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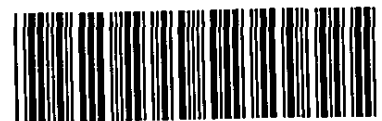
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Company Registration No 199004290M

GIC (London) Private Limited

Annual Financial Statements
31 March 2014

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COMPANIES HOUSE

GIC (London) Private Limited

General information

Directors

Deanna Ong Aun Nee
Tan Chor Hwa
Elaine Chan Wei-Hsing

Company Secretary

Kenneth Leong Ngak Yong

Registered Office

168 Robinson Road
#37-01 Capital Tower
Singapore 068912

Bankers

United Overseas Bank Limited, London Branch
DBS Bank Ltd, Singapore

Auditor

Ernst & Young LLP

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GIC (London) Private Limited

Directors' report

The directors are pleased to present their report to the member together with the audited financial statements of GIC (London) Private Limited (the "Company") for the financial year ended 31 March 2014

Directors

The directors of the Company in office at the date of this report are

Deanna Ong Aun Nee
Tan Chor Hwa
Elaine Chan Wei-Hsing

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in any shares or debentures of the Company or its related corporations either at the beginning or end of the financial year

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company. No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under option at the end of financial year.

GIC (London) Private Limited

Directors' report

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor

On behalf of the Board of Directors,



Deanna Ong Aun Nee
Director



Elaine Chan Wei-Hsing
Director

Singapore

11 JUN 2014

GIC (London) Private Limited

Statement by directors

We, Deanna Ong Aun Nee and Elaine Chan Wei-Hsing, being two of the directors of GIC (London) Private Limited, do hereby state that, in the opinion of the directors,

- (i) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2014 and the results of the business, changes in equity and cash flows of the Company for the financial year ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due

On behalf of the Board of Directors,



Deanna Ong Aun Nee
Director



Elaine Chan Wei-Hsing
Director

Singapore

11 JUN 2014

GIC (London) Private Limited

**Independent auditor's report
For the financial year ended 31 March 2014**

Independent auditor's report to the member of GIC (London) Private Limited

Report on the financial statements

We have audited the accompanying financial statements of GIC (London) Private Limited (the "Company") set out on pages 6 to 28, which comprise the balance sheet as at 31 March 2014, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheet and to maintain accountability of assets

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

GIC (London) Private Limited

Independent auditor's report
For the financial year ended 31 March 2014

Independent auditor's report to the member of GIC (London) Private Limited

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2014 and the results, changes in equity and cash flows of the Company for the year ended on that date

Other matters

The financial statements of GIC (London) Private Limited for the year ended 31 March 2013, were audited by another auditor who expressed an unmodified opinion on those statements on 13 June 2013

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

11 JUN 2014

GIC (London) Private Limited

**Statement of comprehensive income
For the financial year ended 31 March 2014**

	Note	2014 \$	2013 \$
Revenue	18	76,909,737	76,126,833
Other income		44,363	35,536
Net exchange (loss)/gains		(2,416,526)	1,024,721
Employee compensation	4	(53,613,229)	(55,349,368)
Depreciation	11	(1,734,344)	(1,755,014)
Loss on disposal of property, plant and equipment		(56,925)	(43,187)
Consultancy fee		(245,741)	(392,980)
Business trips expenses		(1,829,190)	(2,159,165)
Maintenance expenses		(541,919)	(570,439)
Telecommunications expenses		(336,078)	(85,474)
Information services expenses		(1,434,542)	(1,329,415)
Rental and related expenses		(5,130,821)	(5,124,193)
Other operating expenses		(620,101)	(712,330)
Profit before tax		8,994,684	9,665,525
Income tax expense	5(a)	(2,449,186)	(2,739,467)
Net profit and total comprehensive income		6,545,498	6,926,058

The accompanying accounting policies and explanatory notes form an integral part of the financial statements


