

Registration number: 00607012

# GE Infrastructure UK Limited

## Annual Report and Financial Statements

for the Year Ended 31 December 2020



# GE Infrastructure UK Limited

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# GE Infrastructure UK Limited

## Strategic Report

The directors present their strategic report for the year ended 31 December 2020.

### **Business review**

The results for the company show a pre tax profit of £3,193,000 (2019: £81,640,000) for the year.

The company has net assets of £1,458,187,000 (2019: £1,454,994,000) of which £1,332,553,000 (2019: £1,330,919,000) is due from fellow GE group companies.

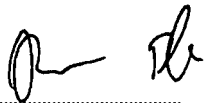
### **Principal risks and uncertainties**

The principal risk of the company is the carrying value of its investments. The performance of the underlying subsidiaries is periodically reviewed in order to mitigate this risk.

### **Key Performance Indicators**

The company has not identified any key performance indicators.

Approved by the Board on 16 September 2021 and signed on its behalf by:



.....  
A T P Budge  
Director

# GE Infrastructure UK Limited

## Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2020.

### Principal activity

The company has two principal activities. It provides computer technology, data management and related services through its London data centre to other GE businesses. The company also operates as an investment holding company.

### Results and dividends

The profit for the year, after taxation, amounted to £3,193,000 (2019: £81,640,000).

The directors do not recommend the payment of a dividend (2019: £nil).

### Directors of the company

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

A P Mathur

A T P Budge

### Post balance sheet events

On 27 July 2021, the company's subsidiary undertaking, Vetco Group, reduced its fully paid up share capital from \$47,070,910 (comprising 4,707,090,958 ordinary shares of \$0.01 each) and £1 (comprising 1 ordinary share of £1) to £1 (comprising 1 ordinary shares of £1) by cancelling and extinguishing 4,707,090,958 issued ordinary shares of \$0.01 each.

On the same date, the company subsidiary undertaking, Vetco Group, reduced its share premium account from \$7,020,048 to \$nil.

### Directors' liabilities

One or more of the directors have benefited from qualifying third party indemnity provisions in place during the financial year and subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

### Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

# GE Infrastructure UK Limited

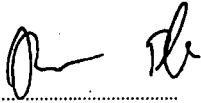
## Directors' Report

### **Reappointment of auditor**

KPMG LLP will resign as auditor on completion of the company's 2020 audit.

Following a global re tendering exercise by GE, Deloitte LLP will be appointed as the company's auditor for the next audit cycle.

Approved by the Board on 16 September 2021 and signed on its behalf by:



A T P Budge  
Director

# GE Infrastructure UK Limited

## Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 Auditor's Report to the Members of GE Infrastructure UK Limited

### Opinion

We have audited the financial statements of GE Infrastructure UK Limited ("the company") for the year ended 31 December 2020, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

## Independent Auditor's Report to the Members of GE Infrastructure UK Limited

### **Fraud and breaches of laws and regulations - ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of those charged with governance and inspection of policy documentation as to the company's high-level policies and procedures to prevent and detect fraud and the company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because all of the revenue in this entity are Intercompany transactions and does not have any third party revenue transactions.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These include journal entries posted with unusual pairings.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.



## Independent Auditor's Report to the Members of GE Infrastructure UK Limited

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation (direct and indirect). We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the Financial Statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic Report and Directors' Report**

The directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## Independent Auditor's Report to the Members of GE Infrastructure UK Limited

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

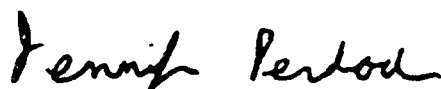
### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



.....  
Jennifer Perdoch (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*

15 Canada Square  
London  
E14 5GL

Date: 16 September 2021

# GE Infrastructure UK Limited

## Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2020

	Note	2020 £ 000	2019 £ 000
<b>Turnover</b>	4	12,451	21,464
Administrative expenses		(13,095)	(17,938)
Impairment of fixed asset investments		-	(160,001)
Income from fixed asset investments	5	<u>-</u>	<u>230,178</u>
<b>Operating (loss)/profit</b>	6	(644)	73,703
Interest receivable and similar income	10	<u>3,837</u>	<u>7,937</u>
<b>Profit before tax</b>		3,193	81,640
Tax on profit	11	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		3,193	81,640
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>3,193</u></u>	<u><u>81,640</u></u>

The above results were derived from continuing operations.

