

GE Capital Edinburgh Ltd

Directors' report and Financial Statements

Year ended 31 December 2015

Registered number 247081

THURSDAY



S5A70054

SCT

30/06/2016

#96

COMPANIES HOUSE

GE Capital Edinburgh Ltd

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Strategic report	2
Directors' report	3
Statement of Directors' responsibilities	4
Independent auditor's report	5-6
Statement of Profit and Loss	7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes forming part of the financial statements	11-22

GE Capital Edinburgh Ltd

Directors and other information

Directors

Frank Cantillon (Resigned 16 March 2015)
Columba Glavin
Robert M. Green (Appointed 09 March 2015)

Registered office

4th Floor
Saltire Court
20 Castle Terrace
Edinburgh, EH1 2EN
Scotland

Auditor

KPMG
Chartered Accountants and Registered Auditor
1 Harbourmaster Place
I.F.S.C.
Dublin 1
D01 F6F5
Ireland

Bankers

Barclays Bank Plc
54 Lombard Street
London EC3P 3AH
United Kingdom

BNP Paribas
16, Boulevard des Italiens
75009 Paris
France

Solicitor

Dundas & Wilson CS LLP
4th Floor
Saltire Court
20 Castle Terrace
Edinburgh, EH1 2EN
Scotland

GE Capital Edinburgh Ltd

Strategic Report

The Directors present their strategic report for GE Capital Edinburgh Ltd (the "Company") for the year ended 31 December 2015.

Principal activities, business review and future developments

The Company was incorporated on 2 April 2003 as a limited company. The Company is the minority partner in GE Capital UK Funding & Co., GE Capital European Funding & Co. and GE Capital UK Finance (the "Partnerships"). Income in 2015 was USD 2,449 (2014: USD 12,099) and is derived from the automatic division of profits in the Partnerships. The Partnerships lend to General Electric Company ("GEC") affiliates within the General Electric ("GE") Group and are transparent entities from an Irish tax perspective.

During December 2015, General Electric Capital Corporation ("GECC") the previous indirect parent of the Company merged into GEC. The merger and creation of a new intermediate holding company was part of a reorganization of GE Capital pursuant to which GEC has separated GE Capital's international and U.S. operations. GE Capital's international operations have been consolidated under a new international holding company (GE Capital International Holdings Limited, ("GECIHL")). As a result of the reorganization, the parent of the Company GE Capital Shannon Unlimited Company changed to a US Dollar ("USD" or "\$") functional entity and on that basis, the Company changed functional currency from GBP to USD as they are an extension of its parent. The Company's presentational currency also changed to USD.

The Directors are satisfied with the results of the Company. The results for the year are set out in the Statement of Profit and Loss on page 7 and the related notes.

The Directors will continue to develop and seek opportunities to grow the Company. The future growth of the Company is dependent on the cash needs of the wider GE Group.

Post balance sheet events

No significant events affecting the Company occurred since the Balance Sheet date which requires amendment to the financial statements or inclusion of a note therein. The Directors of the Company have assessed that the business is a going concern for the foreseeable future.

Risks and uncertainties

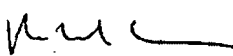
As an affiliate of GEC, the Company has access to funds thus reducing any cash flow and liquidity risks.


The main financial risks that the Company is exposed to are the impairment risk on its partnership interests and fluctuations in foreign exchange ("FX").

Financial key performance indicators

The Directors have determined profit on ordinary activities before taxation to be a key performance indicator. Profit on ordinary activities before taxation for 2015 was USD 2,723 (2014: USD 13,825). The decrease in profit on ordinary activities before taxation is attributable to the decrease in partnership income earned.

On behalf of the board


Robert M. Green
Director


Columba Glavin
Director

28 June 2016

GE Capital Edinburgh Ltd

Directors' Report

The Directors present their annual report and audited financial statements (the "financial statements") of the Company for the year ended 31 December 2015.

Transfer to reserves

The Directors noted the transfer of USD 2,449 profit to reserves in the current year (2014: USD 12,099 profit).

Dividend

The Directors have resolved not to propose a dividend for the current year (2014: USD Nil).

Related Parties

The Directors are listed on page 1. In accordance with the Articles of Association, all Directors continue in office. Directors are not required to retire by rotation.

Robert M. Green was appointed as Director of the Company effective 9 March 2015. Frank Cantillon resigned as Director of the Company effective 16 March 2015.