GIC (London) Private Limited

**Balance sheet
As at 31 March 2014**

	Note	2014	2013
		\$	\$
ASSETS			
Current assets			
Other current assets	6	3,898,379	4,891,568
Current income tax recoverables	5(b)	848,161	283,599
Amount due from ultimate holding company (trade)	7	54,691,519	87,073,416
Amount due from related company (trade)	8	1,493,505	1,139,193
Cash at bank and on hand	9	5,401,488	453,784
		66,333,052	93,841,560
Non-current assets			
Deferred tax asset	10	5,354,666	5,690,766
Property, plant and equipment	11	10,305,236	11,522,323
		15,659,902	17,213,089
Total assets		81,992,954	111,054,649
LIABILITIES			
Current liabilities			
Accrued operating expenses	12	32,437,930	31,169,266
Provision for staff benefits	13	4,219,256	2,036,246
		36,657,186	33,205,512
Non-current liabilities			
Provision for other liabilities		2,620,204	2,354,373
Provision for long term staff benefits	13	24,540,661	23,865,359
		27,160,865	26,219,732
Total liabilities		63,818,051	59,425,244
NET ASSETS		18,174,903	51,629,405
SHAREHOLDER'S EQUITY			
Share capital	14	1,000,000	1,000,000
Retained earnings		17,174,903	50,629,405
TOTAL EQUITY		18,174,903	51,629,405

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

Certified true copy



Kenneth Leong Ngak Yong
Company Secretary

GIC (London) Private Limited

**Statement of changes in equity
For the financial year ended 31 March 2014**

	Note	Share capital	Retained earnings	Total equity
		\$	\$	\$
Balance at 1 April 2012		1,000,000	43,703,347	44,703,347
Total comprehensive income		–	6,926,058	6,926,058
Balance at 31 March 2013 and 1 April 2013		1,000,000	50,629,405	51,629,405
Dividends	15	–	(40,000,000)	(40,000,000)
Total comprehensive income		–	6,545,498	6,545,498
Balance at 31 March 2014		1,000,000	17,174,903	18,174,903

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

GIC (London) Private Limited**Statement of cash flows****For the financial year ended 31 March 2014**

	2014	2013
	\$	\$
Cash flows from operating activities		
Profit before tax	8,994,684	9,665,525
Adjustment for		
Depreciation	1,734,344	1,755,014
Loss on disposal of property, plant and equipment	56,925	43,187
Operating cash flow before working capital changes	10,785,953	11,463,726
<u>Change in working capital</u>		
Amount due from ultimate holding company (trade)	32,381,897	(9,203,851)
Amount due from related company (trade)	(354,312)	(48,366)
Other current assets	993,189	146,904
Payables	4,392,807	2,494,776
Cash generated from operations	48,199,534	4,853,189
Income tax paid	(2,677,648)	(3,961,069)
Net cash from operating activities	45,521,886	892,120
Cash flows from investing activities		
Additions to property, plant and equipment	(577,070)	(766,100)
Proceeds from disposal of property, plant and equipment	2,888	161
Net cash used in investing activities	(574,182)	(765,939)
Cash flows from financing activity		
Dividend paid to ultimate holding company, representing net cash used in financing activity	(40,000,000)	—
Net increase in cash and cash equivalents	4,947,704	126,181
Cash and cash equivalents at the beginning of financial year	453,784	327,603
Cash and cash equivalents at the end of the financial year	5,401,488	453,784

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

GIC (London) Private Limited

Notes to the financial statements For the financial year ended 31 March 2014

1 Corporate information

GIC (London) Private Limited (the "Company") is incorporated and domiciled in Singapore

The registered office is located at 168 Robinson Road, #37-01 Capital Tower, Singapore 068912. The principal place of business is located at 1st and 2nd Floors, York House, 45 Seymour Street, London W1H 7 LX United Kingdom

The principal activity of the Company is to provide investment management services

With effect from 18 July 2013 the name of the Company was changed from Government of Singapore Investment Corporation (London Office) Pte Ltd to GIC (London) Private Limited

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS")

The financial statements have been prepared on a historical cost basis except as disclosed in the following accounting policies below

The financial statements are presented in Singapore Dollars (SGD or \$)

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2013

The adoption of these new standards did not have any effect on the financial performance or position of the Company