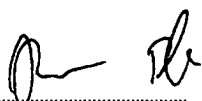
# GE Infrastructure UK Limited

Registration number: 00607012

Balance Sheet  
as at 31 December 2020

	Note	2020 £ 000	2019 £ 000
<b>Fixed assets</b>			
Tangible assets	12	1,227	1,129
Investments	13	<u>125,821</u>	<u>125,821</u>
		<u>127,048</u>	<u>126,950</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	14	1,337,144	1,333,339
<b>Creditors:</b> Amounts falling due within one year	15	<u>(6,005)</u>	<u>(5,295)</u>
<b>Net current assets</b>		<u>1,331,139</u>	<u>1,328,044</u>
<b>Net assets</b>		<u>1,458,187</u>	<u>1,454,994</u>
<b>Capital and reserves</b>			
Called up share capital	16	11,031	11,027
Profit and loss account		<u>1,447,156</u>	<u>1,443,967</u>
<b>Shareholders' funds</b>		<u>1,458,187</u>	<u>1,454,994</u>

Approved by the Board on 16 September 2021 and signed on its behalf by:



ATP Budge  
Director

# GE Infrastructure UK Limited

## Statement of Changes in Equity for the Year Ended 31 December 2020

	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2020	11,027	1,443,967	1,454,994
<b>Comprehensive income for the year</b>			
Profit for the year	-	3,193	3,193
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	3,193	3,193
Other equity movements	4	(4)	-
At 31 December 2020	<u>11,031</u>	<u>1,447,156</u>	<u>1,458,187</u>

	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2019	11,027	1,362,327	1,373,354
<b>Comprehensive income for the year</b>			
Profit for the year	-	81,640	81,640
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	81,640	81,640
At 31 December 2019	<u>11,027</u>	<u>1,443,967</u>	<u>1,454,994</u>

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 1 General information

The company is a private company limited by share capital, registered in England, incorporated and domiciled in the United Kingdom.

The address of its registered office is:

3rd Floor  
1 Ashley Road  
Altrincham  
Cheshire  
WA14 2DT

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

#### Going concern

The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicates that, taking account of a reasonably possible downside scenario, the anticipated socio-economic impact of the COVID-19 pandemic and the company's ability to access the group's cash pool facility if required, the company will have sufficient funds to meet its liabilities as they fall due for that period. The directors are confident that the company will have sufficient funds to continue in operational existence for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### **Exemption from preparing group accounts**

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 5 Necco Street, Boston, Massachusetts, 02210, USA or at [www.ge.com](http://www.ge.com).

#### **Basis of measurement**

The financial statements have been prepared on the historical cost basis.

#### **Summary of disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### **Turnover**

##### *Recognition*

The company earns revenue from the provision of services relating to the provision of computer technology, data management and related services. This revenue is recognised in the accounting period when the services are rendered at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Turnover (continued)

##### *Contract assets and receivables*

Where goods or services are transferred to the customer before the customer pays consideration, or before payment is due, Contract assets are recognised. Contract assets are included in the statement of financial position and represent the right to consideration for products delivered.

Contract receivables (loans and advances) are recognised in the balance sheet when the company's right to consideration becomes unconditional.

Contract assets & receivables (loans and advances) are classified as current or non-current based on the company's normal operating cycle and are assessed for impairment at each reporting date.

