

GE Capital Corporation (Property  
Management) Limited

Directors' report and financial statements

For the year ended 31 December 2015

Registered number: 03406547

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# GE Capital Corporation (Property Management) Limited

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# GE Capital Corporation (Property Management) Limited

## Directors' report For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

### **Principal activity and business review**

The principal activity of the company is providing loan finance to fellow group companies.

On 7 October 2015, the company reduced its fully paid up share capital from £80,025,615 (comprising 80,025,615 ordinary shares of £1 each) to £1 (comprising 1 ordinary share of £1) by cancelling and extinguishing 80,025,614 ordinary shares of £1 each, giving rise to distributable reserves of £80,025,614.

### **Results and dividends**

The profit for the year, after taxation, amounted to £2,588,000 (2014: £5,518,000).

On 7 October 2015, the company paid an interim dividend of £70,000,000 (2014: £155,000,000) to GE Capital Corporation (Investment properties) Limited, its immediate parent undertaking.

The directors do not recommend the payment of a final dividend (2014: £nil).

### **Directors**

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

P K Vasilev (resigned 18 December 2015)  
M N Bowden (resigned 13 November 2015)  
R L Hunter (resigned 30 April 2015)  
S R Slocombe (appointed 11 December 2015)  
I W Gatiss (resigned 30 April 2015)  
A Manchanda (appointed 1 May 2015)  
D I Karlov (appointed 2 November 2015)

### **Disclosure 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 relevant audit information and to establish that the company's auditors are aware of that information.

# GE Capital Corporation (Property Management) Limited

Directors' report  
For the year ended 31 December 2015

## Auditors

Under section 487(2) of the Companies Act 2006, KPMG LLP 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 9th SEP 2016 and signed on its behalf.



Director

Anupam Manchanda

The Ark  
201 Talgarth Road  
London  
W6 8BJ

# GE Capital Corporation (Property Management) Limited

## Directors' responsibilities statement

For the year ended 31 December 2015

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 accounting 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.

# GE Capital Corporation (Property Management) Limited

## Independent Auditors' Report to the Members of GE Capital Corporation (Property Management) Limited

We have audited the financial statements of GE Capital Corporation (Property Management) Limited for the year ended 31 December 2015, set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 Boards' Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2015 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..

# GE Capital Corporation (Property Management) Limited

## Independent Auditors' Report to the Members of GE Capital Corporation (Property Management) 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.



Bill Holland (Senior statutory auditor)

for and on behalf of

**KPMG LLP**

Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

United Kingdom

Date: *12 September 2016*

# GE Capital Corporation (Property Management) Limited

## Statement of comprehensive income For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Administrative expenses		-	(30)
<b>Operating loss</b>		-	(30)
Interest receivable and similar income	5	2,588	4,767
<b>Profit on ordinary activities before taxation</b>		2,588	4,737
Tax on profit on ordinary activities	6	-	781
<b>Profit for the financial year</b>		2,588	5,518
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		2,588	5,518

The notes on pages 9 to 14 form part of these financial statements.



GE Capital Corporation (Property Management) Limited  
Registered number:03406547

Balance sheet  
As at 31 December 2015

	Note	2015 £000	2014 £000
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	8	-	114,918
Debtors: amounts falling due within one year	8	<b>57,242</b>	9,736
		<b>57,242</b>	124,654
<b>Net current assets</b>		<b>57,242</b>	124,654
<b>Capital and reserves</b>			
Called up share capital	9	-	80,026
Profit and loss account		<b>57,242</b>	44,628
<b>Shareholders' funds</b>		<b>57,242</b>	124,654

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

9<sup>th</sup> SEP 2016

Director

  
DAMIEN KARLOV

The notes on pages 9 to 14 form part of these financial statements.

# GE Capital Corporation (Property Management) Limited

## Statement of changes in equity For the year ended 31 December 2015

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2015	80,026	44,628	124,654
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,588	2,588
<b>Total comprehensive income for the year</b>	-	2,588	2,588
Dividends: Equity capital	-	(70,000)	(70,000)
Distributable reserves created on cancellation of shares	-	80,026	80,026
Shares cancelled during the year	(80,026)	-	(80,026)
<b>At 31 December 2015</b>	<b>-</b>	<b>57,242</b>	<b>57,242</b>

## Statement of changes in equity For the year ended 31 December 2014

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2014	80,026	194,110	274,136
<b>Comprehensive income for the year</b>			
Profit for the year	-	5,518	5,518
<b>Total comprehensive income for the year</b>	-	5,518	5,518
Dividends: Equity capital	-	(155,000)	(155,000)
<b>At 31 December 2014</b>	<b>80,026</b>	<b>44,628</b>	<b>124,654</b>

The notes on pages 9 to 14 form part of these financial statements.