2.3 *Standards issued but not yet effective*

The Company has not adopted the following standards that have been issued but not yet effective

Description	Effective for annual periods beginning on or after
- Improvements to FRSs (January 2014)	1 July 2014
- FRS 19 Amendments to FRS 19 Defined Benefit Plans Employee Contributions	1 July 2014
- Improvements to FRSs (February 2014)	1 July 2014

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application

2 Summary of significant accounting policies (cont'd)

2.4 Functional and foreign currencies

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency

Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

		Useful lives
Office equipment	–	5 years
Furniture and fittings	–	10 years
Leasehold improvements	–	Over remaining period of lease
Software	–	7 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2. Summary of significant accounting policies (cont'd)

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

The Company classifies the following financial asset as loans and receivables:

- cash and cash equivalents
- other debtors and deposits and amount due from ultimate holding company (trade) and amount due from related company (trade)

2. Summary of significant accounting policies (cont'd)

2.7 Financial instruments (cont'd)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank which are subject to an insignificant risk of changes in value.

2 Summary of significant accounting policies (cont'd)

2.9 Impairment of financial assets

Financial assets carried at amortised cost

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired

For financial assets carried at amortised cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2 Summary of significant accounting policies (cont'd)

2 11 Employee benefits

(a) Defined contribution plans

Defined contributed plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contributions are recognised as employee compensation expense when they are due.

(b) Long term staff benefit

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in current and prior periods, that benefit is discounted to determine its present value.

(c) Short-term compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2 12 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2 13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms.

Revenue from investment management services is recognised in the period in which the services are rendered.

2 Summary of significant accounting policies (cont'd)

2.14 Income taxes

(a) Current income tax

The Company is subject to United Kingdom (UK) corporation tax which is provided for at the current tax rate on taxable income. As the income is not remitted to Singapore, no provision is made for Singapore income tax.

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities and assets are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. Summary of significant accounting policies (cont'd)

2 14 Income taxes (cont'd)

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and
- Receivables and payables that are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet

2 15 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity

2 16 Related parties

A related party is defined as follows

(a) A person or a close member of that person's family is related to the Company if that person

- (i) Has control or joint control over the Company,
- (ii) Has significant influence over the Company, or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company

(b) An entity is related to the Company if any of the following conditions applies

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)
- (iii) Both entities are joint ventures of the same third party
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company
- (vi) The entity is controlled or jointly controlled by a person identified in (a)
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

Notes to the financial statements
For the financial year ended 31 March 2014

3. Significant accounting estimates and judgements

The preparation of the Company's financial statements in conformity with FRS requires management to exercise its judgments in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments made in applying accounting policies and key sources of estimation uncertainty

The Company has assessed that there are no estimates or judgments used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Employee compensation

	2014	2013
	\$	\$
Wages and salaries	42,313,660	38,644,755
Other benefits	5,205,598	10,872,670
Employer's contribution to defined contribution plans including Central Provident Fund	6,093,971	5,831,943
	53,613,229	55,349,368

5 Income tax

(a) Income tax expense

The major components of income tax expense for the years ended 31 March 2013 and 2014 are

	2014	2013
	\$	\$
Current income tax	2,525,727	2,850,907
Deferred income tax (Note 10)	336,100	(92,851)
	2,861,827	2,758,056
Overprovision in preceding financial year - current income tax	(412,641)	(18,589)
	2,449,186	2,739,467

The amount represents the UK corporation tax on the taxable income at the current tax rate.

