

CNBC (UK) Limited
(formerly RCA Audio-Visuals Limited)

Directors' report and financial statements
For the year ended 31 December 2004
Registered number: 1574907



CNBC (UK) Limited
(formerly RCA Audio-Visuals Limited)

Directors' report and financial statements

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CNBC (UK) Limited

(formerly RCA Audio-Visuals Limited)

Directors' report

The directors present their report and audited financial statements of the company for the year ended 31 December 2004.

Principal activity and business review

The principal activity of the company is that of a holding company and holder of intellectual property rights.

On 1 April 2004 the company changed its name from RCA Audio Visuals Limited to CNBC (UK) Limited.

On 28 April 2004 the company acquired a 49.9% share in Business News (Europe) Partnership, a partnership registered in the United States of America, from CNBC (International) Limited and the rights, title and interest of its other contracts. The principal activity of Business News (Europe) Partnership is news broadcasting.

On the same day the company acquired 1 ordinary share of £43 of CNBC Brussels SA. The principal activity of CNBC Brussels SA is news broadcasting.

On 28 April 2004 the company issued 8,068,284 ordinary shares of £1 each to CNBC (International) Limited. On the same day CNBC (International) Limited transferred its shares in the company to NBC (UK) Holdings Limited.

Results and dividend

The company made a loss before taxation for the year of £4,127,000 (2003: *£nil*).

The directors paid a dividend of £572,000 during the year. (2003: *£nil*).

Directors and directors' interests

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


Mrs PA Green	(resigned 31 October 2005)
JM Crowther	(resigned 30 April 2004)
M Risinger	
RG Clark	
ZJ Citron	(appointed 6 May 2004)
R Cotton	(appointed 22 April 2004, resigned 13 October 2004)
WH Morris	(appointed 6 May 2004)
R A Falco	(appointed 11 May 2005)
P T Graham	(appointed 11 May 2005, resigned 19 September 2005)

Since the company meets the definition in s736 (2)(3) of the Companies Act 1985 of a wholly owned subsidiary of a body corporate incorporated outside Great Britain, the company has taken advantage of regulation 3 (1)(a) of Statutory Instrument 1985/802 exempting the company from the requirement to disclose directors' share interests and options in group companies.

Auditors

During the year the directors appointed KPMG Audit Plc as auditor under section 388 of the Companies Act 1985.

On behalf of the board



Marlin Risinger

Director

100 Barbirolli Square
Manchester M2 3AB
United Kingdom

26th May 2006

CNBC (UK) Limited
(formerly RCA Audio-Visuals Limited)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those 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 unless it is inappropriate to presume that the company will continue in business.

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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

CNBC (UK) Limited

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Independent auditors' report to the members of CNBC (UK) Limited

We have audited the financial statements on pages 4 to 10.

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 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 auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, 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 of the state of the company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London
UK

26th May 2006

CNBC (UK) Limited
(formerly RCA Audio-Visuals Limited)

Profit and loss account
for the year ended 31 December 2004

	Note	2004 £000	2003 £000
Turnover	2	522	-
Administrative expenses		(239)	-
		<hr/>	<hr/>
Operating profit	3	283	-
Provision against investment in partnership undertaking		(4,349)	-
		<hr/>	<hr/>
Loss on ordinary activities before interest		(4,066)	-
Interest payable	6	(61)	-
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(4,127)	-
Tax on loss on ordinary activities	7	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(4,127)	-
Dividend paid		(572)	-
		<hr/>	<hr/>
Retained loss for the financial year	13	(4,699)	-
		<hr/>	<hr/>

The notes on pages 6 to 10 form part of these financial statements.

The movement in reserves is shown in note 13 to these financial statements.

The results in the above profit and loss account relate entirely to continuing operations.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

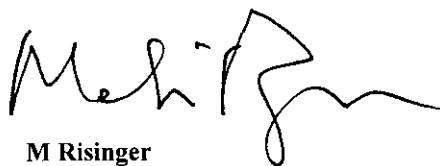
CNBC (UK) Limited
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Balance sheet
at 31 December 2004

	<i>Note</i>	2004	2003
		£000	£000
Fixed assets			
Investments	8	6,571	-
		<hr/>	<hr/>
		6,571	-
Current assets			
Debtors	9	1,005	572
Creditors: amounts falling due within one year	10	(3,635)	-
		<hr/>	<hr/>
Net current (liabilities)/assets		(2,630)	572
		<hr/>	<hr/>
Net assets		3,941	572
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	8,068	-
Profit and loss account	13	(4,127)	572
		<hr/>	<hr/>
Shareholders' funds	13	3,941	572
		<hr/>	<hr/>

The notes on pages 6 to 10 form part of these financial statements.

The financial statements were approved by the board of directors on 26th May 2006 and signed on its behalf by:


M Risinger
Director

CNBC (UK) Limited

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Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting rules.

(b) Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

(c) Turnover

Turnover represents amounts derived from providing products and services to customers during the year, net of value added tax.

