<u>11,210</u>

The financial statements of RBSSAF (11) Limited, registered number 04986124, on pages 5 to 17 were approved by the Board of Directors and authorised for issue on 26 October 2009. They were signed on its behalf by:



S J Caterer
Director

The notes on pages 9 to 17 form part of these financial statements.

RBSSAF (11) LIMITED

CASH FLOW STATEMENT

for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
NET CASH (USED IN)/FROM OPERATING ACTIVITES	18	<u>(16,876)</u>	<u>54,491</u>
FINANCING ACTIVITIES			
Dividends paid		(11,500)	-
Repayments of borrowings		<u>5,729</u>	<u>(31,855)</u>
NET CASH USED IN FINANCING ACTIVITES		<u>(5,771)</u>	<u>(31,855)</u>
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS		(22,647)	22,636
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		22,647	11
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>-</u>	<u>22,647</u>

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

a BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the EU. The Company in addition to complying with its legal obligation to comply with IFRS as adopted for use in the European Union, also complies with IFRS as issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The directors do not believe the adoption of any Standards or Interpretations that have been issued but are not yet effective will have any material impact on the financial statements of the Company.

The judgements and assumptions involved in the Company's accounting policies which have the most significant effect on the amounts recognised in the financial statements are those that relate to the criteria for assessing whether substantially all the significant risks and rewards of ownership of leased assets are transferred to other entities.

The accounts, which should be read in conjunction with the Directors' Report, are prepared on a going concern basis and in accordance with IFRS.

b INCOME UNDER FINANCE LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance lease income, which includes the amortisation of the investment in the lease, is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

c PROGRESS PAYMENTS INCOME RECOGNITION

Where assets are subject to progress payments being made prior to the commencement of the primary lease period, interest on the total of such payments at an appropriate rate is added to the cost of the asset and credited to the profit and loss account.

d BORROWING COSTS

All borrowing costs are recognised as an expense in the period in which they are incurred.

e TAXATION

Provision is made for taxation at current enacted rates on taxable profits.

Deferred taxation is accounted for in full for all temporary differences between the carrying amount of an asset or liability for accounting purposes and its carrying amount for tax purposes. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered.

f FINANCIAL INSTRUMENTS

The Company's financial asset categories are finance lease receivables and loans and receivables. Loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

The Company's financial liabilities are all categorised as financial liabilities measured at amortised cost. This comprises 'bank overdraft and loans' and 'trade and other payables' in the balance sheet.

The Company does not account for any financial assets or liabilities at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES - continued

g AMOUNTS RECEIVABLE UNDER FINANCE LEASES

A lease is recognised when there is a contractual right to the asset's cash flows and derecognised when all contractual rights and obligations expire. Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

Progress payments made prior to the commencement of the primary lease are included at cost together with the amount of any interest charged on such payments.

h TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured on initial recognition at fair value, and subsequently measured at amortised cost using the effective interest rate method. Trade and other receivables do not carry any interest and are stated at their nominal value.

i CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

j BORROWINGS

Interest-bearing loans and bank overdrafts are initially recorded at fair value and are subsequently measured at amortised cost using the effective interest rate method.

k TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Trade and other payables are not interest bearing and are stated at their nominal value.

l OPERATING PROFIT

Operating profit is stated before charging or crediting investment income and finance costs.

2 FINANCIAL RISK MANAGEMENT

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's policy is to avoid interest rate risk by matching the maturity of the lease and its associated loan finance and fixing the cost of borrowing at the inception of the lease when the effective interest rate in the lease is determined.

b Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company minimises currency risk by ensuring its leases and associated financing is in the same currency.

c Credit risk

Credit risk is the risk arising from the possibility that the Company will incur losses from the failure of counterparties to meet their obligations. Credit risk is managed through The Royal Bank of Scotland plc Group Credit Risk Management Framework to enable the Group to achieve appropriate risk versus reward performance whilst maintaining credit risk exposure in line with approved risk appetite on a Group basis. The Framework encompasses credit risk assessment prior to the approval of any credit exposure, and the control and monitoring of these exposures against approved limits.