Future outlook

It is the intention of the Directors to continue to develop the activities of the Company. The future of the Company is dependent on the cash needs of the wider GE Group. The most notable risks faced by the Company continue to be fluctuations in interest rates, liquidity risk, currency risk and credit risk.

Accounting records

The Directors believe that they have complied with the requirements of the Companies Act, 2006 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at 3220 Aviation House, Westpark, Shannon, Co. Clare, V14 AN29.

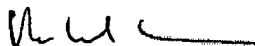
Disclosure of information to the auditors

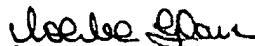
The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all of the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

In accordance with Section 487 of the Companies Act 2006, the auditor, KPMG, Chartered Accountants have expressed their willingness to continue in office.

On behalf of the board


Robert M. Green
Director


Columba Glavin
Director

28 June 2016

GE Capital Edinburgh Ltd

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with FRS 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.

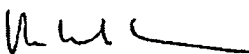
In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed subject only to material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

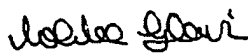
The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law the Directors are also responsible for preparing a Directors' Report that complies with that law.

On behalf of the board



Robert M. Green
Director



Columba Glavin
Director

28 June 2016



KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

Independent auditor's report to the members of GE Capital Edinburgh Ltd.

We have audited the financial statements of GE Capital Edinburgh Ltd. for the year ended 31 December 2015 which comprise the Statement of Profit and Loss, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and FRS 101 'Reduced Disclosure Framework'.

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

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 the FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

3 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.



Independent auditor's report to the member of GE Capital Edinburgh Ltd.

(continued)

Basis of our report, responsibilities and restrictions on use *(continued)*

An audit undertaken in accordance with ISAs (UK & Ireland) 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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 auditor's 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.

Jonathan Lew

For and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Harbourmaster Place

I.F.S.C.

Dublin 1

D01 F6F5

Ireland

Date: 28 June 2016

GE Capital Edinburgh Ltd
Statement of Comprehensive Income
for the year ended 31 December 2015

	<i>Note</i>	2015 USD	2014 USD (Restated)
Partnership income	14	2,864	14,397
Unrealised foreign exchange gain/(loss)	2	39	(182)
Bank interest and charges	2	(180)	(390)
Distributions received	7	11,333	1,108
Reduction in value of Partnership interest	7	<u>(11,333)</u>	<u>(1,108)</u>
Operating expenses		<u>(141)</u>	<u>(572)</u>
Profit before income tax		2,723	13,825
Tax charge	6	<u>(274)</u>	<u>(1,726)</u>
Profit for the year		<u>2,449</u>	<u>12,099</u>

The accompanying notes form an integral part of the Financial Statements.

GE Capital Edinburgh Ltd
Statement of Comprehensive Income
for the year ended 31 December 2015

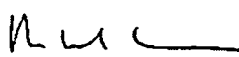
	2015	2014
	USD	USD (Restated)
Profit for the year	<u>2,449</u>	<u>12,099</u>
Total Comprehensive income for the year	<u>2,449</u>	<u>12,099</u>

GE Capital Edinburgh Ltd
Statement of Financial Position
At 31 December 2015

	<i>Note</i>	2015 USD	2014 USD (Restated)
Fixed Assets			
Financial assets: amounts falling due after one year			
Partnership interests	7	56,466	67,463
Current Assets			
Financial assets: amounts falling due within one year			
Cash at bank	8	26,597	20,313
Taxation	9	1,138	-
		<u>84,201</u>	<u>87,776</u>
Creditors: amounts falling due within one year			
Taxation	9	-	1,229
		<u>-</u>	<u>1,229</u>
Net assets		<u>84,201</u>	<u>86,547</u>
Capital and reserves			
Share capital	10	2	2
Capital contribution	10	43,561	43,561
Retained earnings		48,337	45,888
Foreign currency retranslation reserve	10	(7,699)	(2,904)
Shareholders' equity		<u>84,201</u>	<u>86,547</u>

The accompanying notes form an integral part of the Financial Statements.

