

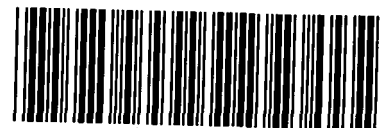
GE Capital Corporation (Property Management) Limited

Directors' report and financial statements

for the year ended 31 December 2013

Registered number: 03406547

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GE Capital Corporation (Property Management) Limited

Contents

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 13

GE Capital Corporation (Property Management) Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2013.

Principal activity and business review

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

On 8 March 2013 the company acquired 15 ordinary shares of £1 each in Denburn House Property Investment Company Limited for a cash consideration of £15.

On 20 March 2013 the company transferred its entire shareholding (comprising 7,002 ordinary shares of £1 each) in GE Real Estate (Investment Property Company) Limited to Denburn House Property Company Investment Limited in consideration for issued share capital (comprising 6,987 ordinary shares of £1 each) in Denburn House Property Company Investment Limited.

On 25 March 2013 the company entered into a put and call option deed relating to the disposal of its shareholding in Denburn House Property Company Investment Limited.

The company granted a call option for purchase of its shares in Denburn House Property Company Investment Limited for consideration equal to £1,282,515 and simultaneously entered into a put option for the sale of its shares of Denburn House Property Company Investment Limited at the same price.

After signing the put and call option deed, Denburn House Property Company Investment Limited transferred its shareholding (comprising 15 ordinary shares of £0.01 each) in GE Real Estate (Sheffield) Limited to GE Capital Corporation (Property Management) Limited as a dividend in specie.

On 26 March 2013 the company exercised its put option under the agreement for the sale of its shares in Denburn House Property Company Investment Limited and the sale completed on 28 March 2013.

On 4 November 2013 the company issued 80,000,000 ordinary shares of £1 each to GE Capital Corporation (Investment Properties) Limited its immediate parent undertaking for a total consideration of £80,000,000.

On 13 December 2013 the company reduced its share premium by £256,114,000.

On 16 December 2013 the company approved a payment of an interim dividend of £487,564 to its immediate parent GE Capital Corporation (Investment Properties) Limited, which was satisfied on the same day by the company transferring its shareholding (comprising 15 ordinary shares of £0.01) in GE Real Estate (Sheffield) Limited via a dividend in specie.

Results and dividends

The loss for the year, after taxation, amounted to £6,202,000 (2012: loss £1,360,000).

The directors do not recommend the payment of a dividend (2012: £nil).

Directors

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

P K Vasilev
I W Gatiss (appointed 1 November 2013)
R L Hunter (appointed 1 November 2013)
M N Bowden (appointed 2 December 2013)
I J del Beato (resigned 8 March 2013)
G F B Palmer (resigned 30 September 2013)
S R Slocombe (appointed 30 May 2013 & resigned 31 January 2014)

GE Capital Corporation (Property Management) Limited

Directors' report

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.

Auditors

KPMG Audit Plc resigned as auditors during the year and KPMG LLP were appointed to fill the vacancy arising.

Under section 487 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 financial statements with the registrar, whichever is earlier.

This report was approved by the board on 19th June 2014 and signed on its behalf.



Director

Ian William Gatiss

The Ark
201 Talgarth Road
London
W6 8BJ

GE Capital Corporation (Property Management) Limited

Directors' responsibilities statement for the year ended 31 December 2013

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 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 2013, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.



William Meredith (senior statutory auditor)

for and on behalf of
KPMG LLP

Statutory Auditor
Chartered Accountants

15 Canada Square
London
E14 5GL
United Kingdom

Date: 19/6/14

GE Capital Corporation (Property Management) Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £000	2012 £000
Administrative expenses		(288)	(2)
Impairment of investments		-	(6,080)
Operating loss		(288)	(6,082)
Loss on disposal of fixed assets investments		(9,589)	-
Loss on ordinary activities before interest		(9,877)	(6,082)
Income from fixed asset investments		1,024	-
Interest receivable and similar income	4	3,432	3,733
Loss on ordinary activities before taxation		(5,421)	(2,349)
Tax on loss on ordinary activities	5	(781)	989
Loss for the financial year	10	(6,202)	(1,360)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

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

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

Balance sheet
as at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Fixed asset investments	6		-		10,335
Current assets					
Debtors: amounts falling due after more than one year	7	189,542		132,302	
Debtors: amounts falling due within one year	7	85,023		58,234	
Cash at bank		44		-	
		<u>274,609</u>		<u>190,536</u>	
Creditors: amounts falling due within one year	8	<u>(473)</u>		<u>(45)</u>	
Net current assets			<u>274,136</u>		<u>190,491</u>
Net assets			<u>274,136</u>		<u>200,826</u>
Capital and reserves					
Called up share capital	9		80,026		26
Share premium account	10		-		256,114
Profit and loss account	10		<u>194,110</u>		<u>(55,314)</u>
Shareholders' funds	11		<u>274,136</u>		<u>200,826</u>

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

19 JUNE 2014



MATTHEW BOWDEN

Director

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

GE Capital Corporation (Property Management) 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 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

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 Capital Corporation (Property Management) 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. Auditors' remuneration

Remuneration of £2,604 (2012: £2,604) paid to the auditors for their services to the company was borne by a fellow group undertaking.