(d) Investments

Investments in subsidiary and associate undertakings are stated at cost less provision for permanent diminution in value where necessary.

(e) Taxation

The charge for taxation is based on the profit for the year. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Deferred tax assets are recognised to the extent that the directors consider those assets to be recoverable.

(f) Cash flow statement

Under FRS 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement. Exemption is on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of the ultimate parent company which are available to the public from the address given in note 14.

(g) 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 No. 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 available to the public from the address given in note 14.

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Notes
(continued)

2. Analysis of turnover

	2004 £000	2003 £000
<i>By geographical market:</i>		
Rest of Europe	(25)	-
USA	509	-
Other	38	-
	<hr/> 522 <hr/>	<hr/> - <hr/>

3. Operating profit

Operating profit is stated after charging/(crediting):

	2004 £000	2003 £000
Auditors' remuneration – audit fees	28	-
Exchange gains	(23)	-
	<hr/> 28 <hr/>	<hr/> - <hr/>

4. Employee information

The company did not employ any staff during the current or preceding financial year.

5. Directors emoluments

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

6. Interest payable and similar charges

	2004 £000	2003 £000
On amounts owed to group undertakings	61	-
	<hr/> 61 <hr/>	<hr/> - <hr/>

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Notes
(continued)

7. Tax charge on loss on ordinary activities

	2004	2003
	£000	£000
a) Analysis of charge in the year		
UK corporation tax at 30% (2003: 30%)	-	-
Deferred Tax	-	-
Tax on loss on ordinary activities	-	-
b) Factors affecting current tax charge in year		
Loss on ordinary activities before tax	(4,127)	-
Tax credit on loss on ordinary activities at UK standard rate of 30% (2003: 30%)	(1,238)	-
<i>Effects of:</i>		
Losses carried forward	(126)	-
Expenses not deductible for tax purposes	1,364	-
Total current tax charge for the year	-	-

There was a potential deferred tax asset of £2,000 for the year ended 31 December 2004 (2003: £nil)

8. Fixed asset investments

	Investment in associated undertakings £000
Cost or valuation	
At beginning of year	-
Additions	10,920
Provision against investment	(4,349)
At end of year	6,571

On 28 April 2004 the company acquired a 49.9% share in Business News (Europe) Partnership, a partnership registered in the United States of America, from CNBC (International) Limited and the rights, title and interest of its other contracts. The principal activity of Business News (Europe) Partnership is news broadcasting.

On the same day the company acquired 1 ordinary share of £43 of CNBC Brussels SA. The principal activity of CNBC Brussels SA is news broadcasting.

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Notes
(continued)

9. Debtors

	2004 £000	2003 £000
<i>Amount falling due within one year:</i>		
Trade debtors	499	-
Amounts owed by group undertakings	311	572
Prepayments and accrued income	18	-
Other debtors	177	-
	<u>1,005</u>	<u>572</u>

10. Creditors: amounts falling due within one year

	2004 £000	2003 £000
Trade creditors	10	-
Amounts owed to group undertakings	3,555	-
Accruals and deferred income	69	-
Other creditors	1	-
	<u>3,635</u>	<u>-</u>

11. Deferred taxation

	2004		2003	
	Provided £000	Potential asset £000	Provided £000	Potential asset £000
Short term timing differences	-	2,000	-	-

The potential deferred tax asset is not recognized due to uncertainty over its recoverability.

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Notes

(continued)

12. Called up share capital

	2004 £000	2003 £000
Authorised:		
100,000,000 (2003:100) ordinary shares of £1 each	100,000	-
Allotted, called up and fully paid:		
8,068,286 (2003:2) ordinary shares of £1 each	8,068	-

On 1 April 2004 the company increased its authorised share capital by 99,999,900 ordinary shares of £1 each.

On 28 April 2004 the company issued 8,068,284 ordinary shares of £1 each to CNBC (International) Limited. On the same day CNBC (International) Limited transferred its shares in the company to NBC (UK) Holdings Limited.

13. Reconciliation of movements in shareholders' funds

	Share capital £000	Profit and loss account £000	2004 Shareholders' funds £000	2003 Shareholders' funds £000
At beginning of year	-	572	572	572
Issue of shares	8,068	-	8,068	-
Loss for the year	-	(4,127)	(4,127)	-
Dividend paid	-	(572)	(572)	-
At end of year	8,068	(4,127)	3,941	572

14. Parent undertakings

The company's immediate parent undertaking is NBC (UK) Holdings Limited, a company registered in England and Wales, in which the results of this company are consolidated. The consolidated financial statements for this company are available to the public and may be obtained from 100 Barbirolli Square, Manchester M2 3AB.

The largest group in which the results of the company are consolidated is that headed by the company's 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 06431, USA or at www.ge.com.

15. Post Balance Sheet Event

On 17 June 2005 the company purchased a further 0.1% interest in Business News (Europe) Partnership from CNBC (International) Limited.