GIC (London) Private Limited

**Notes to the financial statements
For the financial year ended 31 March 2014**

5 Income tax (cont'd)

The tax expense on profit differs from the amount that would arise using the UK standard rate of income tax due to the following

	2014	2013
	\$	\$
Profit before tax	8,994,684	9,665,525
Tax at statutory tax rate of 23% (2013 24%)	2,068,777	2,319,726
Change in tax rate (Note 10)	742,274	233,246
Income not subject to tax	–	(17,339)
Overprovision in preceding financial year	(412,641)	(18,589)
Expenses not deductible for tax purposes	314,277	241,012
Others	(263,501)	–
	2,449,186	2,758,056

(b) Movements in provision for current income tax recoverables

Beginning of the financial year	(283,599)	845,152
Income tax paid	(2,677,648)	(3,961,069)
Overprovision in preceding financial year	(412,641)	(18,589)
Tax expense	2,525,727	2,850,907
End of financial year	(848,161)	(283,599)

6. Other current assets

	2014	2013
	\$	\$
Sundry debtors	2,258,759	3,412,443
Prepayments	1,555,915	1,341,180
Deposits	83,705	137,945
	3,898,379	4,891,568

7. Amount due from ultimate holding company (trade)

The immediate and ultimate holding company is GIC Private Limited, a company incorporated in Singapore. Amount due from ultimate holding company is denominated in Singapore Dollar.

8. Amount due from related company (trade)

The related company is GIC Real Estate International Pte Ltd, a fellow subsidiary. Amount due from the related company is denominated in Great Britain Pound.

GIC (London) Private Limited

**Notes to the financial statements
For the financial year ended 31 March 2014**

9. Cash at bank and on hand

Cash at bank and on hand are principally denominated in Great Britain Pound

10 Deferred tax asset

	2014	2013
	\$	\$
Beginning of financial year	5,690,766	5,597,915
Change in opening deferred tax due to reduction in tax rate	(742,274)	(233,246)
Credited to profit or loss	406,174	326,097
End of financial year	<u>5,354,666</u>	<u>5,690,766</u>

The Company's deferred tax assets have been computed based on the corporate tax of 20% (2013 23%) and tax laws prevailing at balance sheet date

Net deferred tax asset to be settled from the balance sheet date as follows

	2014	2013
	\$	\$
Deferred tax asset		
- to be recovered within one year	—	158,185
- to be recovered after one year	5,354,666	5,532,581
End of financial year	<u>5,354,666</u>	<u>5,690,766</u>

The movement in deferred tax asset and liability (prior to offsetting of balances) during the financial year is as follows

	Accelerated tax depreciation	Provisions
	\$	\$
2014		
Beginning of financial year	(266,603)	5,957,369
Credited to profit or loss	713,137	(1,049,237)
End of financial year	<u>446,534</u>	<u>4,908,132</u>
2013		
Beginning of financial year	(256,855)	5,854,770
Credited to profit or loss	(9,748)	102,599
End of financial year	<u>(266,603)</u>	<u>5,957,369</u>

GIC (London) Private Limited

**Notes to the financial statements
For the financial year ended 31 March 2014**

11. Property, plant and equipment

	Office equipment \$	Furniture and fittings \$	Leasehold improve- ments \$	Software \$	Total \$
2013					
Cost					
At 1 April 2012	6,504,347	2,518,999	14,941,132	613,457	24,577,935
Additions	667,632	23,719	74,749	–	766,100
Disposals	(525,544)	(10,080)	–	(424,002)	(959,626)
At 31 March 2013 and 1 April 2013	6,646,435	2,532,638	15,015,881	189,455	24,384,409
Additions	201,029	146,839	229,202	–	577,070
Disposals	(878,653)	(112,322)	(11,862)	(105,702)	(1,108,539)
At 31 March 2014	5,968,811	2,567,155	15,233,221	83,753	23,852,940
Accumulated depreciation					
At 1 April 2012	5,760,892	1,357,645	4,380,284	524,529	12,023,350
Depreciation	404,874	250,361	1,076,249	23,530	1,755,014
Disposals	(511,779)	(5,040)	–	(399,459)	(916,278)
At 31 March 2013 and 1 April 2013	5,653,987	1,602,966	5,456,533	148,600	12,862,086
Depreciation	371,004	223,867	1,127,508	11,965	1,734,344
Disposals	(875,081)	(63,413)	(4,745)	(105,487)	(1,048,726)
At 31 March 2014	5,149,910	1,763,420	6,579,296	55,078	13,547,704
Net book value					
At 31 March 2013	992,448	929,672	9,559,348	40,855	11,522,323
At 31 March 2014	818,901	803,735	8,653,925	28,675	10,305,236