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements

For the year ended 31 December 2015

### 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance of the company is provided in note 12.

The company is a private limited company and is incorporated and domiciled in the United Kingdom.

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at [www.ge.com](http://www.ge.com).

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

#### 1.2 Going concern

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.

#### 1.3 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, and 111 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 1. Accounting policies (continued)

#### 1.4 Taxation

Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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 Non derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 1. Accounting policies (continued)

#### 1.6 Identification and measurement of impairment

At each reporting date the company assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restricting of a loan or advance by the company on terms that the company would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the company.

The company considers evidence of impairment for loans and advances at both a specific asset and collective level. All individually significant loans and advances are assessed for specific impairment. All individually significant loans and advances found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances that are not individually significant are collectively assessed for impairment by grouping together loans and advances with similar risk characteristics. Collective allowances are established using statistical methods based on historic loss rate experience. The estimate of loss arrived at on the basis of historical information is then reviewed to ensure that it appropriately reflects the economic conditions and actual loss experience at the reporting date.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. In estimating these cash flows, the company makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Losses are recognised in the profit and loss account and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through the profit and loss account.

The company writes off loans and advances when they are determined to be uncollectable.

### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors consider there are no critical accounting estimates or judgments identified in preparation of financial statements in compliance with FRS 101.

### 3. Auditors remuneration

Remuneration of £2,604 (2014: £2,604) 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 (2014: nil). The directors did not receive any remuneration (2014: £nil)

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements

For the year ended 31 December 2015

### 5. Interest receivable and similar income

	2015 £000	2014 £000
Interest receivable from group companies	<u>2,588</u>	<u>4,767</u>

### 6. Taxation

	2015 £000	2014 £000
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	(781)
	<u>-</u>	<u>(781)</u>
<b>Total current tax</b>	<u>-</u>	<u>(781)</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	<u>2,588</u>	<u>4,737</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	524	1,018
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	-	(781)
Group relief	(524)	(1,018)
<b>Total tax charge for the year</b>	<u>-</u>	<u>(781)</u>

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 6. Taxation (continued)

#### Factors that may affect future tax charges

The UK corporation tax rate was reduced from 21% to 20% on 1 April 2015. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted at the balance sheet date. This will reduce any current tax charges accordingly. There are no other factors that may significantly affect future tax charges. Subsequently, the UK government announced that the UK corporation tax rate will reduce further to 17% from 1 April 2020.

There were no amounts of provided or unprovided deferred taxation as at 31 December 2015 or 31 December 2014.

### 7. Dividends

	2015 £000	2014 £000
Dividend paid on equity capital	70,000	155,000

On 7 October 2015, the company paid an interim dividend of £70,000,000 (2014: £155,000,000) to GE Capital Corporation (Investment properties) Limited, its immediate parent undertaking.

### 8. Debtors

	2015 £000	2014 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	-	114,918
<b>Due within one year</b>		
Amounts owed by group undertakings	56,525	9,019
Corporation tax	717	717
	57,242	9,736

### 9. Share capital

	2015 £000	2014 £000
<b>Allotted, called up and fully paid</b>		
1 (2014: 80,025,615) ordinary shares of £1	-	80,026

# GE Capital Corporation (Property Management) Limited

## Notes to the financial statements For the year ended 31 December 2015

### **9. Share capital (continued)**

On 7 October 2015, the company reduced its fully paid up share capital from £80,025,615 (comprising 80,025,615 ordinary shares of £1 each) to £1 (comprising 1 ordinary share of £1) by cancelling and extinguishing 80,025,614 ordinary shares of £1 each, giving rise to distributable reserves of £80,025,614.

### **10. Ultimate parent undertaking and controlling party**

The company's immediate parent undertaking is GE Capital Corporation (Investment Properties) Limited, a company incorporated 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 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).

### **11. First time adoption of FRS 101**

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.