

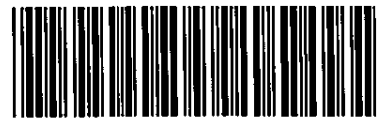
igroup Limited

Directors' report and financial statements

For the year ended 31 December 2009

Registered number 3389478

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igroup Limited

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Directors' report

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

Principal activities

The principal activity of the company is that of a holding company, and this is expected to continue for the foreseeable future

Results and dividends

The loss for the year, after taxation, amounted to £3,792,000 (2008 profit £36,408,000)

An interim dividend of £nil (2008 £11.29) per ordinary share, amounting to £nil (2008 £275 m) was paid in the year

The directors do not recommend the payment of a final dividend

Directors

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

D G Berry
M S Johar
I G Ferguson
D Harvey
C J V Shave
W J Flynn
I D Wilson (resigned 2 March 2009)
S M Wightman (resigned 7 January 2009)
R J Harvey (resigned 30 January 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

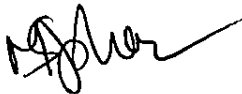
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Directors' report

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 29 March 2010 and signed on its behalf



M S Johar
Director

Building 4, Hatters Lane
Croxley Green Business Park
Watford
Hertfordshire
WD18 8YF

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.

igroup Limited

Independent auditors' report to the members of igroup Limited

We have audited the financial statements of igroup 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 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.

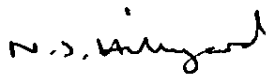
igroup Limited

Independent auditors' report to the members of igroup 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



N J Hillyard (senior statutory auditor)

for and on behalf of
KPMG Audit Plc

Chartered Accountants
Registered Auditor

1 The Embankment
Neville Street
Leeds
LS1 4DW

29 March 2010

igroup Limited

Profit and loss account for the year ended 31 December 2009

	Note	2009 £000	2008 £000
Dividend income from subsidiary undertakings		-	25,000
Interest receivable and similar income	5	1,586	9,234
Interest payable and similar charges	6	(5,378)	(10,700)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(3,792)	23,534
Tax on (loss)/profit on ordinary activities	7	-	12,874
		<hr/>	<hr/>
(Loss)/profit for the financial year	13	(3,792)	36,408
		<hr/>	<hr/>

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.

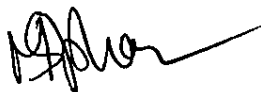
The notes on pages 8 to 13 form part of these financial statements

igroup Limited
Registered number 3389478

Balance sheet
as at 31 December 2009

	Note	£000	2009 £000	£000	2008 £000
Fixed assets					
Fixed asset investments	8		269,260		269,260
Current assets					
Debtors amounts falling due after more than one year	9	57,703		57,703	
Debtors amounts falling due within one year	9	3,788		2,203	
Cash at bank and in hand		93		93	
		<u>61,584</u>		<u>59,999</u>	
Creditors: amounts falling due within one year	10	<u>(16,543)</u>		<u>(11,166)</u>	
Net current assets			45,041		48,833
Total assets less current liabilities			<u>314,301</u>		<u>318,093</u>
Creditors: amounts falling due after more than one year	11		<u>(189,896)</u>		<u>(189,896)</u>
Net assets			<u>124,405</u>		<u>128,197</u>
Capital and reserves					
Called up share capital	12		24,363		24,363
Profit and loss account	13		<u>100,042</u>		<u>103,834</u>
Shareholders' funds	14		<u>124,405</u>		<u>128,197</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 March 2010



M S Johar
Director

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

igroup 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 undertaking 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 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 Investments

The investments in companies subsidiary undertaking are valued at cost less any necessary provision for impairment.