On behalf of the board


Robert Green
Director


Columba Glavin
Director

28 June 2016

GE Capital Edinburgh Ltd
Statement of Changes in Equity
for the year ended 31 December 2015

	Share Capital USD (Restated)	Capital contribution USD (Restated)	Retained earnings USD (Restated)	Foreign exchange reserve USD (Restated)	Total USD (Restated)
Balance as at 1 January 2014 (Restated)	2	43,561	33,789	2,507	78,859
Total comprehensive income for the year					
Profit for the year	-	-	12,099	-	12,099
Transactions with shareholders recorded directly in Equity					
Foreign exchange reserve movement	-	-	-	(5,411)	(5,411)
Balance at 31 December 2014 (Restated)	2	43,561	45,888	(2,904)	86,547
Balance at 1 January 2015	2	43,561	45,888	(2,904)	86,547
Total comprehensive income for the year					
Profit for the year	-	-	2,449	-	2,449
Transactions with shareholders recorded directly in Equity					
Foreign exchange reserve movement	-	-	-	(4,795)	(4,795)
Balance at 31 December 2015	2	43,561	48,337	(7,699)	84,201

The accompanying notes form an integral part of the Financial Statements.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements

1. Accounting policies

Basis of preparation

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. In the transition to FRS 101, the Company has applied International Financial Reporting Standard 1 - "First time adoption of International Financial Reporting Standards" ("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, financial performance and cash flows of the Company is provided in Note 11.

The Company is a wholly owned direct subsidiary of GE Capital Shannon Unlimited Company, a private unlimited company incorporated in the Republic of Ireland.

The smallest group in which the Company results are included within is that held by GEC, a company incorporated in the USA, copies of which consolidated accounts may be obtained from GEC, Fairfield, Connecticut 06828, CT, USA.

The largest group in which the Company results are included within is that held by GEC, a company incorporated in the USA, copies of which consolidated accounts may be obtained from GEC, Fairfield, Connecticut 06828, CT, USA.

Accordingly, in these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- 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; and
- The effects of new but not yet effective IFRSs.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing the opening FRS 101 Balance Sheet at 1 January 2014.

First time adoption of FRS 101

The Company date of transition to FRS 101 is 1 January 2014 and all comparative information in the financial statements has been restated to reflect the Company's adoption of FRS 101 in accordance with paragraphs 6 to 33 of IFRS 1. Details of this transition are given in Note 11.

Basis of measurement

The financial statements are prepared on a historic cost basis.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

1. Accounting policies (continued)

Currency

The financial statements are presented in USD which is the functional and reporting currency of the Company.

Change in functional currency

IAS 21 "The effect of changes in foreign exchange rates" states that "an entity's functional currency reflects the underlying transactions, events and conditions that are relevant to it". On 3 December 2015, the parent of the Company changed its functional currency to USD. As the Company is viewed as an extension of its parent, the functional currency changed to USD, to be consistent with its parent.

The change was effected from 3 December 2015. In accordance with IAS 21, this change has been accounted for prospectively from this date. IAS 21 paragraph 37 "the effect of a change in functional currency is accounted for prospectively".

Change in presentation currency

From 1 January 2015, the Company has changed its presentation currency to USD and hence all presentations and disclosures are in USD, unless stated otherwise. Comparative information has been restated in USD in accordance with the guidance contained in IAS 21.

The 2014 full year primary statements and associated notes as presented have been retranslated from GBP to USD using the procedures outlined below:

- Assets and liabilities were translated into USD at closing rates of exchange at each reporting date. Income and expenses were translated into USD at the rates of exchange prevailing at the dates of transaction or average rates where these are a suitable proxy. Differences resulting from the retranslation of the opening net assets and the results for the year have been taken to foreign exchange reserves; and
- Share capital, share premium and other reserves were translated at historic rates prevailing at the dates of transactions.

Going concern

The financial statements have been prepared on a going concern basis. Risk factors including: credit, market, liquidity and operational risk impact on the Company's activities. The Directors have reviewed these risk factors and all relevant information to assess the Company's ability to continue as a going concern for at least twelve months from date of approval of the financial statements and are satisfied that the Company's financial statements continue to be prepared on a going concern basis as the Company has access to sufficient funding and resources for the foreseeable future.

Use of estimates and judgements

The preparation of financial statements requires the use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Critical accounting judgements made in applying the Company's accounting policies include valuations.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

1. Accounting policies (continued)

Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Statement of Profit and Loss and Other Comprehensive Income except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Cash at bank

Cash at bank consists of cash at bank or amounts overdrawn and is carried at the amortised cost in the Statement of Financial Position.