12. Accrued operating expenses

Accrued operating expenses are principally denominated in Great Britain Pound

13. Provision for long term employee benefits

The Company implemented a deferred incentive scheme known as the Private Equity Long Term Incentive Plan ("PE LTIP") (Scheme B) in the financial year 31 March 2006. Under this scheme, eligible employees are allocated a stated amount from an incentive pool determined each year. The amount allocated vests after a stated number of years. In the financial year 31 March 2009, the Company introduced an Infrastructure LTIP ("Intra LTIP") (Scheme C) which will be paid out in one lump sum in Year 6. These schemes were terminated in the financial year ended 31 March 2010 and awards made previously would be paid when they are due.

During the financial year ended 31 March 2010, the GIC Group implemented a Comprehensive Compensation Scheme ("CCS") for all staff. Under the CCS, a bonus pool determined based on the Group's total performance, is distributed and awarded to individuals in the form of a current year bonus, a 3-year deferred bonus and a 6-year deferred bonus. The amounts to be paid out under the 3-year and 6-year deferred bonuses may be adjusted for growth depending on performance of the Group.

This scheme is revised in 2014. Under the revised CCS, a bonus pool determined based on the Group's total performance, is distributed and awarded to individuals in the form of a current year bonus, a 3-year deferred bonus and a 5-year deferred bonus. The amounts to be paid out under the 3-year deferred bonuses will be adjusted for growth at the time of award. The 5-year deferred bonuses may be adjusted for growth depending on performance of the Group. The previous awards made prior to 2014 would be paid when they are due.

The amounts are shown on the balance sheet as follows

Scheme B - PE LTIP

	2014 \$	2013 \$
- to be settled within one year	1,313,008	–
- to be settled later than one year	8,723,875	9,943,158
	<u>10,036,883</u>	<u>9,943,158</u>

Movements in provision for Scheme B - PE LTIP are as follows

Beginning of financial year	9,943,158	9,994,178
Effect of change in exchange rate	90,551	(88,972)
Effect of change in discount rate	3,174	37,952
End of financial year	<u>10,036,883</u>	<u>9,943,158</u>

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**Notes to the financial statements
For the financial year ended 31 March 2014**

13 Provision for long term employee benefits (cont'd)

Movements in provisions for Scheme C - Infra LTIP are as follows

	2014	2013
	\$	\$
Beginning of financial year	–	2,478,700
Effect of change in discount rate	–	2,300
Write-back of provision during the year	–	(2,481,000)
End of financial year	–	–

Scheme D - Comprehensive Compensation Scheme

- to be settled within one year	2,906,248	2,036,246
- to be settled later than one year	15,816,786	13,922,201
	18,723,034	15,958,447

Movements in provision for Scheme D - Comprehensive Compensation Scheme are as follows

Beginning of financial year	15,958,447	11,921,996
Effect of change in exchange rate	1,535,343	(742,417)
Provision made during the financial year	5,964,215	5,423,357
Effect of change in discount rate	(601,884)	–
Payment made during the financial year	(2,620,319)	–
Write-back of provision during the year	(761,600)	(208,456)
Transfers for the year	(751,168)	(436,033)
End of financial year	18,723,034	15,958,447

Total of Schemes B, C and D

- to be settled within one year	4,219,256	2,036,246
- to be settled later than one year	24,540,661	23,865,359
	28,759,917	25,901,605

The provision for long term employee benefits is principally denominated in Singapore Dollar, United States Dollar and Great Britain Pound

GIC (London) Private Limited

**Notes to the financial statements
For the financial year ended 31 March 2014**

14. Share capital

	2014		2013	
	No of shares	\$	No. of shares	\$
Beginning and end of the financial year	1,000,000	1,000,000	1,000,000	1,000,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

15. Dividend

	2014	2013
	\$	\$
Declared and paid during the financial year		
<i>Dividends on ordinary shares</i>		
Interim exempt (one-tier) dividend for 2014 40 dollars per share	40,000,000	—

