

034542 | 20

BNYM GIS (UK) Funding II LLC

Registered number: FC030297

Directors' report and financial statements

For the year ended 31 December 2012

WEDNESDAY



L11 "L2DR2JCJ" #95
31/07/2013
COMPANIES HOUSE

BNYM GIS (UK) Funding II LLC

Contents

	Pages
Board of directors and other information	2
Directors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

BNYM GIS (UK) Funding II LLC

Board of Directors and other information

Directors

J M Johnston

JW Jack

J C McElenny

Secretary

BNY Mellon Secretaries (UK) Limited

160 Queen Victoria Street

London

EC4V 4LA

UK Establishment

BNYM GIS (UK) Funding II LLC

160 Queen Victoria Street

London

EC4V 4LA

Registered Office

Corporate Trust Center

1209 Orange Street

Wilmington

New Castle County Delaware 19081

United States

Registered Number

FC030297

BNYM GIS (UK) Funding II LLC

Directors' report

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

Principal activities

BNYM GIS Funding II LLC ('the Company') is a funding company that hold investments (via a single subsidiary that acts as an intermediary holding company) in two operating companies that are involved in the provision of trustee and administration services

Results and dividends

The profit for the year after taxation amounted to \$2,828,000 (2011 \$2,821,000)

No interim dividend was declared and paid during the year (2011 \$nil) The directors recommend no final dividend for the year ended 31 December 2012 (2011 \$nil)

Business review

The Company's key financial and other performance indicators during the year were as follows

	Year Ended 2012 \$000	Year Ended 2011 \$000
Dividend income	51,904	51,904
Interest payable	(49,088)	(49,088)
Net assets	361,962	359,134

During 2012 the Company earned \$51,904,000 (2011 \$51,904,000) dividend income from its equity investment in GIS LLC III Limited and paid interest of \$49,088,000 (2011 \$49,088,000) on a loan from GIS LLC I Limited

Future development

There are no plans to change the nature of the activities of this company

Directors

The directors who served during the period and up to the date this report was signed were as follows

J C McEleney

J M Johnston

J W Jack



J W Jack
Director

BNYM GIS (UK) Funding II LLC
160 Queen Victoria Street
London EC4V 4LA
Registered Number FC030297

8th July 2013

BNYM GIS (UK) Funding II LLC

Profit and loss account

for the year ended 31 December 2012

		Year Ended 2012 \$000	Year Ended 2011 \$000
	Notes		
Dividend income		51,904	51,904
Interest income		12	5
		<u>51 916</u>	<u>51,909</u>
Interest payable and similar charges		(49,088)	(49,088)
Profit on ordinary activities before taxation		2,828	2,821
 Taxation on profit on ordinary activities	 4	 <u>-</u>	 <u>-</u>
Profit for the financial year		<u>2,828</u>	<u>2,821</u>

Notes 1 to 10 are integral to these financial statements

All items dealt with in arriving at the Company's results for the financial year relate to continuing operations

The Company has not prepared a separate statement of total recognised gains and losses as all gains and losses are reflected in the profit and loss account above

BNYM GIS (UK) Funding II LLC

Balance sheet at 31 December 2012

	Notes	2012 \$000	2011 \$000
Fixed assets			
Investments	5	1,390,000	1,390,000
Current assets			
Cash at bank and in hand	6	11,962	9,134
Creditors			
Amounts falling due more than one year	7	<u>(1,040,000)</u>	<u>(1,040,000)</u>
Net assets		<u>361,962</u>	<u>359,134</u>
Capital and reserves			
Called up share capital	8	350,000	350,000
Profit and loss account	9	<u>11,962</u>	<u>9,134</u>
Shareholder's funds	9	<u>361,962</u>	<u>359,134</u>

Notes 1 to 10 are integral to these financial statements

The financial statements were approved by the Board of Directors and were signed on its behalf by



J W Jack

Director

8th July 2013

BNYM GIS (UK) Funding II LLC

Notes to the financial statements at 31 December 2012

1. Accounting policies

The following amendments to standards have been adopted in these financial statements for the first time and have not had a material impact

- The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) (Amendment) Regulations 2012 (mandatory for periods starting on/after 1 October 2011)
- The Companies (Accounts and Audit Exemptions and Change of Accounting Framework) Regulations 2012 (mandatory for periods starting on/after 1 October 2011)

