

GE Real Estate Trading Limited

Directors' report and financial statements

for the year ended 31 December 2013

Registered number: 05507040

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GE Real Estate Trading Limited

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GE Real Estate Trading Limited

Directors' report

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

Principal activity

The company acts as a property trading company.

Results and dividends

The loss for the year, after taxation, amounted to £1,042,000 (2012: profit £652,000).

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:

B M Walker
P K Vasilev
M N Bowden (appointed 2 December 2013)
I J del Beato (resigned 8 March 2013)

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

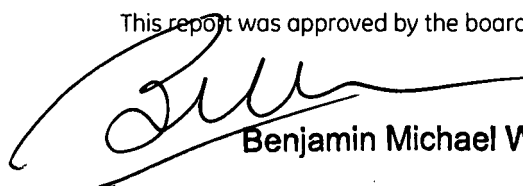
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors 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 4 June 2014 and signed on its behalf.



Benjamin Michael Walker

Director

The Ark
201 Talgarth Road
London
W6 8BJ

GE Real Estate Trading 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 Real Estate Trading Limited

Independent auditors' report to the members of GE Real Estate Trading Limited

We have audited the financial statements of GE Real Estate Trading 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 Real Estate Trading Limited

Independent auditors' report to the members of GE Real Estate Trading 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: 4/6/2014

GE Real Estate Trading Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £000	2012 £000
(Provision for)/reversal of impairment of stocks		(567)	1,191
Administrative expenses		(1,158)	(1,193)
Other operating income		752	726
Operating (loss)/profit		(973)	724
Interest payable and similar charges	4	(69)	(72)
(Loss)/profit on ordinary activities before taxation		(1,042)	652
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit for the financial year	10	(1,042)	652

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 7 to 10 form part of these financial statements.

GE Real Estate Trading Limited

Registered number: 05507040

Balance sheet as at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
Current assets					
Stocks	6	15,030		15,597	
Debtors	7	711		1,503	
		<u>15,741</u>		<u>17,100</u>	
Creditors: amounts falling due within one year	8	<u>(5,555)</u>		<u>(5,872)</u>	
Net current assets			10,186		11,228
Net assets			10,186		11,228
Capital and reserves					
Called up share capital	9		34		34
Share premium account	10		34,166		34,166
Profit and loss account	10		(24,014)		(22,972)
Shareholders' funds	11		10,186		11,228

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

Panayot Kostadinov Vasilev

Director



The notes on pages 7 to 10 form part of these financial statements.

GE Real Estate Trading 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 Stocks

Stocks represents properties held for resale and are valued at the lower of cost and net realisable value.

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 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 Other operating income

Other operating income represents rental income, net of expenses, on properties held by the company for resale. Income and expenses are recognised over the period to which they relate on a straight line basis.

GE Real Estate Trading Limited

Notes to the financial statements

1. Accounting policies (continued)

1.7 Transaction 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 £7,672 (2012: £7,672) 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 payable and similar charges

	2013 £000	2012 £000
On loans from group undertakings	69	72

5. Taxation

	2013 £000	2012 £000
UK corporation tax charge on (loss)/profit for the year	-	-

GE Real Estate Trading Limited

Notes to the financial statements

5. Taxation (continued)

Factors affecting current tax (credit)/charge 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
Profit/(loss) on ordinary activities before tax	(1,042)	652
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(242)	160
Effects of:		
Group relief	242	(160)
Current tax (credit)/charge for the year (see note above)	-	-

No current tax credit arises on the loss for the year because the company is surrendering group relief to other group companies for £nil consideration.

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 further 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.

6. Stocks

	2013	2012
	£000	£000
Properties held for resale	15,030	15,597

7. Debtors

	2013	2012
	£000	£000
Other debtors	66	121
Prepayments and accrued income	631	1,082
Tax recoverable	14	300
	711	1,503

GE Real Estate Trading Limited

Notes to the financial statements

8. Creditors: Amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	3	-
Amounts owed to group undertakings	5,202	5,515
Other taxation and social security	34	31
Accruals and deferred income	316	326
	<u>5,555</u>	<u>5,872</u>

9. Share capital

	2013 £000	2012 £000
<i>Allotted, called up and fully paid</i>		
34,202 ordinary shares of £1 each	<u>34</u>	<u>34</u>

10. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2013	34,166	(22,972)
Loss for the financial year	-	(1,042)
At 31 December 2013	<u>34,166</u>	<u>(24,014)</u>

11. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	11,228	10,576
(Loss)/profit for the financial year	(1,042)	652
Closing shareholders' funds	<u>10,186</u>	<u>11,228</u>

12. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Commercial Financial Services Real Estate 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 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.