

# RCA International Limited

## Directors' report and financial statements

For the year ended 31 December 2009

Registered number 907774



# RCA International Limited

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# RCA International Limited

## Directors' report

The directors present their report and the financial statements for the year ended 31 December 2009

### Principal activities

The company's principal activity is that of a holding company

### Business review

On 29th December 2009 RCA UK was dissolved, hence, the company impaired its investment in RCA UK of £1,307,000

On 3 June 2009 the company received a dividend from RCA UK of £3,068,000

### Results and dividends

The profit for the year, after taxation, amounted to £2,565,000 (2008 £576 000)

The directors do not recommend the payment of an ordinary dividend (2008 £nil)

### Directors

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

S J Dwyer  
M Risinger  
Z J Citron  
G M Wheeler  
A E Brennan (appointed 31 March 2009)

### 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

# RCA International Limited

## Directors' report

### Auditors

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

18 May 2010

and signed on its behalf

A handwritten signature in black ink, appearing to read 'Ann B.', followed by a long horizontal line.

Director

Webber House  
26-28 Market Street  
Altrincham  
Cheshire  
WA14 1PF

# RCA International Limited

## Statement of directors' responsibilities for the year ended 31 December 2009

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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.

# RCA International Limited

## Independent auditors' report to the members of RCA International Limited

We have audited the financial statements of RCA International Limited for the year ended 31 December 2009, 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 statement of directors' responsibilities, 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 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.

### **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 2009 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.

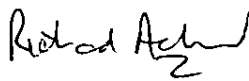
# RCA International Limited

## Independent auditors' report to the members of RCA International 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



Richard Ackland (senior statutory auditor)

for and on behalf of  
**KPMG Audit Plc**

Statutory Auditor  
Chartered Accountants

8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

Date 18 May 2010

# RCA International Limited

## Profit and loss account for the year ended 31 December 2009

	Note	2009 £000	2008 £000
Impairment of investments		<u>(1,307)</u>	<u>-</u>
<b>Operating loss</b>		<b>(1,307)</b>	<b>-</b>
Income from investments		3,068	-
Interest receivable and similar income	5	766	1,065
Interest payable and similar charges	6	<u>(135)</u>	<u>(458)</u>
<b>Profit on ordinary activities before taxation</b>		<b>2,392</b>	<b>607</b>
Tax (credit)/charge on profit on ordinary activities	7	<u>173</u>	<u>(31)</u>
<b>Profit for the financial year</b>	13	<b><u>2,565</u></b>	<b><u>576</u></b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account

The notes on pages 8 to 13 form part of these financial statements



RCA International Limited  
Registered number 907774

Balance sheet  
as at 31 December 2009

	Note	£000	2009 £000	£000	2008 £000
<b>Fixed assets</b>					
Investments	8		5,661		6,968
<b>Current assets</b>					
Debtors	9	17,968		17,190	
<b>Creditors</b> amounts falling due within one year	10	(7,703)		(10,797)	
<b>Net current assets</b>			10,265		6,393
<b>Total assets less current liabilities</b>			15,926		13,361
<b>Creditors</b> amounts falling due after more than one year	11		(2)		(2)
<b>Net assets</b>			15,924		13,359
<b>Capital and reserves</b>					
Called up share capital	12		19		19
Share premium account	13		6,238		6,238
Profit and loss account	13		9,667		7,102
<b>Shareholders' funds</b>	14		15,924		13,359

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

16 May 2010

Director



The notes on pages 8 to 13 form part of these financial statements

# RCA International 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

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 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 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

#### **1.3 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.

#### **1.4 Taxation**

Taxation for the year is based on the profit 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 Dividends on shares presented within shareholders' funds**

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements as required by FRS 21. Compliance with this standard has had no impact as no ordinary dividends have been proposed in the two preceding years ending 31 December 2009.

#### **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 statement. 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.

# RCA International Limited

## Notes to the financial statements

### **1 Accounting policies (continued)**

#### **1.7 Classification of financial instruments issued by the company**

Following the adoption of FRS 25, financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company, and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists, these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy) are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

### **2 Directors' remuneration**

No directors received any remuneration in respect of services to the company during the current or preceding financial year.

### **3 Staff costs**

The company has no employees during the current year (2008: nil).

### **4 Auditors' remuneration**

Remuneration of £5,000 (2008: £5,000) paid to the auditors for their services to the company was borne by a fellow group undertaking.

