

GE European Equipment Finance
(Receivables) Limited

Directors' report and financial statements

for the year ended 31 December 2011

Registered number 04688494



GE European Equipment Finance (Receivables) Limited

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GE European Equipment Finance (Receivables) Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the company is the provision of receivables financing and other business equipment financing

Results and dividends

The loss for the year, after taxation, amounted to £80,000 (2010 loss £30,000)

The directors do not recommend the payment of a dividend (2010 £nil)

Directors

The directors who served during the year and up to the date of the directors' report were

H A T Fitzpatrick
J M Jenkins
W H McGibbon FCCA (resigned 30 September 2011)
T Ford (resigned 14 January 2011)
D Millard
J Maycock (appointed 15 April 2011)

Provision of information to auditors

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 auditors are 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

Under section 487 of the Companies Act 2006, KPMG Audit Plc will be deemed to have been reappointed as auditors 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

This report was approved by the board on 19 June 2012 and signed on its behalf



Director

S JENKINS

Meridian
Trinity Square
23/59 Staines Road
Hounslow
Middlesex
TW3 3HF

GE European Equipment Finance (Receivables) Limited

Directors' responsibilities statement for the year ended 31 December 2011

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 financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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 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.

GE European Equipment Finance (Receivables) Limited

Independent auditors' report to the members of GE European Equipment Finance (Receivables) Limited

We have audited the financial statements of GE European Equipment Finance (Receivables) Limited for the year ended 31 December 2011, which comprise the profit and loss account, the balance sheet and the related notes. 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 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

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 directors' 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 2011 and of its loss 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.

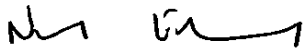
GE European Equipment Finance (Receivables) Limited

Independent auditors' report to the members of GE European Equipment Finance (Receivables) Limited

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



Nicholas J Edmonds (senior statutory auditor)

for and on behalf of
KPMG Audit Plc

Statutory Auditor
Chartered Accountants

100 Temple Street
Bristol
BS1 6AG
United Kingdom

Date 25/6/12

GE European Equipment Finance (Receivables) Limited

Profit and loss account for the year ended 31 December 2011

| | Note | 2011 £000 | 2010 £000 |
|--|------|--------------------|--------------------|
| Turnover | | 7 | 50 |
| Gross profit | | <u>7</u> | <u>50</u> |
| Administrative expenses | | (1) | (44) |
| Other operating expenses | | <u>(13)</u> | <u>(6)</u> |
| Operating loss | 2 | (7) | - |
| Interest receivable and similar income | 5 | 6 | 39 |
| Interest payable and similar charges | 6 | <u>(89)</u> | <u>(59)</u> |
| Loss on ordinary activities before taxation | | (90) | (20) |
| Tax on loss on ordinary activities | 7 | <u>10</u> | <u>(10)</u> |
| Loss for the financial year | 11 | <u><u>(80)</u></u> | <u><u>(30)</u></u> |

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

GE European Equipment Finance (Receivables) Limited
Registered number 04688494

Balance sheet
as at 31 December 2011

| | Note | £000 | 2011 £000 | £000 | 2010 £000 |
|---|------|---------|--------------|---------|--------------|
| Current assets | | | | | |
| Debtors | 8 | 1,610 | | 7,578 | |
| Creditors amounts falling due within one year | 9 | (1,367) | | (7,255) | |
| Net current assets | | | 243 | | 323 |
| Net assets | | | 243 | | 323 |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | - | | - |
| Profit and loss account | 11 | | 243 | | 323 |
| Shareholders' funds | 12 | | 243 | | 323 |

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

19 June 2012.



Director

S SENKINS

The notes on pages 7 to 11 form part of these financial statements

GE European Equipment Finance (Receivables) Limited

Notes to the financial statements

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover represents gross earnings, including the relevant proportion of gross deferred income and fees receivable during the year, from loan receivables. This excludes VAT and trade discounts. The income recognition policies have been selected to best represent the substance of the relevant transactions

All turnover arose in the United Kingdom

1.4 Taxation

Taxation for the year is based on the loss for the year

Full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

GE European Equipment Finance (Receivables) Limited

Notes to the financial statements

1 Accounting policies (continued)

1.6 Transactions with related parties

The company, as a wholly owned subsidiary undertaking of General Electric Company, has taken advantage of an exemption contained in FRS 8, "Related Party Disclosures", in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of General Electric Company, in which the company is included, are publicly available.