1.4 Taxation

Taxation for the year is based on the (loss)/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 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.

igroup Limited

Notes to the financial statements

2. Auditors' remuneration

	2009 £000	2008 £000
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>2</u>	<u>2</u>

Remuneration paid to the auditors for their audit services to the company was borne by a fellow group undertaking

3. Staff costs

There are no direct employees of the company (2008: nil). Employees are remunerated by another group company, under their contracts of employment with that company. There were no recharged costs to the company in the current and prior period. Full disclosure regarding directors and employees can be found in the financial statements of GE Money Home Lending Holdings Limited.

4. Directors' remuneration

The company paid for no directors' remuneration (2008: £nil). None of the directors had any pension benefits provided by the company (2008: £nil).

The emoluments of the directors are borne by other subsidiaries of General Electric Company. They are directors of other group companies and do not specifically receive any remuneration in respect of their services to the company. Consequently their emoluments are not disclosed within these financial statements. Full disclosure regarding directors can be found in the financial statements of GE Money Home Lending Holdings Limited.

5. Interest receivable and similar income

	2009 £000	2008 £000
Interest receivable from group companies	<u>1,586</u>	<u>9,234</u>

6. Interest payable and similar charges

	2009 £000	2008 £000
On loans from group undertakings	<u>5,378</u>	<u>10,700</u>

igroup Limited

Notes to the financial statements

7. Taxation

	2009 £000	2008 £000
Analysis of tax charge/(credit) in the year		
UK corporation tax charge on (loss)/profit for the year	-	-
Adjustments in respect of prior periods	-	(12,874)
Tax on (loss)/profit on ordinary activities	-	(12,874)

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

The current tax assessed for the year is higher 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
(Loss)/profit on ordinary activities before tax	(3,792)	23,534
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 28.5%)	(1,062)	6,707
Effects of:		
Non taxable income	-	(7,124)
Group relief not paid for	1,062	417
Adjustments to tax charge in respect of prior periods	-	(12,874)
Current tax charge/(credit) for the year (see note above)	-	(12,874)

Factors that may affect future tax charges

There are no factors that may significantly affect future tax charges

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

igroup Limited

Notes to the financial statements

8. Fixed asset investments

Shares in
subsidiary
undertakings
£000

Cost and net book value

At 1 January 2009 and 31 December 2009

269,260

Details of the company's subsidiary undertakings, which are incorporated in England and Wales are set out as below

Name and nature of business	Class of shares held	Percentage of shares held
igroup holdings limited - Investment holding company	100%	Ordinary
igroup bda limited* - Secured lending company	100%	Ordinary
* indirect holding		

9. Debtors

	2009 £000	2008 £000
Due after more than one year		
Amounts owed by group undertakings	57,703	57,703
Due within one year		
Amounts owed by group undertakings	3,788	2,203

10. Creditors: Amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	16,543	11,166

igroup Limited

Notes to the financial statements

11. Creditors: Amounts falling due after more than one year

	2009 £000	2008 £000
Amounts owed to group undertakings	189,896	189,896

The maturity profile of the company's non-current liabilities as at 31 December 2009 is after more than five years from the balance sheet date. All amounts are interest bearing at various margins above LIBOR

12 Share capital

	2009 £000	2008 £000
<i>Allotted, called up and fully paid</i>		
24,363,394 ordinary shares of £1 each	24,363	24,363

13. Reserves

	Profit and loss account £000
At 1 January 2009	103,834
Loss for the year	(3,792)
At 31 December 2009	100,042

14 Reconciliation of movement in shareholders' funds

	2009 £000	2008 £000
Opening shareholders' funds	128,197	366,789
(Loss)/profit for the year	(3,792)	36,408
Dividends	-	(275,000)
Closing shareholders' funds	124,405	128,197

igroup Limited

Notes to the financial statements

15. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Malvern House Acquisition Limited, a company registered in England and Wales

The smallest group in which the results of the company are consolidated is that of GE Money Home Lending Holdings Limited, a company registered in England and Wales. The consolidated financial statements of GE Money Home Lending Holdings Limited are available to the public and may be obtained from Building 4, Hatters Lane, Croxley Green Business Park, Watford, Hertfordshire WD18 8YF

The 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