# RCA International Limited

## Notes to the financial statements

### 5 Interest receivable and similar income

	2009 £000	2008 £000
Interest receivable from group companies	763	1 065
Other interest receivable	3	-
	<u>766</u>	<u>1,065</u>

### 6 Interest payable and similar charges

	2009 £000	2008 £000
On loans from group undertakings	135	458
	<u>135</u>	<u>458</u>

### 7 Taxation

	2009 £000	2008 £000
<b>Analysis of tax (credit)/charge in the year</b>		
UK corporation tax charge on profit for the year	-	173
Adjustments in respect of prior periods	(173)	(142)
	<u>(173)</u>	<u>31</u>
<b>Tax (credit)/charge on profit on ordinary activities</b>	<u>(173)</u>	<u>31</u>

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

The current tax assessed for the year is lower than (2008 lower than) the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained below

	2009 £000	2008 £000
Profit on ordinary activities before tax	2,392	607
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 28.5%)	670	173
<b>Effects of</b>		
Expenses not deductible for tax purposes	366	-
Non taxable income	(860)	-
Group relief received not paid for	(176)	-
Adjustments to tax charge in respect of prior periods	(173)	(142)
	<u>(173)</u>	<u>31</u>
<b>Current tax (credit)/charge for the year (see note above)</b>	<u>(173)</u>	<u>31</u>

# RCA International Limited

## Notes to the financial statements

### 7. Taxation (continued)

#### *Factors that may affect future tax charges*

There are no factors that may significantly affect future tax charges

There were no amounts of provided or unprovided deferred taxation as at 31 December 2009 or 31 December 2008

### 8. Investments

	Shares in group undertakings £000
<b>Cost or valuation</b>	
At 1 January 2009 and 31 December 2009	6,968
<b>Impairment</b>	
At 1 January 2009	-
Charge for the year	1,307
At 31 December 2009	1,307
<b>Net book value</b>	
At 31 December 2009	5,661
At 31 December 2008	6,968

On 29th December 2009 RCA UK was dissolved, hence, the company impaired its investment in RCA UK of £1,307,000

Details of the company's subsidiaries and associates are set out below. All subsidiary and associate undertakings are incorporated in England and Wales.

Name and nature of business	Class of shares held	Percentage of shares held
GE Capital Group Services Limited <i>Processing of employee claims &amp; cash balances</i>	Ordinary	49%

### 9 Debtors

	2009 £000	2008 £000
Amounts owed by group undertakings	17,953	17,190
Other debtors	3	-
Corporation tax recoverable	12	-
	<u>17,968</u>	<u>17,190</u>

# RCA International Limited

## Notes to the financial statements

### 10 Creditors Amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	7,703	10,636
Corporation tax	-	161
	<u>7,703</u>	<u>10,797</u>

### 11 Creditors Amounts falling due after more than one year

	2009 £000	2008 £000
Shares classified as liabilities (Note12)	<u>2</u>	<u>2</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 12

### 12 Share capital

	2009 £000	2008 £000
<b>Shares classified as capital</b>		
<b>Authorised</b>		
30,000 ordinary shares of £1 each	<u>30</u>	<u>30</u>
<b>Allotted, called up and fully paid</b>		
18,664 ordinary shares of £1 each	<u>19</u>	<u>19</u>
<b>Shares classified as debt</b>		
<b>Authorised</b>		
10,000 6.5% fixed rate cumulative preference shares of £1 each	<u>10</u>	<u>10</u>
<b>Allotted, called up and fully paid</b>		
2,448 6.5% fixed rate cumulative preference shares of £1 each	<u>2</u>	<u>2</u>

The company may, at any time, redeem the preference shares at par together with a sum equal to the arrears of the fixed dividend thereon already declared prior to the date of redemption

# RCA International Limited

## Notes to the financial statements

### 13 Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2009	6,238	7,102
Profit for the year	-	2,565
At 31 December 2009	<u>6,238</u>	<u>9,667</u>

### 14 Reconciliation of movement in shareholders' funds

	2009 £000	2008 £000
Opening shareholders' funds	13,359	12,783
Profit for the year	2,565	576
Closing shareholders' funds	<u>15,924</u>	<u>13,359</u>

### 15 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is RCA International Finance Limited, a company incorporated in Delaware, with a branch registered in the United Kingdom

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 of this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at [www.ge.com](http://www.ge.com)