3. Staff costs

The company has no employees (2012: nil). The directors did not receive any remuneration (2012: £nil).

4. Interest receivable and similar income

	2013 £000	2012 £000
Interest receivable from group companies	3,432	3,733

5. Taxation

	2013 £000	2012 £000
Analysis of tax charge/(credit) in the year		
UK corporation tax charge on loss for the year	781	-
Adjustments in respect of prior periods	-	(989)
Tax on loss on ordinary activities	781	(989)

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

5. Taxation (continued)

Factors affecting current tax credit for the year

The current tax assessed for the year is higher than (2012: lower than) the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	2013	2012
	£000	£000
Loss on ordinary activities before tax	(5,421)	(2,349)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(1,260)	(576)
Effects of:		
Other non deductible expenses	50	-
Loss on disposal of investments	2,229	-
Intra-group dividends	(238)	-
Adjustments to tax charge in respect of prior periods	-	(989)
Impairment of investments	-	1,489
Group relief	-	(913)
Current tax charge/(credit) for the year (see note above)	781	(989)

Factors that may affect future tax charges

The UK corporation tax rate was reduced from 24% to 23% on 1 April 2013. It was announced that this rate would be reduced to 21% with effect from 1 April 2014 with a further reduction to 20% with effect from 1 April 2015. Both of these rates were enacted at the balance sheet date. There are no other factors that may significantly affect future tax charges.

There were no amounts of provided or unprovided deferred taxation as at 31 December 2013 or 31 December 2012.

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

6. Fixed asset investments

	Investments in participating interests £000
Cost or valuation	
At 1 January 2013	124,431
Additions	3,382
Disposals	(127,813)
At 31 December 2013	-
Impairment	
At 1 January 2013	114,096
Impairment on disposals	(114,096)
At 31 December 2013	-
Net book value	
At 31 December 2013	-
At 31 December 2012	10,335

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On 16 December 2013 the company approved a payment of an interim dividend of £487,564 to its immediate parent GE Capital Corporation (Investment Properties) Limited, which was satisfied on the same day by the company transferring its shareholding (comprising 15 ordinary shares of £0.01) in GE Real Estate (Sheffield) Limited via a dividend in specie.

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

7. Debtors

	2013 £000	2012 £000
<i>Due after more than one year</i>		
Amounts owed by group undertakings	189,542	132,302
	2013 £000	2012 £000
<i>Due within one year</i>		
Amounts owed by group undertakings	85,023	58,234

8. Creditors: Amounts falling due within one year

	2013 £000	2012 £000
Amounts owed to group undertakings	-	45
Corporation tax	459	-
Accruals and deferred income	14	-
	473	45

9. Share capital

	2013 £000	2012 £000
<i>Allotted, called up and fully paid</i>		
80,025,615 (2012: 25,615) ordinary shares of £1 each	80,026	26

On 4 November 2013 the company issued 80,000,000 ordinary shares of £1 each to GE Capital Corporation (Investment Properties) Limited its immediate parent undertaking for a total consideration of £80,000,000.

GE Capital Corporation (Property Management) Limited

Notes to the financial statements

10. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2013	256,114	(55,314)
Loss for the financial year	-	(6,202)
Dividends: equity capital	-	(488)
Transfer between reserves	(256,114)	256,114
At 31 December 2013	-	194,110

On 13 December 2013 the company reduced its share premium by £256,114,000.

11. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	200,826	202,186
Loss for the financial year	(6,202)	(1,360)
Dividends (note 12)	(488)	-
Shares issued during the year	80,000	-
Closing shareholders' funds	274,136	200,826

12. Dividends

	2013 £000	2012 £000
Dividends paid on equity capital	488	-

On 16 December 2013 the company transferred its shareholding (comprising 15 ordinary shares of £0.01) in GE Real Estate (Sheffield) Limited to GE Capital Corporation (Investment Properties) Limited its immediate parent undertaking via a dividend in specie of £487,564.

13. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Capital Corporation (Investment Properties) 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 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, 06828, USA or at www.ge.com.