NOTES TO THE FINANCIAL STATEMENTS

2 FINANCIAL RISK MANAGEMENT - continued

d Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

Any maturity mis-match within the overall long-term structure of the Company's assets and liabilities is managed to ensure that term asset commitments may be funded on an economic basis over their life. The short-term maturity structure of the Company's liabilities and assets is managed on a daily basis to ensure that all cash flow obligations can be met as they arise.

e Capital management

The Company is a member of a group with regulatory disciplines over the use of its capital. Although the Company itself is not regulated it aims to maintain capital resources commensurate with the nature, scale and risk profile of its business. It regards its capital as the total equity as shown on the balance sheet.

3 PARENT COMPANIES

The Company's immediate parent company is Royal Bank Leasing Limited.

The Company's ultimate holding company, and the parent of the largest group into which the Company is consolidated, is The Royal Bank of Scotland Group plc which is incorporated in Great Britain and registered in Scotland. Copies of the financial statements for The Royal Bank of Scotland Group plc can be obtained from The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.

The smallest subgroup into which the Company is consolidated has as its parent company The Royal Bank of Scotland plc, a company incorporated in Great Britain and registered in Scotland. Copies of the consolidated financial statements for this subgroup can be obtained from The Royal Bank of Scotland Group plc, Gogarburn, Edinburgh, EH12 1HQ.

On 1 December 2008, the UK Government through HM Treasury became the ultimate controlling party of The Royal Bank of Scotland Group plc. The UK Government has announced that its shareholdings in banks will be managed by UK Financial Investments Limited a company wholly-owned by the UK Government.

4 REVENUE

2008	2007
£'000	£'000

Finance leases:

Rentals receivable	32,973	22,717
Amortisation	(17,127)	(7,309)
	<u>15,846</u>	<u>15,408</u>

The Company did not enter into any new leasing transactions during the year (2007: £nil).

5 OTHER OPERATING INCOME

2008	2007
£'000	£'000

Fee income	<u>-</u>	<u>5,562</u>
------------	----------	--------------

NOTES TO THE FINANCIAL STATEMENTS

6 OPERATING PROFIT

Operating profit has been arrived at after charging/(crediting):

2008	2007
£'000	£'000

Management charge

<u>2</u>	<u>6</u>
----------	----------

Costs incurred in respect of audit services to the Company are included in the management charge as shown below:

£	£
---	---

Auditors' remuneration - for audit services

<u>564</u>	<u>651</u>
------------	------------

7 STAFF COSTS

All directors and employees are employed and remunerated by The Royal Bank of Scotland plc, which did not make a recharge to the Company in the year.

The average monthly number of employees was nil (2007: nil).

8 FINANCE COSTS

2008	2007
£'000	£'000

Interest payable to group undertakings

<u>13,299</u>	<u>15,216</u>
---------------	---------------

9 TAXATION

2008	2007
£'000	£'000

A) ANALYSIS OF TAX CHARGE/(CREDIT) FOR THE YEAR

Current tax charge/(credit):

- Group relief payable/(receivable) on profit for the year

<u>5,604</u>	<u>(41,085)</u>
5,604	(41,085)

Deferred tax - origination and reversal of timing differences:

- Current year

(4,793)	39,955
---------	--------

- Impact of rate change from 30% to 28%

<u>-</u>	<u>(5,986)</u>
----------	----------------

Tax charge/(credit)

<u>811</u>	<u>(7,116)</u>
------------	----------------

B) FACTORS AFFECTING THE TAX CHARGE/(CREDIT) FOR THE YEAR

Profit before tax

<u>2,545</u>	<u>5,748</u>
--------------	--------------

Tax on profit at the blended rate of 28.5% (2007: 30%)

725	1,724
-----	-------

Impact of rate change from 30% to 28%

<u>86</u>	<u>(8,840)</u>
-----------	----------------

Tax charge/(credit)

<u>811</u>	<u>(7,116)</u>
------------	----------------

The standard corporation tax rate changed from 30% to 28% effective from the 1 April 2008. The implication being that corporation tax has been charged at 30% for 3 months to 31 March 2008 and 9 months at 28% to 31 December 2008. This has given rise to an average (blended) rate of corporation tax for the year of 28.5%.

