

Woodchester Corporate Limited

Directors' report and financial statements

For the year ended 31 December 2003

Registered number: 687684



Woodchester Corporate Limited

Directors' report and financial statements

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Woodchester Corporate Limited

Directors' report

The directors present their annual report and audited financial statements of the company for the year ended 31 December 2003.

Principal activity

The company's principal activities are the contract hire and leasing of motor vehicles together with the sale of vehicles no longer on hire.

Results and dividend

The company made a loss before tax during the year of £190,000 (2002: profit of £1,821,000).

The directors do not recommend the payment of a dividend (2002: £nil).

Directors and directors' interests

The directors who held office during the year and up to the date of the directors' report were as follows:

A N Marsden	
S M Taylor	(resigned 17 February 2003)
S J McAuley	(appointed 20 February 2004, resigned 1 July 2004)
R W Green	(appointed 1 September 2004)

Since the company meets the definition in s736 (2)(3) of the Companies Act 1985 of a wholly owed subsidiary of a body corporate incorporated outside Great Britain, the company has taken advantage of regulation 3(1)(a) of Statutory Instrument 1985/802 exempting the company from the requirement to disclose directors' share interests and options in group companies.

Employment policy

GE Capital Fleet Services Limited is committed to hiring and developing the very best people and being the employer of choice. This is achieved by ongoing development and implementation of best practice in the areas of recruitment, reward, equal opportunities, diversity and management practices. Self-development through e-learning initiatives and a passion to eliminate bureaucracy, hierarchy and non-value added tasks through the use of Work-Out™ and development of web enabled practices form the backbone of the company's HR strategy. As a major employer we are committed to providing opportunity and support to local initiatives through our established community programme.

Employment of disabled persons

The company's policy is to give full and fair consideration to applications for employment made by disabled persons and to recruit solely on the basis of the applicant's ability to perform in the appropriate role. When an employee becomes disabled during their employment, the company will make every effort to continue such employment by arranging for appropriate training or redeployment to a more suitable position.

Woodchester Corporate Limited

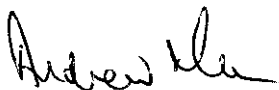
Directors' report

(continued)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming annual general meeting.

On behalf of the board



A N Marsden

Director

24 September 2004

6 Agar Street
London
WC2N 4HR

Woodchester Corporate Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the company for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Report of the independent auditor, KPMG Audit Plc, to the members of Woodchester Corporate Limited

We have audited the financial statements on pages 5 to 12.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

St James' Square

Manchester
M2 6DS

24 September 2004

Woodchester Corporate Limited

Profit and loss account

for the year ended 31 December 2003

	<i>Note</i>	2003 £000	2002 £000
Turnover	<i>1(c)</i>	212	1,137
Cost of sales		(341)	(397)
		<hr/>	<hr/>
Gross (loss)/profit		(129)	740
Administrative expenses/income		(20)	151
Other operating (charges)/income		(41)	838
		<hr/>	<hr/>
Operating (loss)/profit	<i>2</i>	(190)	1,729
Interest receivable and similar income	<i>6</i>	-	92
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(190)	1,821
Tax (charge)/credit on (loss)/profit on ordinary activities	<i>7</i>	(71)	85
		<hr/>	<hr/>
Retained (loss)/profit for the year	<i>13</i>	(261)	1,906
		<hr/>	<hr/>

The notes on pages 6 to 12 form part of these financial statements.

The movement in reserves is shown in note 13 to these financial statements.

The results in the above profit and loss account relate entirely to continuing operations.

The company had no recognised gains or losses in the current or preceding financial year other than those dealt with in the profit and loss account above and therefore no statement of recognised gains and losses has been presented.

The (loss)/profit for the current and preceding financial year calculated on a historical cost basis is not materially different to the (loss)/profit disclosed above. Accordingly a note of historical cost profits and losses as required by paragraph 26 of FRS 3 has not been presented.

Woodchester Corporate Limited

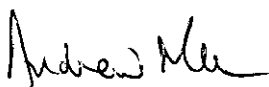
Balance Sheet

at 31 December 2003

	Note	2003 £000	2002 £000
Fixed assets			
Tangible fixed assets	8	58	871
Current assets			
Debtors	9	4,830	4,592
Creditors: amounts falling due within one year	10	(291)	(605)
Net current assets		4,539	3,987
Total assets less current liabilities		4,597	4,858
Capital and reserves			
Called up share capital	12	60	60
Share premium account	13	1,940	1,940
Profit and loss account	13	2,597	2,858
Equity shareholders' funds	13	4,597	4,858

The notes on pages 6 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 24 September 2004 and were signed on its behalf by:



A N Marsden
Director

Woodchester Corporate Limited

Notes

(forming part of the financial statements)

1. Accounting Policies

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

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting rules.

(b) Cash flow statement

Under FRS 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement. Exemption is on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of the ultimate parent company which are available to the public and can be obtained from the address given in note 14.

(c) Turnover

Income receivable (excluding value added tax) under contracts for hire is credited to the profit and loss account evenly over the period of each contract. All turnover arose in the United Kingdom.

(d) Depreciation

Depreciation is provided on a systematic basis so as to write off the relevant assets over their remaining useful economic lives.

Vehicles on contract hire- term of contract.

(e) Taxation

The charge for taxation is based on the profit for the year. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Deferred tax assets are recognised to the extent that the directors consider those assets to be recoverable.

(f) Transactions with related parties

The company, as a wholly owned subsidiary 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 available to the public and can be obtained from the address given in note 14.

(g) Group accounts

The company is a wholly owned indirect subsidiary undertaking of IGE USA Investments, a company incorporated in England and Wales. Under the provisions of s228 of the Companies Act 1985 the company is exempt from the requirement to prepare consolidated financial statements.