Partnership interests

Investments in subsidiaries, associates and partnership interests are stated at cost less any impairment losses. At each reporting date, the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the investment is recoverable. A write-down is made if the carrying amount exceeds the recoverable amount. When a subsequent event causes the amount of the impairment loss to decrease, the impairment loss is reversed through the Statement of Profit and Loss.

The Company is accounting for its investment in the Partnership GE Capital UK Finance in its standalone FRS 101 Financial Statements. This Partnership meets the definition of an entity, creates a separation from its partners and, therefore, the Company will be required to account for its investment in this Partnership in accordance with IAS 27.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

1. Accounting policies (continued)

Partnership interests (continued)

The Company will account for its investment in this Partnership at cost in its standalone Financial Statements in accordance with IAS 27.

Given the nature and structure of this Partnership and the fact that Partnership income is not taxed in the Partnership but is instead taxed in the hands of the Partners when earned (i.e. even before it is distributed), the Partners record their share in the Partnership income when earned by the Partnership using the equity method of accounting.

Revaluation of partnership interests on distribution

Where the Company distributes its interest in a partnership to a company under common control, it revalues its investment to fair value, recognising any difference between the fair value and the carrying amount in the Statement of Profit and Loss, before making the distribution.

Partnership income / expense

The Company's share of the partnerships' profits / losses are taken to the Statement of Profit and Loss Account as they are earned. Under the Partnership Agreement, profits are automatically divided among the Partners and the Company is entitled to recognise its portion of the profits of the Partnership.

Consolidation

The financial statements presented represent the financial statements of the Company only. Consolidated financial statements of the Company and its subsidiary undertakings are not prepared as the Company is a wholly owned indirect subsidiary of GEC, in respect of which consolidated financial statements are prepared. The Directors have determined that those consolidated financial statements meet the equivalence test for the purposes of Regulation 9 (A) of the European Communities (Companies: Group Accounts) Regulations 1992 ("Group Accounts Regulations").

2. Operating expenses

	2015 USD	2014 USD (Restated)
Unrealised foreign exchange (gain)/ loss	(39)	182
Bank interest and charges	180	390
	<hr/>	<hr/>
	141	572
	<hr/>	<hr/>

2. Statutory disclosures

Directors' remuneration is USD Nil (2014: USD Nil). The Company via the Partnerships has management service agreements in place with GE Capital European Funding Unlimited Company, a GE Group company.

4. Staff number and costs

The Company had no employees during the year (2014: USD Nil), and incurred no staff costs (2014: USD Nil).

GE Capital Edinburgh Ltd **Notes forming part of Financial Statements (continued)**

5. Profit before taxation

	2015 USD	2014 USD (Restated)
Profit before taxation has been arrived at after charging:		
Directors' remuneration	Nil	Nil
Auditor's remuneration		
Auditor's remuneration	Nil	Nil
Other assurance services	Nil	Nil
Tax advisory services	Nil	Nil
Other non-audit services	Nil	Nil

The Company via the Partnerships has management agreements in place with GE Capital European Funding Unlimited Company, a GE Group company. Auditor's remuneration has been included in the service fee charged from this company.

6. Income tax charge

a) Analysis of charge in the year	2015 USD	2014 USD (Restated)
Irish corporation tax at 12.5%	274	1,726
	<hr/>	<hr/>
Total current tax	274	1,726
	<hr/>	<hr/>
Tax charge in the Statement of Profit and Loss and Other Comprehensive Income	274	1,726
	<hr/>	<hr/>

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

6. Income tax charge (continued)

b) Factors affecting current tax charge in year

	2015 USD	2014 USD (Restated)
Profit before taxation	2,723	13,825
Tax on profit on ordinary activities at the standard rate of 12.5% in the Republic of Ireland	340	1,728
Tax effects of:		
Non-deductible expenditure	1,417	-
Non-taxable income	(1,474)	(2)
Group relief	(9)	-
Total tax charge	274	1,726

c) Factors that may affect future tax charges

There are no other known factors that may affect future tax charges.

7. Partnership interest

	2015 USD	2014 USD (Restated)
Balance at the beginning of the year	67,463	69,106
Additional investment during the year	813	-
Reduction in the value of the partnership interest*	(11,333)	(1,108)
Foreign exchange on retranslation	(477)	(535)
Balance at the end of the year	56,466	67,463

*During the year, the Company received a distribution of USD 11,333 from GE Capital UK Finance and GE Capital European Funding & Co. This triggered an impairment review which resulted in an impairment of USD 11,333.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

7. Partnership interest (continued)

Financial assets comprise of the following undertakings which are the Partnership interests of the Company at 31 December 2015 and at 31 December 2014. In the opinion of the Board of Directors the market value of the financial fixed assets is not less than this amount.