NOTES TO THE FINANCIAL STATEMENTS

10 FINANCIAL INSTRUMENTS

a) Carrying value and fair value of financial instrument by category:

	Carrying value 2008 £'000	Fair value 2008 £'000	Carrying value 2007 £'000	Fair value 2007 £'000
Finance lease receivables	424,979	461,461	409,133	402,421
Loans and receivables				
Cash and cash equivalents	<u>1,257</u>	<u>1,257</u>	<u>22,647</u>	<u>22,647</u>
Financial assets	<u>426,236</u>	<u>462,718</u>	<u>431,780</u>	<u>425,068</u>
Financial liabilities measured at amortised cost				
Trade and other payables	5,942	5,942	3,913	3,913
Bank overdraft and loans	<u>299,877</u>	<u>336,359</u>	<u>292,891</u>	<u>286,179</u>
Financial liabilities	<u>305,819</u>	<u>342,301</u>	<u>296,804</u>	<u>290,092</u>

b) Financial instrument - carrying amount by market risk exposure:

Interest rate risk:

	2008 £'000	2007 £'000
Financial assets		
- variable rate	1,257	22,647
- fixed rate	<u>424,979</u>	<u>409,133</u>
	<u>426,236</u>	<u>431,780</u>
Financial liabilities		
- variable rate	1,257	-
- fixed rate	298,620	292,891
- non-interest bearing	<u>5,942</u>	<u>3,913</u>
	<u>305,819</u>	<u>296,804</u>

If market interest rates had been 2% higher or lower the profit or loss and equity of the Company would not have been materially affected.

c) Financial asset - credit quality and concentration of credit risk:

	2008 £'000	2007 £'000
Maximum credit exposure and neither past due nor impaired:		
Finance lease receivables relating to 1 lessee within film productions	424,979	409,133
Group undertakings	<u>1,257</u>	<u>22,647</u>
	<u>426,236</u>	<u>431,780</u>

Based on counterparty payment history the Company considers all the above financial assets to be of good credit quality.

In respect of the film lease The Royal Bank of Scotland plc has issued to the Company a letter of credit for a credit exposure of £388,694,000 (2007: £371,164,000).

NOTES TO THE FINANCIAL STATEMENTS

10 FINANCIAL INSTRUMENTS - continued

d) Liquidity risk:

Contractual cashflows payable to maturity on financial liabilities on an undiscounted basis:

	Less than 1 year £'000	In the 2nd year £'000	3 to 5 years £'000	Over 5 years £'000
2008				
Trade payables	5,942	-	-	-
Bank overdraft and loans	13,981	17,206	43,097	392,476
	<u>19,923</u>	<u>17,206</u>	<u>43,097</u>	<u>392,476</u>
2007				
Trade payables	3,913	-	-	-
Bank overdraft and loans	16,860	2,293	47,684	394,674
	<u>20,773</u>	<u>2,293</u>	<u>47,684</u>	<u>394,674</u>

11 FINANCE LEASE RECEIVABLES

Gross investment in lease		Present value of minimum lease payments	
2008	2007	2008	2007
£'000	£'000	£'000	£'000

Amounts receivable under finance leases:

Within one year	5,913	-	5,725	-
In the second to fifth years inclusive	65,982	55,408	58,223	48,362
After five years	532,911	549,398	361,031	360,771
	<u>604,806</u>	<u>604,806</u>	<u>424,979</u>	<u>409,133</u>
Less: unearned finance income	(179,827)	(195,673)	N/A	N/A
Present value of minimum lease payments receivable	<u>424,979</u>	<u>409,133</u>	<u>424,979</u>	<u>409,133</u>

Analysed as:

Non-current finance lease receivables (recoverable after 12 months)	419,254	409,133
Current finance lease receivables (recoverable within 12 months)	5,725	-
	<u>424,979</u>	<u>409,133</u>

The Company has entered into finance leasing arrangements for a film with a lease term of 16 years.

Unguaranteed residual values of assets leased under finance leases at the balance sheet date are estimated at £nil (2007: £nil).

The interest rate inherent in the leases is determined at the contract date for all the lease term. The average effective interest rate contracted approximates 3.8% (2007: 3.8%) p.a.

RBSSAF (11) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

12 CASH AND CASH EQUIVALENTS

2008
£'000

2007
£'000

Bank account with group undertakings	-	87
Short term deposits with group undertakings	1,257	22,560
	<u>1,257</u>	<u>22,647</u>

Included in the cash and cash equivalents on the cash flow statement is an amount of £1,257,000 (2007: £nil) in respect of the bank overdraft.