##### *Contract liabilities*

Contract liabilities and customer deposits are recognised in the balance sheet when the company has received consideration but still has an obligation to deliver products and meet performance obligations for that consideration.

#### **Investments**

Investment in group undertakings are shown at cost less provision for impairment.

At each balance sheet date the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If such indication exists, the recoverable amount of the investment is estimated based on its fair value less costs of disposal and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in Profit and Loss Account in the period.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

#### **Depreciation**

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful life of each tangible fixed asset as follows:

##### **Asset class**

Plant, fixtures, tools and equipment

##### **Estimated useful life**

3 to 15 years



# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### **Interest receivable and payable**

Interest income and expense are recognised in profit or loss using the effective interest rate ("EIR") method.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

#### **Tax**

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income, and any adjustments to tax payable in respect of previous years. Full provision is made for deferred tax liabilities arising from all temporary 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 probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the temporary differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### **Foreign currency transactions and balances**

The accounts are presented in sterling which is the company's functional and presentational currency.

Transactions in foreign currencies are recorded using a monthly average operating exchange rate. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date. The gains or losses arising are included in the Profit and Loss Account.

#### **Income from shares in group undertakings**

Investment income arising from dividends is recognised when dividends are appropriately authorised by subsidiary undertakings.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Financial instruments

##### Initial recognition

The company recognises financial assets and financial liabilities in the balance sheet when, and only when, the company becomes party to the contractual provisions of the financial instrument.

A financial asset (unless it is a trade debtor without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade debtor without a significant financing component is initially measured at the transaction price.

Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

##### Classification and subsequent measurement

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:

Financial assets are classified into one of the following three categories:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the company's business model for managing financial assets and liabilities and the contractual cash flow characteristics of the financial assets. Accordingly, all financial assets and liabilities are subsequently measured at amortised cost.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Financial instruments (continued)

##### Impairment of financial assets

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVTOCI and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. Trade receivables and contract assets with significant financing component are measured using the general model described above.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the year. Although these estimates are based on the directors' best knowledge of the amounts, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

#### Impairment of investments

The principal activity of the company is to act as a holding company for underlying subsidiaries. As a result the main risk facing the company is the underlying trade of the investments not supporting the carrying value.

Investments are subject to impairment when there are indicators, such as, the net assets of the underlying company being less than the carrying value of the investments, adverse trade conditions in the underlying investments, cessation of trade in the underlying investments, significant losses in the year in the underlying investments and impairment of fixed assets in the underlying investments in the year.

Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs of disposal and value-in-use), an impairment loss is recognised by writing down the investments to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The estimates of future cash flows exclude cash inflows or outflows attributable to financing activities and income tax. Impairment losses arising in respect of investments are not reversed once recognised.

### 4 Turnover

A geographical analysis of turnover is as follows:

	2020 £ 000	2019 £ 000
United Kingdom	12,240	14,484
Rest of Europe	2	39
USA and rest of world	209	6,941
	<u>12,451</u>	<u>21,464</u>

The company has only one class of business, that being to provide technology services to internal GE businesses.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 5 Income from fixed asset investments

	2020 £ 000	2019 £ 000
Dividend income	-	230,178

### 6 Operating (loss)/profit

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

	Note	2020 £ 000	2019 £ 000
Depreciation expense	12	496	650
Impairment of fixed asset investments		-	160,001
Difference on foreign exchange		824	(82)

### 7 Staff costs

The company did not employ any staff during the current or preceding financial year. The company's personnel costs are recharged by other group companies and are included within administrative expenses.

### 8 Directors' remuneration

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

All of the directors are/were also directors of a fellow group undertaking and do not specifically receive any remuneration in respect of the company. The appropriate proportion of their services on behalf of the company is considered to be not significant.