Partnership interest

	2015 USD	2014 USD (Restated)
GE Capital European Funding & Co,	28,003	28,046
GE Capital UK Funding & Co.	23,692	25,116
GE Capital UK Finance	4,771	14,301
	<hr/>	<hr/>
	56,466	67,463
	<hr/>	<hr/>

The Company's accounting policy is to carry investments at the lower of cost and recoverable amount. At 31 December 2015, no impairment charge has been recorded (2014: USD Nil).

<i>Company name</i>	<i>Class of share</i>	<i>% Holding</i>	<i>Registered office / Place of Business</i>	<i>Nature of business</i>	<i>Country of Incorporation / establishment</i>
GE Capital European Funding & Co.	Ordinary Shares	.000012%	3220 Aviation House, Westpark, Shannon, Co. Clare, V14 AN29	Financial Services Activities	Scotland
GE Capital UK Funding & Co.	Ordinary Shares	.000003%	3220 Aviation House, Westpark, Shannon, Co. Clare, V14 AN29	Financial Services Activities	Scotland
GE Capital UK Finance	Ordinary Shares	.000096715%	4th Floor, Saltire Court 20, Castle Terrace, Edinburgh, Lothian, EH1 2EN, Scotland.	Financial Services Activities	Scotland

The Company is a minority partner in the above Partnerships. The Company provides capital to these partnerships which in turn makes loans to other GEC affiliates.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

7. Partnership interest (continued)

The Company holds three Partnership interests. Under the Partnership Agreements profits / (losses) are automatically divided among the Partners. The Company, as a minority Partner, is entitled, per annum, to the first EUR 1,000 profit or loss from the partnership GE Capital European Funding & Co., the first GBP 1,000 profit or loss from the partnership, GE Capital UK Funding & Co and 0.000096715% of the profit or loss from the Partnership, GE Capital UK Finance.

8. Cash at bank

	2015 USD	2014 USD (Restated)
Cash at bank	26,597	20,313

9. Taxation

	2015 USD	2014 USD (Restated)
Withholding tax	-	-
Corporation tax	1,138	(1,229)
Total tax receivable/ (payable)	1,138	(1,229)

10. Share capital, capital contribution and foreign currency retranslation reserve

	2015 USD	2014 USD (Restated)
<i>Authorised</i>		
1,000 Ordinary Shares of GBP1.00 each	1,565	1,565
<i>Allotted, called up and fully paid</i>		
1 Ordinary Share of GBP1.00 each	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The ordinary shares rank pari passu in all respects. The Company did not pay or declare a dividend on its share capital during the year. The Company does not have any externally imposed capital requirements.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

10. Share capital, capital contribution and foreign currency retranslation reserve (continued)

Capital Contribution

	2015 USD	2014 USD (Restated)
Capital Contribution	43,561	43,561

Foreign currency retranslation reserve

The opening FX reserve arises due to the retranslation of share capital, share premium and other reserves at the historic rates prevailing at the dates of transactions. The foreign exchange reserve movement during the year arises due to the translation of share capital, share premium and capital contributions issued in previous years and the movement in the GBP/USD rates for assets and liabilities translated on 31 December 2015.

Foreign currency retranslation reserve

	2015 USD' 000	2014 USD' 000 (Restated)
Balance at the beginning of the year	(2,904)	2,507
Movement during the year	(4,795)	(5,411)
Closing balance	(7,699)	(2,904)

11. Explanation of transition to FRS 101

As stated in the accounting policies, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 Balance Sheet at 1 January 2014 (the Company's date of transition). In preparing its FRS 101 Balance Sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its previous basis of accounting, UK Generally Accepted Accounting Principles, ("UK GAAP").