16 Operating lease commitments – as lessee

The Company leases certain properties from non-related parties under non-cancellable operating lease agreements.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	2014	2013
	\$	\$
Not later than one year	3,496,522	3,141,783
Between two to five years	13,986,087	12,567,131
Later than five years	10,939,802	12,971,690
	28,422,411	28,680,604

17 Financial risk management objectives and policies

The financial risk management of the Company is handled by its ultimate holding company as part of the operations of the Company and these processes and policies are described in the financial statements of the ultimate holding company

The key financial risks include foreign currency risk, credit risk and liquidity risk

(a) Foreign currency risk

The Company operates in Singapore with significant operations in the United Kingdom. The Company regularly transact in currencies other than its functional currency ("foreign currencies")

Foreign currency risk arises when transactions are denominated in foreign currencies such as Great Britain Pound ("GBP") and United States Dollar ("USD")

The Company's foreign currency exposure based on the information provided to key management is as follows

	GBP	USD
2014		
Cash at bank and on hand	5,401,488	—
Amount due from related company (trade)	1,493,505	—
Deposits	83,705	—
Sundry debtors	763,187	—
Accrued operating expenses	(28,093,697)	(818,213)
Provision for other liabilities	(2,620,204)	—
Provision for long term employee benefits	(16,920,280)	(6,701,812)
Foreign currency exposure	<u>(39,892,296)</u>	<u>(7,520,025)</u>
2013		
Cash at bank and on hand	453,784	—
Amount due from related company (trade)	1,139,193	—
Deposits	137,945	—
Sundry debtors	2,243,295	—
Accrued operating expenses	(26,869,205)	(56,129)
Provision for other liabilities	(2,354,373)	—
Provision for long term employee benefits	(15,958,447)	(6,608,087)
Foreign currency exposure	<u>(41,207,808)</u>	<u>(6,664,216)</u>

17 Financial risk management objectives and policies (cont'd)

(a) *Foreign currency risk (cont'd)*

If the GBP and USD change against the SGD by 11% (2013 6%) and 1% (2013 1%) respectively with all other variables including tax rate being held constant, the effects arising from the net liability position on profit after tax will be as follows

	Increase/(decrease)	
	2014	2013
	\$	\$
GBP against SGD		
- strengthened	(3,378,878)	(1,879,076)
- weakened	3,378,878	1,879,076
USD against SGD		
- strengthened	(57,904)	(50,648)
- weakened	57,904	50,648

(b) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's major classes of financial assets are cash at banks and on hand, amounts due from ultimate holding company and related company and "sundry debtors" in other current assets.

