

GE Capital Energy Funding Limited

Directors' report and financial statements

For the year ended 31 December 2008

Registered Number: 3338461

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GE Capital Energy Funding Limited

Directors' report and financial statements

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GE Capital Energy Funding Limited

Directors' Report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2008.

Principal activity

The principal activity of the company is equipment leasing.

Results and dividend

The profit for the year before taxation amounted to \$30,000 (2007 : \$32,000).

The directors do not recommend the payment of a dividend (2007 : \$nil).

Directors

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

H A Wake	
R W Green	(resigned 19 June 2009)
J D Baber	(resigned 21 April 2008)
M VillaMultedo	(resigned 20 June 2008)
A J Robinson	(resigned 20 March 2008)
D Rendell	(resigned 19 June 2009)
P Lomas	(appointed 1 February 2008, resigned 19 June 2009)
W H McGibbon	(appointed 20 June 2008)
J Jenkins	(appointed 19 June 2009)
H Fitzpatrick	(appointed 19 June 2009)

Disclosure of information to the 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
- Each 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.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the board

WH McGibbon, FCCA
Director



25 June 2009

Meridian
Trinity Square
23/59 Staines Road
Hounslow, Middlesex
TW3 3HF

GE Capital Energy Funding Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent; 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 that 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.

Independent Auditors' report to the Members of GE Capital Energy Funding Limited

We have audited the financial statements of GE Capital Energy Funding Limited for the year ended 31 December 2008, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Policies) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

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 whether in our opinion, the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

KPMG Audit Plc.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

25-6-2009

100 Temple Street
Bristol
BS1 6AG

GE Capital Energy Funding Limited

Profit and loss account for year ended 31 December 2008

	Note	2008 \$000	2007 \$000
Turnover		512	512
Cost of sales		(276)	(276)
		<hr/>	<hr/>
Operating profit	5	236	236
Interest payable	6	(206)	(204)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		30	32
Tax on profit on ordinary activities	7	(19)	11
		<hr/>	<hr/>
Profit for the financial year	12	11	43
		<hr/>	<hr/>

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

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

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

All results in the current and preceding financial year arose from continuing operations.

GE Capital Energy Funding Limited

Balance sheet

at 31 December 2008

	Note	2008 \$000	2007 \$000
Fixed assets			
Tangible assets	8	2,868	3,144
Creditors: amounts falling due within one year	9	(2,889)	(3,170)
Net current liabilities		(2,889)	(3,170)
Total assets less current liabilities		(21)	(26)
Provisions for liabilities and charges	10	(567)	(573)
Net liabilities		(588)	(599)
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	(588)	(599)
Shareholders' deficit	12	(588)	(599)

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

The financial statements were approved by the board of directors on 25 June 2009 and were signed on its behalf by:



WH McGibbon, FCCA
Director

GE Capital Energy Funding 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 accounting

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

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of \$588,000, which the directors believe to be appropriate for the following reasons. A related undertaking, GE Capital Equipment Finance Holdings has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to provide financial and other support to GE Capital Energy Funding Limited to enable the company to continue to trade. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

(b) Turnover

Turnover represents amounts receivable on an accruals basis in respect of lease rentals from operating 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.

(c) Operating leases

Where the company leases out equipment for less than its expected useful life or does not transfer substantially all of the risks and rewards of ownership, the lease is accounted for as an operating lease. Rental income is taken to the profit and loss account on a straight-line basis over the period of the lease. The cost of equipment is recorded as a fixed asset and depreciated on a straight-line basis over the life of the lease to the estimated residual value.

(d) 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.

GE Capital Energy Funding Limited

Notes

(continued)

1. Accounting policies (continued)

(e) Taxation

The charge for taxation is based on the 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.

(f) 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 mentioned in note 13.

(g) 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 available to the public and can be obtained from the address mentioned in note 13.

GE Capital Energy Funding Limited

Notes

(continued)

2. Employee information

The company did not employ any staff during the current or preceding financial year.

