

## TCR (Number 1) Ltd

Directors' report and financial statements

For the year ended 31 December 2000

Registered Number: 1950048



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# TCR (Number 1) Ltd

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# TCR (Number 1) Ltd

## Directors' report

The directors submit the report and accounts of the company for the year ended 31 December 2000.

### Activities and review of business development

The principal activity of the company is the leasing of office equipment. The business of the company continues without significant change.

### Results and dividend

The profit for the year after taxation amounted to £7,654,071 (1999: £2,983,462). The directors do not recommend the payment of a dividend (1999: nil).

### Directors and directors' interests

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


MJ McNamara	(appointed 15 March 2000)
JR Bramhall	(resigned 23 February 2001)
DS Fielden	(resigned 15 March 2000)
AW Longden	
RC Pettifer	(resigned 16 March 2001)
C Ellis	(resigned 26 July 2000)
DL Jurries II	(appointed 26 July 2000)
DR Rendell	(appointed 16 January 2001)
R W Green	(appointed 10 April 2001)
R W Torrance	(appointed 4 October 2001)

At no time during the year did any of the directors hold any interest in the shares of the company, a holding company, or any subsidiary thereof.

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

  
Janet A Gregory  
Secretary

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

30 January 2002

# TCR (Number 1) Ltd

## 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 of the company and of the profit or loss for that period. 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;
- 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 auditor, KPMG Audit Plc, to the members of TCR (Number 1) Ltd

We have audited the financial statements on pages 4 to 11.

### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the directors' report and, as described on page 2, 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. 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 the company's affairs as at 31 December 2000 of its profit 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

100 Temple Street  
Bristol  
BS1 6AG

30 January 2002

# TCR (Number 1) Ltd

## Profit and loss account

for the year ended 31 December 2000

	Note	2000 £	1999 £
<b>Gross earnings</b>	2	19,341,231	17,079,835
Administrative expenses		(6,338,958)	(5,470,048)
Other operating income		624,725	205,786
		<hr/>	<hr/>
<b>Operating profit</b>		13,626,998	11,815,573
Interest payable	5	(7,936,859)	(7,613,382)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	6	5,690,139	4,202,191
Tax credit / (charge) on profit on ordinary activities	7	1,963,932	(1,218,729)
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		7,654,071	2,983,462
Retained loss brought forward		(509,040)	(3,492,502)
		<hr/>	<hr/>
<b>Retained profit / (loss) carried forward</b>		7,145,031	(509,040)
		<hr/>	<hr/>

The company had no recognised gains or losses in the financial year or the preceding financial year, other than those dealt with in the profit and loss account.

All income and expenditure relates to continuing activities.

# TCR (Number 1) Ltd

## Balance sheet

at 31 December 2000

	Note	2000 £	1999 £
<b>Fixed assets</b>			
Tangible fixed assets	8	221,515	-
<b>Current assets</b>			
Finance lease and other receivables:			
- amounts receivable within one year		43,302,251	41,196,997
- amounts receivable after more than one year		106,019,745	100,861,613
	9	149,321,996	142,058,610
Debtors: amounts falling due within one year	10	3,696,594	8,809,809
		153,018,560	150,868,419
Creditors: amounts falling due within one year	11	(66,261,403)	(71,563,129)
Net current assets		86,757,157	79,305,290
Creditors: amounts falling due after more than one year	12	(79,833,541)	(79,814,230)
Provisions for liabilities and charges	13	-	-
Net assets / (liabilities)		7,145,131	(508,940)
<b>Capital and reserves</b>			
Called up share capital	14	100	100
Profit and loss account		7,145,031	(509,040)
Shareholders' funds / (deficit) - equity	15	7,145,131	(508,940)

The financial statements on pages 4 to 11 were approved by the board of directors on 30 Jan 2002 and signed on its behalf by:



J A Gregory  
Director



RW Torrance  
Director

# TCR (Number 1) Ltd

## Notes

*(forming part of the financial statements)*

### 1. Accounting policies

The principal accounting policies adopted by the company are as follows:

#### *(a) Basis of preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *(b) Leased assets*

Finance lease receivables, net of introduction fees, are amortised over the period for which they are receivable on a basis calculated to give an approximately constant rate of return of funds invested, under the investment period method.

Other receivables, being amounts receivable under loan and hire purchase agreements, are amortised over the period for which they are receivable on the "sum of the digits" basis.

#### *(c) Deferred taxation*

Deferred taxation is provided, under the liability method, on all timing differences to the extent that it is probable that a liability will crystallise in the foreseeable future.

#### *(d) Cash flow statement*

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as 90% or more of the voting rights of the company's shares are controlled by General Electric Company. The consolidated financial statements of General Electric Company, which include TCR (Number 1) Limited, are publicly available.