An explanation of how the transition from UK GAAP to FRS 101 has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

11. Explanation of transition to FRS 101 (continued)

IFRS 1 requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. The Company's first time adoption of FRS 101 did not have an impact on the total operating, investing or financing cash flows nor on the Statement of Profit and Loss and Other Comprehensive Income. The following represents a reconciliation from Irish GAAP to IFRS for the respective periods noted for the opening Statement of Financial Position:

Reconciliation of opening statement of financial position

	Jan-14 USD UK GAAP	Adj 1 Fair Value Uplift*	Jan-14 USD FRS 101
Fixed Assets			
Financial assets: amounts falling due after one year	59,501	9,605	69,106
Partnership interest			
Current Assets			
Financial assets: amounts falling due within one year	10,947	-	10,947
Cash at bank			
	<u>70,448</u>	<u>9,605</u>	<u>80,053</u>
Creditors: amounts falling due within one year			
Taxation	194	-	194
	<u>194</u>	<u>-</u>	<u>194</u>
	<u>70,254</u>	<u>9,605</u>	<u>79,859</u>
Capital and Reserves			
Share capital	2	-	2
Capital contribution reserve	43,561	-	43,561
Retained earnings	24,184	9,605	33,789
Foreign currency retranslation reserve	2,507	-	2,507
	<u>70,254</u>	<u>9,605</u>	<u>79,859</u>
Shareholders' equity			

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

11. Explanation of transition to FRS 101 (continued)

*This fair value adjustment represents the difference between the fair value and book value of the Partnership interest acquired on 30 April 2009.

In accordance with FRS 101, the Company has:

- provided comparative financial information;
- applied the same accounting policies throughout all periods presented;
- retrospectively applied all effective FRS 101 standards as at December 31, 2015, as required, and
- applied certain optional exemptions and certain mandatory exceptions as applicable for first time IFRS adopters.

Set forth below are the IFRS 1 applicable exemptions and exceptions applied in the conversion from UK GAAP to FRS 101.

FRS 101 Exemption Options

IFRS 1 offers several optional exemptions from retrospective application of IFRS when an entity first transitions to IFRS. Among these exemptions are: (i) an exemption from applying IFRS 3 Business Combinations to prior business combinations; and (ii) using fair value of investment in subsidiaries as "deemed cost" as at the date of transition. This exemption can be used on an investment by investment basis.

Accordingly the Company is not required to restate the acquisition of Partnership interest in accordance with IFRS 3 (i.e. purchase/acquisition method of accounting). However, the Company has elected to use fair value of their investment in the Partnership GE Capital UK Finance as deemed cost as at the date of transition, the fair value has been determined in accordance with IFRS 13 Fair Value Measurement. As the assets of this Partnership are representative of the carrying value of the underlying loans at the date of purchase of this Partnership, i.e. 30 April 2009, the Company has elected to record this investment in the Partnership at fair value with a corresponding adjustment to its opening IFRS retained earnings.

12. Holding Company

The Company is a wholly owned direct subsidiary of GE Capital Shannon Unlimited Company, a private unlimited company incorporated in the Republic of Ireland.

The smallest group in which the Company results are included within is that held by GEC, a company incorporated in the USA, copies of which consolidated accounts may be obtained from GEC, Fairfield, Connecticut 06828, CT, USA.

The largest group in which the Company results are included within is that held by GEC, a company incorporated in the USA, copies of which consolidated accounts may be obtained from GEC, Fairfield, Connecticut 06828, CT, USA.

GE Capital Edinburgh Ltd

Notes forming part of Financial Statements (continued)

13. Commitments and contingencies

The Company had no commitments and contingencies at 31 December 2015 (2014: USD Nil).

14. Partnership income

	2015 USD	2014 USD (Restated)
Partnership income	2,864	14,397
	<hr/>	<hr/>
	2,864	14,397
	<hr/>	<hr/>

All turnover derives from operations in Europe.

The Company holds three Partnership interests. Under the Partnership Agreements profits / (losses) are automatically divided among the Partners. The Company, as a minority Partner, is entitled, per annum, to the first EUR 1,000 profit or loss from the partnership, GE Capital European Funding & Co., the first GBP 1,000 profit or loss from the partnership, GE Capital UK Funding & Co. and 0.000096715% of the profit or loss from the partnership, GE Capital UK Finance.

Partnership income for the year ended 31 December 2014 included USD 11,009 in partnership income which was not recorded in prior periods. The Directors did not consider that this item should be accounted for as a prior period adjustment.

14. Subsequent events

No significant events affecting the Company occurred since the reporting date which requires an amendment to the financial statements or the inclusion of a note therein.

15. Approval of financial statements

The Board of Directors approved the financial statements on 28 June 2016.