2 Operating loss on ordinary activities before taxation

The operating loss on ordinary activities before taxation is stated after charging/(crediting)

| | 2011 £000 | 2010 £000 |
|---------------------------------|--------------|--------------|
| Foreign exchange losses/(gains) | <u>13</u> | <u>(33)</u> |

3 Auditors' remuneration

Remuneration of £1,500 (2010: £9,500) paid to the auditors for their services to the company was borne by a fellow group undertaking.

4 Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2010: £nil).

5 Interest receivable and similar income

| | 2011 £000 | 2010 £000 |
|--|--------------|--------------|
| Interest receivable from group companies | <u>6</u> | <u>39</u> |

6 Interest payable and similar charges

| | 2011 £000 | 2010 £000 |
|----------------------------------|--------------|--------------|
| On loans from group undertakings | <u>89</u> | <u>59</u> |

GE European Equipment Finance (Receivables) Limited

Notes to the financial statements

7 Taxation

| | 2011 £000 | 2010 £000 |
|--|--------------|--------------|
| Analysis of tax (credit)/charge in the year | | |
| UK corporation tax charge on loss for the year | - | 10 |
| Adjustments in respect of prior periods | (10) | - |
| | <u>(10)</u> | <u>10</u> |
| Tax on loss on ordinary activities | (10) | 10 |

Factors affecting current tax (credit)/charge for the year

The current tax assessed for the year is higher than (2010 higher than) the standard rate of corporation tax in the UK of 26.5% (2010 28%). The differences are explained below

| | 2011 £000 | 2010 £000 |
|--|--------------|--------------|
| Loss on ordinary activities before tax | (90) | (20) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 28%) | (24) | (6) |
| Effects of | | |
| Expenses not deductible for tax purposes | - | 16 |
| Group relief not paid for | 24 | - |
| Adjustments to tax charge in respect of prior periods | (10) | - |
| | <u>(10)</u> | <u>10</u> |
| Current tax (credit)/charge for the year (see note above) | (10) | 10 |

Factors that may affect future tax charges

The rate of UK corporation tax that was enacted at the balance sheet date was 25% which is applicable from 1 April 2012. Subsequently, the UK government has announced that the UK corporation tax rate will reduce from 26% to 24% on 1 April 2012. It is expected that the corporation tax rate will reduce to 22% over the following two years. There are no other factors that may significantly affect future tax charges.

There are no amounts of provided or unprovided deferred taxation as at 31 December 2011 or 31 December 2010.

GE European Equipment Finance (Receivables) Limited

Notes to the financial statements

8 Debtors

| | 2011 £000 | 2010 £000 |
|------------------------------------|--------------|--------------|
| Loans receivable | 345 | - |
| Amounts owed by group undertakings | 1,265 | 7,577 |
| Other debtors | - | 1 |
| | <u>1,610</u> | <u>7,578</u> |

The amounts owed by group undertakings incur interest at a monthly LIBOR rate plus 100 bps and are repayable on demand

9 Creditors Amounts falling due within one year

| | 2011 £000 | 2010 £000 |
|------------------------------------|--------------|--------------|
| Amounts owed to group undertakings | 1,262 | 7,245 |
| Corporation tax | - | 10 |
| Other creditors | 105 | - |
| | <u>1,367</u> | <u>7,255</u> |

The amounts owed to group undertakings incur interest at a monthly LIBOR rate plus 100 bps and are repayable on demand

10 Share capital

| | 2011 £ | 2010 £ |
|---|------------|------------|
| <i>Allotted, called up and fully paid</i> | | |
| 100 ordinary shares of £1 each | <u>100</u> | <u>100</u> |

11 Reserves

| | Profit and loss account £000 |
|---------------------|------------------------------------|
| At 1 January 2011 | 323 |
| Loss for the year | (80) |
| | <u>243</u> |
| At 31 December 2011 | <u>243</u> |

GE European Equipment Finance (Receivables) Limited

Notes to the financial statements

12 Reconciliation of movement in shareholders' funds

| | 2011 £000 | 2010 £000 |
|-----------------------------|--------------|--------------|
| Opening shareholders' funds | 323 | 353 |
| Loss for the year | (80) | (30) |
| Closing shareholders' funds | <u>243</u> | <u>323</u> |

13 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Capital Equipment Finance Limited, a company registered in England and Wales

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company incorporated in the United States of America. The consolidated financial statements for this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at www.ge.com