#### *(e) 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 Disclosure", in preparing its accounts. 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 accounts of General Electric Company in which the company is included are available to the public.



# TCR (Number 1) Ltd

## Notes

(continued)

### 2. Gross earnings includes:

	2000 £	1999 £
<b>(a) Leases</b>		
Aggregate finance lease rentals	71,481,422	64,437,784
Capital repayments	(48,081,518)	(42,010,781)
	<hr/>	<hr/>
	23,399,904	22,427,003
<b>(b) Other agreements</b>		
Finance charges earned	376,366	391,566
	<hr/>	<hr/>
	23,776,270	22,818,569
	<hr/>	<hr/>

### 3. Staff numbers and costs

The company has no employees (1999: nil).

### 4. Directors' emoluments

None of the directors received any remuneration in respect of their services to the company in 2000 (1999: nil).

### 5. Net interest payable and similar charges

	2000 £	1999 £
Interest payable to fellow subsidiary undertaking	7,936,859	7,613,382
	<hr/>	<hr/>
	7,936,859	7,613,382
	<hr/>	<hr/>

### 6. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2000 £	1999 £
Auditor's remuneration - audit services	11,000	17,000
Management fees payable to group undertakings	5,208,922	2,811,391
	<hr/>	<hr/>

# TCR (Number 1) Ltd

## Notes

(continued)

### 7. Taxation

	2000 £	1999 £
UK corporation tax at 30% (1999: 30.25%) on the profit for the year on ordinary activities	3,587,707	5,552,639
Prior year adjustment	(5,551,639)	(2,427,379)
Deferred taxation	-	(1,906,531)
	<hr/>	<hr/>
Tax (credit)/charge	(1,963,932)	1,218,729
	<hr/>	<hr/>

### 8. Fixed assets

The movement in fixed assets during the year relates to the reclassification of existing leases from finance leases to operating leases.

### 9. Finance lease and other receivables

	2000 £	1999 £
<i>Amounts falling due in less than one year:</i>		
Finance leases	41,814,781	39,575,691
Other agreements	1,487,470	1,621,306
	<hr/>	<hr/>
	43,302,251	41,196,997
	<hr/>	<hr/>
<i>Amounts falling due after more than one year:</i>		
Finance leases	102,368,375	96,892,210
Other agreements	3,651,370	3,969,403
	<hr/>	<hr/>
	106,019,745	100,861,613
	<hr/>	<hr/>
Total	149,321,996	142,058,610
	<hr/>	<hr/>

Assets acquired during the year in respect of:

Finance leases	62,788,505	64,799,024
Other agreements	1,758,083	3,043,451
	<hr/>	<hr/>
	64,546,588	67,842,475
	<hr/>	<hr/>

# TCR (Number 1) Ltd

## Notes

(continued)

### 10. Debtors

	2000 £	1999 £
Trade debtors	843,126	3,246,209
Sundry debtors and prepayments	2,853,468	5,563,600
	<hr/>	<hr/>
	3,696,594	8,809,809
	<hr/>	<hr/>

### 11. Creditors: amounts falling due within one year

	2000 £	1999 £
Bank overdraft	177,065	7,782,688
Rentals received in advance	9,723,623	6,335,289
Due to group undertakings	46,338,366	47,151,668
Corporation tax	2,702,901	5,058,298
Sundry creditors and accruals	7,319,448	5,235,186
	<hr/>	<hr/>
	66,261,403	71,563,129
	<hr/>	<hr/>

### 12. Creditors: amounts falling due after more than one year

	2000 £	1999 £
Due to group undertakings	79,833,541	79,814,230
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# TCR (Number 1) Ltd

## Notes

(continued)

### 13. Provisions for liabilities and charges

	2000 £	1999 £
<b>Deferred tax assets not recognised arise in respect of:</b>		
Accelerated capital allowances	(1,138)	29,960
Other timing differences	716,337	898,266
	<hr/>	<hr/>
	715,199	928,226
	<hr/>	<hr/>

### 14. Called up share capital

	2000 £	1999 £
<i>Authorised, allotted and fully paid:</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

### 15. Movements in shareholders' funds / (deficit)

	2000 £	1999 £
Balance brought forward	(508,940)	(3,492,402)
Profit for the year	7,654,071	2,983,462
	<hr/>	<hr/>
Balance carried forward	7,145,131	(508,940)
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# TCR (Number 1) Ltd

## Notes

*(continued)*

### **16. Ultimate and immediate parent company**

The company's immediate parent company and immediate controlling entity is GE Capital Equipment Finance Holdings registered in England and Wales.

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

The company's ultimate parent company and ultimate controlling entity is General Electric Company (incorporated and registered in the United States of America). The consolidated accounts of General Electric Company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06431, USA.