Woodchester Corporate Limited

Notes

(continued)

(h) Residual values

Residual value exposure occurs due to the uncertain nature of the value of an asset at the end of an agreement. Throughout the life of an asset its residual value will fluctuate because of the uncertainty of the future market and technological changes or product enhancements as well as general economic conditions. Residual values are set at the commencement of the lease based upon management's expectations of future values. During the course of the lease residual values are reviewed on an annual basis so as to identify any impairment provision required. This monitoring takes account of the company's past history for residual values, current values and projections of the likely future market for each group of assets.

Any permanent impairment in the residual value of an asset is identified within such reviews and charged to the profit and loss account.

(i) Bad and doubtful debts

The company makes provision for specific bad debts as they arise, taking into account recoveries from the customer and sale proceeds of the assets. The company also monitors the credit performance of its portfolio and calculates a general bad debt provision to cover likely future losses.

2. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2003 £000	2002 £000
Depreciation of tangible fixed assets		
- Owned assets	331	575
Loss/(profit) on sale of tangible fixed assets	41	(806)
	<hr/>	<hr/>

3. Auditor's remuneration

The auditors of the company did not receive any remuneration during the current or preceding financial year. The auditor's remuneration was borne by GE Capital Fleet Services Limited.

4. Directors' remuneration

No director received any remuneration in respect of services to the company during the current year (2002: £nil).

5. Employee information

The company did not employ any staff, other than directors, during the year (2002: nil).

6. Interest receivable and similar income

	2003 £000	2002 £000
Amounts due from group undertakings	-	92
	<hr/>	<hr/>

Woodchester Corporate Limited

Notes

(continued)

7. Tax on (loss)/profit on ordinary activities

a) Analysis of charge/(credit) in the year at 30% (2002: 30%)

	2003 £000	2002 £000
UK corporation tax at 30% (2002: 30%)	-	-
Adjustment in respect of prior years	71	(85)
	<hr/>	<hr/>
Total current tax	71	(85)
	<hr/>	<hr/>
Total deferred tax	-	-
	<hr/>	<hr/>
Tax on (loss)/profit on ordinary activities	71	(85)
	<hr/>	<hr/>

b) Factors affecting current tax charge/(credit) in year

	2003 £000	2002 £000
(Loss)/profit on ordinary activities before tax	(190)	1,821
	<hr/>	<hr/>
Tax on (loss)/profit on ordinary activities at UK standard rate of 30% (2002: 30%)	(57)	546
<i>Effects of:</i>		
Depreciation in excess of capital allowances	(106)	(647)
Group relief not paid for	163	101
Adjustment to tax charge in respect of previous periods	71	(85)
	<hr/>	<hr/>
Total current tax charge/(credit) for the year	71	(85)
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Woodchester Corporate Limited

Notes

(continued)

8. Tangible fixed assets

	Contract hire vehicles £000
<i>Cost</i>	
At beginning of year	3,245
Disposals	(1,706)
Revaluation	(1,144)
	<hr/>
At end of year	395
	<hr/>
<i>Accumulated depreciation</i>	
At beginning of year	2,374
Charge for year	331
Disposals	(1,224)
Revaluation	(1,144)
	<hr/>
At end of year	337
	<hr/>
<i>Net book value:</i>	
At 31 December 2003	58
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At 31 December 2002	871
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The following table sets out the maturity of the company's un-guaranteed residual values of assets leased to customers:

Recoverable	Operating leases £000
Within 1 year	110
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Regular reviews are made of residual values in the light of available market data and provisions are made in respect of leases where ultimate recovery is in doubt.

9. Debtors

	2003 £000	2002 £000
Trade debtors	8	-
Amounts owed by group undertakings	4,818	4,516
Other debtors	3	63
Prepayments and accrued income	1	13
	<hr/>	<hr/>
	4,830	4,592
	<hr/>	<hr/>

Woodchester Corporate Limited

Notes

(continued)

10. Creditors: amounts falling due within one year

	2003 £000	2002 £000
Payments received on account	7	146
Amounts owed to group undertakings	71	254
Other taxes and social security	17	15
Corporation tax	152	81
Other creditors	-	59
Accruals and deferred income	44	50
	<u>291</u>	<u>605</u>

11. Deferred tax:

The amounts provided and unprovided in respect of deferred taxation assets are set out below:

	2003		2002	
	Provided £000	Unprovided £000	Provided £000	Unprovided £000
Difference between accumulated depreciation and capital allowances	-	(517)	-	(613)
Other timing differences	-	-	-	(9)
	<u>-</u>	<u>(517)</u>	<u>-</u>	<u>(622)</u>

The deferred tax asset of £517,000 (2002: £622,000) has not been recognised under FRS 19, as the directors do not consider the asset to be recoverable.

12. Share capital

	2003 £000	2002 £000
Authorised:		
60,000 ordinary shares of £1 each	60	60
Allotted, called up and partly paid:		
60,000 ordinary shares of £1 each	60	60

Woodchester Corporate Limited

Notes

(continued)

13. Reserves

	Called up share capital	Share premium account	Profit and loss account	Shareholders' funds 2003	Shareholders' funds 2002
	£000	£000	£000	£000	£000
At beginning of year	60	1,940	2,858	4,858	2,952
Retained (loss)/profit for the year	-	-	(261)	(261)	1,906
At end of year	60	1,940	2,597	4,597	4,858

14. Parent undertakings

The company's immediate parent undertaking is Woodchester Credit Limited, a company registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by IGE USA Investments, a company registered in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from 3rd Floor, 1 Trevelyan Square, Boar Lane, Leeds, LS1 6HP.

The 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 06431, USA or at www.ge.com.