

GE Commercial Finance Fleet Leasing Ltd

Directors' report and financial statements

for the year ended 31 December 2012
Registered number 04265122



GE Commercial Finance Fleet Leasing Ltd

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GE Commercial Finance Fleet Leasing Ltd

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activity

The principal activity of the company is the leasing of motor vehicles

Results and dividends

The profit for the year, after taxation, amounted to £788,000 (2011 loss £722,325)

The directors do not recommend the payment of a dividend (2011 £nil)

Directors

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

H Fitzpatrick
D M Millard
G Killeen
J M Jenkins (resigned 15 March 2013)

Political and charitable contributions

The company made no political or charitable donations or incurred any political expenditure during the year

Post balance sheet events

On 14th June 2013 the company's immediate parent, GE Commercial Finance Fleet Services Ltd, subscribed for 4,100,000 ordinary shares of £1 each, wholly curing the insolvency of the company

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

GE Commercial Finance Fleet Leasing Ltd

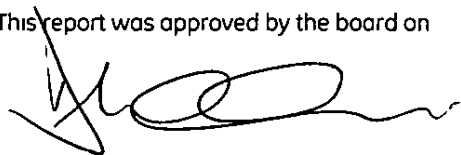
Directors' report

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

and signed on its behalf



Director

Darren millard
27/6/13

Old Hall Road
Sale
Cheshire
M33 2GZ

GE Commercial Finance Fleet Leasing Ltd

Directors' responsibilities statement for the year ended 31 December 2012

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 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 Commercial Finance Fleet Leasing Ltd

Independent auditors' report to the members of GE Commercial Finance Fleet Leasing Ltd

We have audited the financial statements of GE Commercial Finance Fleet Leasing Ltd for the year ended 31 December 2012, 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. 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 2012 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.

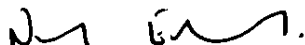
GE Commercial Finance Fleet Leasing Ltd

Independent auditors' report to the members of GE Commercial Finance Fleet Leasing Ltd

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.



Nicholas Edmonds (senior statutory auditor)

for and on behalf of
KPMG Audit Plc

Statutory Auditor
Chartered Accountants

100 Temple Street
Bristol
BS1 6AG

Date **27.6.13**

GE Commercial Finance Fleet Leasing Ltd

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Gross earnings	2	400,337	257,188
Other operating expenses		(1,343,500)	(505,513)
Operating loss	4	(943,163)	(248,325)
Interest receivable and similar income	6	-	7,391
Interest payable and similar charges	7	(44,148)	(90,026)
Loss on ordinary activities before taxation		(987,311)	(330,960)
Tax on loss on ordinary activities	8	1,775,311	(391,365)
Profit/(loss) for the financial year	14	788,000	(722,325)

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account.

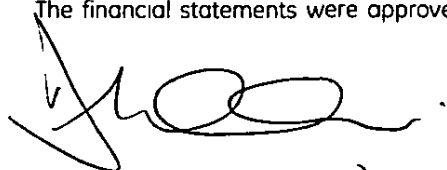
The notes on pages 8 to 14 form part of these financial statements

GE Commercial Finance Fleet Leasing Ltd
Registered number. 04265122

Balance sheet
as at 31 December 2012

	Note	£	2012 £	£	2011 £
Current assets					
Debtors	9	135,008		2,581,191	
Creditors amounts falling due within one year	11	<u>(4,185,871)</u>		<u>(7,420,054)</u>	
Net current liabilities			<u>(4,050,863)</u>		<u>(4,838,863)</u>
Net liabilities			<u>(4,050,863)</u>		<u>(4,838,863)</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account	14		<u>(4,050,963)</u>		<u>(4,838,963)</u>
Shareholders' deficit	15		<u>(4,050,863)</u>		<u>(4,838,863)</u>

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



Director

Darren millard 27/6/13

The notes on pages 8 to 14 form part of these financial statements

GE Commercial Finance Fleet Leasing Ltd

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 financial statements have been prepared on a going concern basis, notwithstanding net liabilities of £4,050,863 (2011 £4,838,863)

On 14th June 2013 the company's immediate parent, GE Commercial Finance Fleet Services Ltd, subscribed for 4,100,000 ordinary shares of £1 each, wholly curing the insolvency outlined above

On the basis of the equity injection, and through their other assessments 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 Turnover

Turnover represents amounts receivable on gross earnings from finance leases. This excludes VAT and trade discounts. The income recognition policies have been selected to best represent the substance of the relevant transactions. All turnover arose in the United Kingdom

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

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

1 Accounting policies (continued)

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.

1.6 Finance leases

Where the company leases out equipment and there is a transfer of substantially all of the risks and rewards of ownership to the lessee, the lease is accounted for as a finance lease, and the net investment is included in current assets. Income from finance leases is credited to the profit and loss account, in proportion to the funds invested. Finance lease receivables, net of introduction fees, are amortised over the period for which they are receivable on a basis calculated to give an approximately constant rate of return of funds invested.