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The company is incorporated in the United States. It is managed and controlled in the UK, where it is registered with Companies House as an overseas company carrying on business in the UK. In accordance with the Overseas Companies Regulations 2009, the financial statements have been prepared on the going concern basis in accordance with applicable UK accounting standards and under historical cost accounting rules. The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements as the Company and all its subsidiary undertakings are included in the consolidated financial statements for a larger group drawn up for the same date in a manner equivalent to that proscribed by the EU Seventh Directive (83/349/EEC). The group in which its results are consolidated is The Bank of New York Mellon Corporation group, incorporated in the United States of America. These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on page 3. The directors perform an annual going concern assessment that considers, under a stress test scenario, the Company's ability to meet its forecast financial obligations as they fall due for a period of at least twelve months after the date that the financial statements are signed. The Company has adequate liquidity and capital, and appropriate cash flow management. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Based on the above assessment of the Company's financial position, liquidity and capital, the directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed). Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

BNYM GIS (UK) Funding II LLC

Notes to the financial statements- continued at 31 December 2012

1. Accounting policies - continued

Interest, fees and commission

Interest, fees and commission, are recognised on an accruals basis

Taxation

Income tax comprises current tax and deferred tax. Income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in the statement of total recognised gains and losses. Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Company intends to settle on a net basis and the legal right to offset exists.

Deferred tax is recognised without discounting on timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax liabilities are generally recognised and deferred tax assets are recognised to the extent that it is probable that they will be recoverable. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when a legal right to offset exists in the entity.

2. Staff costs

The Company had no employees during the period ended 31 December 2012.

3. Directors emoluments

The directors did not receive any remuneration for their services in respect of the Company.

4. Taxation

The company has no tax liability for the current year. The current corporation tax rate for the year is lower than the standard rate for the reasons set out in the current reconciliation.

	FY 2012 \$000	FY 2011 \$000
Profit on ordinary activities before tax	<u>2,828</u>	<u>2,821</u>
Tax charge based on the profit for the year at the standard rate of 24.50% (FY 2011: 26.50%)	693	748
Factors affecting tax charge		
Income received not subject to tax	(12,716)	(13,755)
Losses surrendered to group companies	<u>12,024</u>	<u>13,007</u>
Current corporation tax credit for year	<u>0</u>	<u>0</u>

BNYM GIS (UK) Funding II LLC

Notes to the financial statements- continued at 31 December 2012

4. Taxation - Continued

Factors that may affect future current and total tax charges

The UK Government had announced that the main rate of corporation tax for the year beginning 1 April 2012 would be reduced from 26% to 24% to be followed by further 1% reductions per annum to 22% for the year beginning 1 April 2014. The reduction in the corporate tax rate to 24% was substantively enacted in March 2012 and this results in a weighted average tax rate of 24.50% for 2012 (2011: 26.50%). In the 2013 Budget the Chancellor confirmed the announcement made in the 2012 Autumn Statement that the main rate of corporation tax will reduce to 21% in April 2014. In addition the Chancellor announced a further reduction to the main rate of corporation tax to 20% from April 2015. These changes are expected to be enacted through the Finance Act 2013.

5. Fixed asset investments

	Subsidiary undertaking £000
Cost	
At 1 January 2012	1,390,000
Additions	-
At 31 December 2012	<u>1,390,000</u>

The Company holds an investment in BNYM GIS Funding III LLC. Management have conducted an impairment review of the carrying value of the investment based on the net asset values and forecast cash flows of the underlying subsidiaries and have concluded that no impairment exists at the balance sheet date.

6. Cash at bank and in hand

	2012 \$000	2011 \$000
Cash at bank	<u>11,962</u>	<u>9,134</u>

This balance represents deposits held with a UK regulated bank branch within the BNY Mellon group.

7. Creditors: amounts falling due more than one year

	2012 \$000	2011 \$000
Loan from parent undertaking	<u>1,040,000</u>	<u>1,040,000</u>

8. Called up share capital

	2012 \$000	2011 \$000
Called up, allotted and fully paid		
350,000,000 ordinary shares of \$1 each at par	<u>350,000</u>	<u>350,000</u>

BNYM GIS (UK) Funding II LLC

Notes to the financial statements- continued at 31 December 2012

9. Movement in reserves

	Called up share capital \$000	Profit and loss account \$000	Total \$000
2012			
At 1 January	350,000	9,134	359,134
Profit for the financial period	-	2,828	2,828
At 31 December	350,000	11,962	361,962

	Called up share capital \$000	Profit and loss account \$000	Total \$000
2011			
At 1 January	350,000	6,313	356,313
Profit for the financial period	-	2,821	2,821
At 31 December	350,000	9,134	359,134

10. Parent company

The immediate parent Company is BNYM GIS Funding I LLC, incorporated in the United States of America

The largest and smallest group in which the results of the Company are consolidated is headed by The Bank of New York Mellon Corporation, incorporated in the United States of America

The ultimate parent company as at 31 December 2012 was The Bank of New York Mellon Corporation, incorporated in the United States of America. The consolidated accounts of the ultimate parent company may be obtained from

The Secretary
The Bank of New York Mellon Corporation
One Wall Street,
New York, NY
10286
USA