13 TRADE AND OTHER PAYABLES

2008
£'000

2007
£'000

Amounts due to group undertakings	<u>5,942</u>	<u>3,913</u>
-----------------------------------	--------------	--------------

14 BANK OVERDRAFT AND LOANS

2008
£'000

2007
£'000

Bank overdraft due to group undertakings	1,257	-
Loan amount due to group undertakings	298,620	292,891
	<u>299,877</u>	<u>292,891</u>

The borrowings are repayable as follows:

On demand or within one year	1,257	3,616
In the second year	2,789	-
In the third to fifth year inclusive	-	5,161
After five years	295,831	284,114

	299,877	292,891
Less: Amounts due for settlement within 12 months (shown under current liabilities)	<u>(1,257)</u>	<u>(3,616)</u>

Amounts due for settlement after 12 months	<u>298,620</u>	<u>289,275</u>
--	----------------	----------------

A right of set-off exists over the Company's bank account with The Royal Bank of Scotland plc against advances made to the Company's immediate holding company and its subsidiaries.

The effective interest rate on the loan is fixed at 4.7% (2007: 4.7%) p.a.

15 DEFERRED TAX

Movements during the year:

Deferred
taxation
£'000

At 1 January 2007	89,797
Charge to income statement	<u>33,969</u>

At 1 January 2008	123,766
Credit to income statement	<u>(4,793)</u>

At 31 December 2008	<u>118,973</u>
---------------------	----------------

Full provision has been made for the potential amount of deferred taxation shown below:

2008
£'000

2007
£'000

Accelerated capital allowances on assets financed	<u>118,973</u>	<u>123,766</u>
---	----------------	----------------

RBSSAF (11) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
16 SHARE CAPITAL

Ordinary Shares of £1 each	2008 Number of shares	2007 Number of shares	2008 £	2007 £
Authorised:	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Issued, called up and fully paid:	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

The Company has one class of ordinary voting shares which carry no right to fixed income.

17 RETAINED EARNINGS

	£'000
Balance at 1 January 2007	(1,654)
Profit for the financial year	<u>12,864</u>
Balance at 1 January 2008	11,210
Dividends paid	(11,500)
Profit for the financial year	<u>1,734</u>
Balance at 31 December 2008	<u>1,444</u>

During the year the company paid dividends of £11,500,000 (£5,750,000 per ordinary share). (2007:Nil).

18 NOTES TO THE CASH FLOW STATEMENT

	2008 £'000	2007 £'000
Profit before tax	2,545	5,748
Adjustments for:		
Interest expense	13,299	15,216
(Increase)/decrease in receivables	(15,846)	6,136
(Decrease)/increase in payables	<u>(48)</u>	<u>47</u>
Cash generated by operations	(50)	27,147
Income taxes (paid)/received	(3,563)	42,913
Interest paid	<u>(13,263)</u>	<u>(15,569)</u>
Net cash (used in)/from operating activities	<u>(16,876)</u>	<u>54,491</u>

NOTES TO THE FINANCIAL STATEMENTS

19 RELATED PARTY TRANSACTIONS

During the period, the Company entered into the following related party transactions.

	2008 £'000	2007 £'000
Royal Bank Leasing Limited		
Transactions during the period		
- Management charge paid to related party	2	6
- Interest on loan paid to related party	13,299	15,216
- Group relief (paid)/received	(3,563)	42,913
- Additional/(repayment of) borrowing from/(to) related party	<u>5,729</u>	<u>(31,855)</u>
Group relief owed to related party	(3,835)	(1,794)
Outstanding balance owed to related party	<u>(303,304)</u>	<u>(274,244)</u>
The Royal Bank of Scotland plc		
Bank account with group undertakings	<u>(1,257)</u>	<u>87</u>

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties. Both The Royal Bank of Scotland plc and Royal Bank Leasing Limited are fellow subsidiaries of the ultimate holding company The Royal Bank of Scotland Group plc.

In respect of the film lease The Royal Bank of Scotland plc has issued to the Company a letter of credit for a credit exposure of £388,694,000 (2007: £371,164,000).