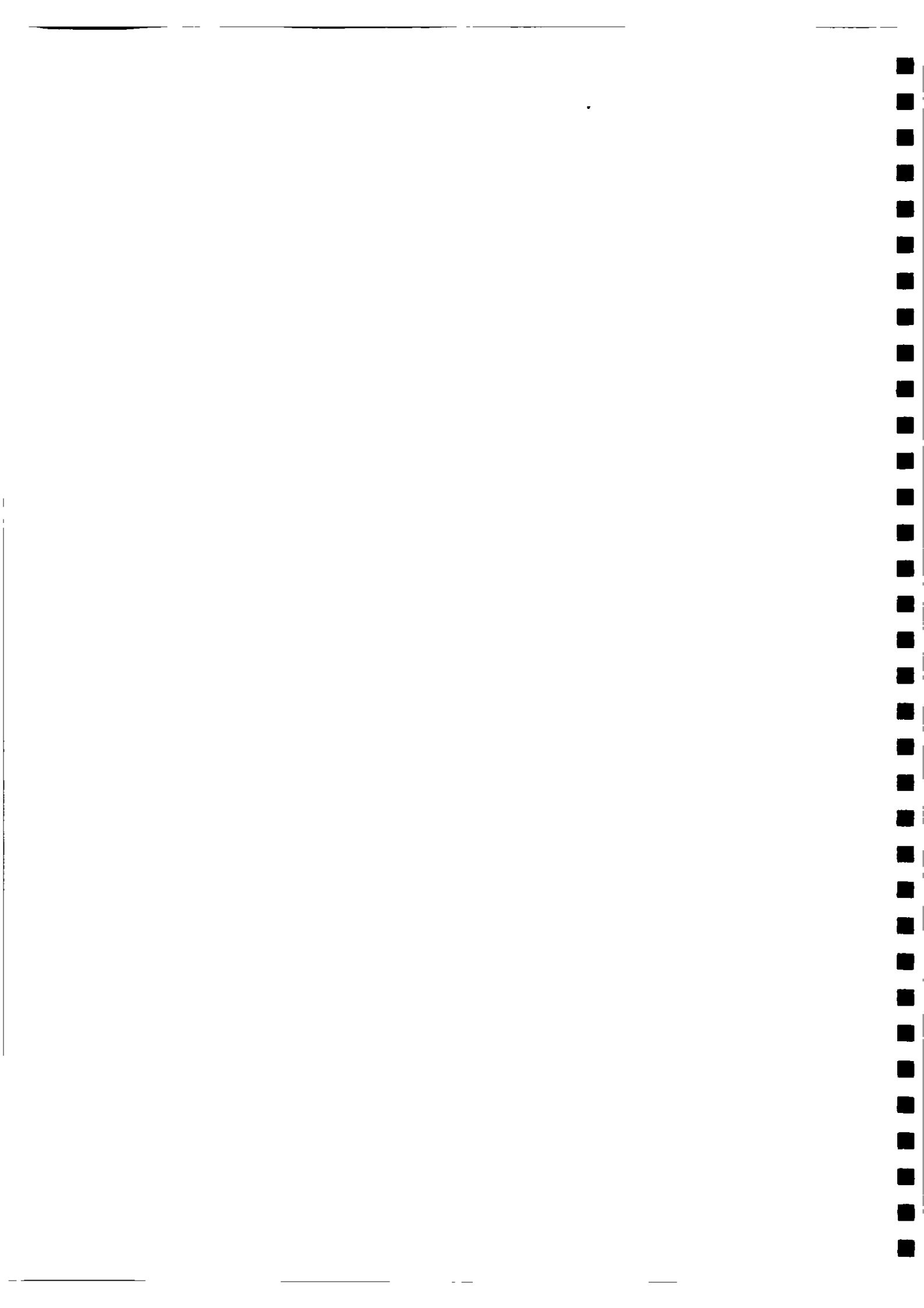
The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet date.

Bank deposits are mainly deposits with banks which have high credit-ratings as determined by international credit-rating agencies. The risk of default on the amount due from ultimate holding company is minimal given the financial strength of the ultimate holding company. Based on management's assessment, the amount due from related company and sundry debtors are neither past due nor impaired.

(c) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility.

The Company manages liquidity risk by ensuring available funding from its ultimate holding company to enable it to meet its operational requirements.



17 Financial risk management objectives and policies (cont'd)**(c) Liquidity risk (cont'd)**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted repayment obligations

	Less than 1 year	More than 1 year	Total
2014			
Financial liabilities			
Accrued operating expenses	32,437,930	–	32,437,930
2013			
Financial liabilities			
Accrued operating expenses	31,169,266	–	31,169,266

18 Related party transactions

Other than disclosed elsewhere in the financial statements, the following transactions took place between the Company and related companies during the financial year

	2014 \$	2013 \$
Management fee income from ultimate holding company	74,843,234	74,718,597
Management fee income from related company	2,066,503	1,408,236
Payments made on behalf of - GIC Real Estate International Pte Ltd	4,338,137	3,887,544

19. Capital management

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised. This is achieved by obtaining funding from its ultimate holding company when necessary.

The total capital of the Company as at the balance sheet date is represented by "Total equity" as presented on the balance sheet.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 March 2013 and 2014.

GIC (London) Private Limited

**Notes to the financial statements
For the financial year ended 31 March 2014**

20 Comparative figures

The financial statements for the year ended 31 March 2013 were audited by another firm

21. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2014 were authorised for issue in accordance with a resolution of the directors on **11 JUN 2014**