3. Directors' remuneration

No director received any remuneration in respect of services to the company during the current or preceding financial year.

4. Auditors' remuneration

Remuneration of \$3,684 (2007: \$2,000) paid to the auditors for their audit of these financial statements pursuant to legislation during the year was borne by GE Capital Equipment Finance Limited, a fellow group undertaking.

5. Operating profit

Operating profit is stated after charging the following:

	2008 \$000	2007 \$000
Depreciation	276	276

6. Interest payable

	2008 \$000	2007 \$000
On amounts owed to group undertakings	206	204

GE Capital Energy Funding Limited

Notes

(continued)

7. Taxation

Analysis of charge/(credit) in the year

	2008 \$000	2007 \$000
Current tax (see note below)		
UK corporation tax charge on profit for the year	25	-
Total current tax	25	-
Deferred tax		
Origination and reversal of timing differences	(6)	30
Effect of decreased tax rate	-	(41)
Total deferred tax (see note 10)	(6)	(11)
Tax on profit on ordinary activities	19	(11)

Factors affecting the current tax charge for the year

The tax assessed for the year is higher than (2007: lower than) the standard rate of corporation tax in the UK, 28.5% (2007: 30%). The differences are explained below.

	2008 \$000	2007 \$000
Profit on ordinary activities before tax	30	32
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2007: 30%)	9	10
Effects of:		
Capital allowances for year in excess of / (less than) depreciation	6	(30)
Expenses not deductible for tax purposes	10	10
Group relief not paid for	-	10
Total current tax charge for the year (see note above)	25	-

Factors that may affect future tax charges

Deferred tax assets and liabilities on all timing differences have been calculated at 28%, being the rate of UK corporation tax effective from 1 April 2008.

GE Capital Energy Funding Limited

Notes (continued)

8. Tangible fixed assets

	Operating lease assets \$000
Cost	
At beginning and end of year	4,800
Depreciation	
At beginning of year	1,656
Charge for the year	276
At end of year	1,932
Net book value	
At 31 December 2008	2,868
At 31 December 2007	3,144
Residual value exposure	

The company has the following un-guaranteed residual value exposure:

Year in which residual value will be recovered	2008 \$000	Operating lease assets 2007 \$000
Between 1-2 years	2,592	-
Between 2-5 years	-	2,592

9. Creditors: amounts falling due within one year

	2008 \$000	2007 \$000
Amounts due to group undertakings	2,864	3,170
Corporation tax	25	-
Total creditors	2,889	3,170

Group borrowings incur interest at a monthly LIBOR rate plus 50bps and are repayable on demand.

GE Capital Energy Funding Limited

Notes

(continued)

10. Provisions for liabilities and charges

Deferred taxation

	2008 \$000	2007 \$000
At beginning of year	573	584
Credit for the year	(6)	(11)
	<hr/>	<hr/>
At end of year	567	573
	<hr/>	<hr/>

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

	2008		2007	
	Provided \$000	Unprovided \$000	Provided \$000	Unprovided \$000
Accelerated capital allowances	567	-	573	-
	<hr/>	<hr/>	<hr/>	<hr/>

11. Called up share capital

	2008 \$	2007 \$
Authorised:		
1,000 ordinary shares of £1 each	1,936	1,936
	<hr/>	<hr/>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	4	4
	<hr/>	<hr/>

12. Reconciliation of movement in shareholders' deficit

	Called up share capital \$000	Profit and loss account \$000	Share- holders' deficit 2008 \$000	Share- holders' deficit 2007 \$000
At beginning of year	-	(599)	(599)	(642)
Profit for the financial year	-	11	11	43
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	-	(588)	(588)	(599)
	<hr/>	<hr/>	<hr/>	<hr/>

GE Capital Energy Funding Limited

Notes

(continued)

13. Parent undertakings

The company's immediate parent undertaking is IGE Energy Services (UK) Limited, 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 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 06431, USA or at www.ge.com.