### 9 Auditor's remuneration

	2020 £ 000	2019 £ 000
Audit of the financial statements	18	18

In addition to the above, remuneration of £190,500 (2019: £188,000) was paid/accrued by the company for the audit related to other fellow group undertakings.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 10 Interest receivable and similar income

	2020 £ 000	2019 £ 000
Interest receivable from group companies	<u>3,837</u>	<u>7,937</u>

### 11 Taxation

Tax charged/(credited) in the profit and loss account

	2020 £ 000	2019 £ 000
<b>Current taxation</b>		
UK corporation tax	<u>-</u>	<u>-</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (2019: lower than the standard rate of corporation tax in the UK) of 19% (2019: 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Profit before tax	<u>3,193</u>	<u>81,640</u>
Corporation tax at standard rate	607	15,512
Non-taxable income	-	(43,734)
Expenses not deductible for tax purposes	-	30,400
Group relief for £nil consideration	(701)	(2,301)
Other	<u>94</u>	<u>123</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. The impact of the announced future rate change on the financial statements is not considered material.

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

There were no amounts of provided or unprovided deferred taxation as at 31 December 2020 or 31 December 2019.

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 12 Tangible fixed assets

	Plant, fixtures, tools and equipment £ 000
<b>Cost</b>	
At 1 January 2020	9,587
Additions	594
At 31 December 2020	10,181
<b>Depreciation</b>	
At 1 January 2020	8,458
Charge for the year	496
At 31 December 2020	8,954
<b>Net book value</b>	
At 31 December 2020	1,227
At 31 December 2019	1,129

### 13 Fixed asset investments

	Investments in group undertakings £ 000
<b>Cost</b>	
At 1 January 2020	756,584
At 31 December 2020	756,584
<b>Impairment</b>	
At 1 January 2020	630,763
At 31 December 2020	630,763
<b>Net book value</b>	
At 31 December 2020	125,821
At 31 December 2019	125,821

# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 13 Fixed asset investments (continued)

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2020. There are no indications of impairment and the carrying value of the investment is correct.

Details of the company's subsidiary as at 31st December 2020 are as follow:

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
Vetco Group	3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT	Ordinary	100%

### 14 Debtors

	2020 £ 000	2019 £ 000
Trade debtors	22	6
Amounts owed by group undertakings	1,332,605	1,331,022
Prepayments and accrued income	135	112
Other debtors	4,382	2,199
	<u>1,337,144</u>	<u>1,333,339</u>

### 15 Creditors: Amounts falling due within one year

	2020 £ 000	2019 £ 000
Trade creditors	3,629	4,324
Accruals and deferred income	379	376
Amounts owed to group undertakings	52	103
Social security and other taxes	422	-
Other creditors	1,523	492
	<u>6,005</u>	<u>5,295</u>



# GE Infrastructure UK Limited

## Notes to the Financial Statements

### 16 Share capital

#### Allotted, called up and fully paid shares

	No. 000	2020 £ 000	No. 000	2019 £ 000
Ordinary shares of £0.01 each	<u>1,103,093</u>	<u>11,031</u>	<u>1,102,652</u>	<u>11,027</u>

### 17 Ultimate parent undertaking and controlling party

The company's immediate parent is International General Electric (U.S.A.), a company registered at 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company with principal executive offices at 5 Necco Street, Boston, Massachusetts, 02210, USA. The consolidated financial statements of this company are available to the public and may be obtained from the address of the principal executive offices or at [www.ge.com](http://www.ge.com).

### 18 Post balance sheet events

On 27 July 2021, the company's subsidiary undertaking, Vetco Group, reduced its fully paid up share capital from \$47,070,910 (comprising 4,707,090,958 ordinary shares of \$0.01 each) and £1 (comprising 1 ordinary share of £1) to £1 (comprising 1 ordinary shares of £1) by cancelling and extinguishing 4,707,090,958 issued ordinary shares of \$0.01 each.

On the same date, the company subsidiary undertaking, Vetco Group, reduced its share premium account from \$7,020,048 to \$nil.