1.7 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 Gross earning under finance lease agreements

	2012 £	2012 £	2011 £	2011 £
Leases				
Finance lease aggregate rentals	8,098,539		9,486,804	
Finance lease capital repayments	(7,839,981)		(9,400,078)	
Finance lease gross earnings		258,558		86,726
Other turnover		150,668		201,886
Turnover		409,226		288,612
Other cost of sales		(8,889)		(31,424)
Gross earnings		400,337		257,188

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

3 Auditors' remuneration

	2012 £	2011 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	-	8,000

Remuneration of £8,000 (2011: £nil) paid to the auditors for their services to the company was borne by a fellow group undertaking

4 Operating (loss)/profit

The operating (loss)/profit is stated after (crediting)/charging

	2012 £	2011 £
Foreign exchange (gain)/loss	(1)	10

5 Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2011: £nil)

6 Interest receivable and similar income

	2012 £	2011 £
On loans to group companies	-	7,391

7 Interest payable and similar charges

	2012 £	2011 £
On loans from group undertakings	44,148	90,026

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

8 Taxation

	2012 £	2011 £
Analysis of tax (credit)/charge in the year		
UK corporation tax charge on loss for the year	-	1,775,311
Adjustments in respect of prior periods	(1,775,311)	(1,383,946)
Total current tax	(1,775,311)	391,365
Deferred tax		
Origination and reversal of timing differences	(1,920,581)	(1,862,994)
Effect of decreased tax rate on opening liability	694,897	543,096
Adjustment in respect of prior years	15,332	(4,116)
Movement in deferred tax not provided	1,210,352	1,324,014
Total deferred tax	-	-
Tax on loss on ordinary activities	(1,775,311)	391,365

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

The current tax assessed for the year is lower than (2011 higher than) the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below:

	2012 £	2011 £
Loss on ordinary activities before tax	(987,311)	(330,960)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	(241,864)	(87,683)
Effects of:		
Depreciation for year in excess of capital allowances	1,920,581	1,862,994
Group relief	(1,678,717)	-
Adjustments to tax charge in respect of prior periods	(1,775,311)	(1,383,946)
Current tax (credit)/charge for the year (see note above)	(1,775,311)	391,365

No current tax charge arises on the taxable profit for the year because the company is claiming group relief from other group companies for £nil consideration.

Adjustments in respect of prior periods represent the effect on the tax charges for those periods of group relief received for £nil consideration.

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

8 Taxation (continued)

Factors that may affect future tax charges

Deferred tax assets and liabilities on all timing differences have been calculated at 23%, being the rate of UK corporation tax that was enacted at the balance sheet date, including those expected to reverse in the year ended 31 December 2013 (the overall average rate for which would otherwise be 23.25%). The impact of this, and that of the below changes in the corporation tax rate, on the financial statements is not considered to be material.

The UK corporation tax rate was reduced from 26% to 24% on 1 April 2012. It was announced that this rate would be further reduced to 23% with effect from 1 April 2013. This is the rate which was enacted at the balance sheet date. It is expected that the corporation tax rate will reduce to 20% by 2015. There are no other factors that may significantly affect future tax charges.

9 Debtors

	2012 £	2011 £
Trade debtors	119,836	265,862
Amounts owed by group undertakings	-	2,192,367
Net investment in finance leases (note 10)	15,172	49,602
Other debtors	-	73,360
	<u>135,008</u>	<u>2,581,191</u>

Amounts owed by group undertaking carry interest at LIBOR plus 100bps and are repayable on demand.

10. Net investment in finance leases

	Gross receivables £	Finance charges £	Net investment £
Due within one year	15,172	-	15,172

The cost of assets acquired during the year in respect of finance leases was £7,805,551 (2011: £9,202,777).

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

11 Creditors: Amounts falling due within one year

	2012 £	2011 £
Payments received on account	-	175,174
Trade creditors	252,994	498,135
Amounts owed to group undertakings	3,932,877	4,968,611
Corporation tax	-	1,775,311
Accruals and deferred income	-	2,823
	<u>4,185,871</u>	<u>7,420,054</u>

Amounts owed to group undertaking carry interest at LIBOR plus 100bps and are repayable on demand

12 Deferred taxation

The amounts recognised and unrecognised in respect of deferred taxation are set out below

	2012 Recognised £	2012 Unrecognised £	2011 Recognised £	2011 Unrecognised £
Accelerated capital allowances	-	8,444,578	-	7,234,226

The directors have decided not to recognise a deferred tax asset due to uncertainty over the future generation of taxable profits by the business

There were no amounts of provided deferred taxation as at 31 December 2012 or 31 December 2011

13 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

14 Reserves

	Profit and loss account £
At 1 January 2012	(4,838,963)
Profit for the year	788,000
At 31 December 2012	<u>(4,050,963)</u>

GE Commercial Finance Fleet Leasing Ltd

Notes to the financial statements

15 Reconciliation of movement in shareholders' deficit

	2012 £	2011 £
Opening shareholders' deficit	(4,838,863)	(4,116,538)
Profit/(loss) for the year	788,000	(722,325)
Closing shareholders' deficit	<u>(4,050,863)</u>	<u>(4,838,863)</u>

16 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Commercial Finance Fleet Services Ltd, 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 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