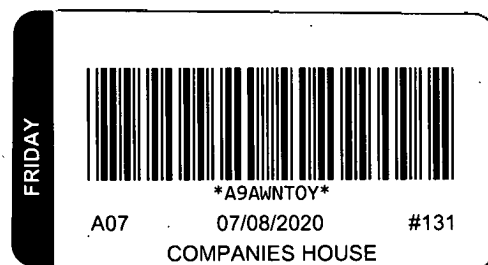


Registration number: 02302709

GE Industrial Treasury Holdings

Annual Report and Financial Statements

for the Year Ended 31 December 2019



GE Industrial Treasury Holdings

Contents

Directors' Report	1 to 2
Statement of Directors' Responsibilities	3
Independent Auditor's Report to the Members of GE Industrial Treasury Holdings	4 to 6
Profit and Loss Account and Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 18

GE Industrial Treasury Holdings

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity and business review

The principal activity of the company is that of a holding company.

Results and dividends

The profit for the year, after taxation, amounted to £34 (2018: loss £34).

The directors do not recommend the payment of a dividend (2018: £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 T P Budge

P S Girling (resigned 16 October 2019)

A P Mathur

Post balance sheet event

The COVID-19 pandemic, resulting in workforce and travel restrictions, supply chain and production disruptions and reduced demand and spending across many sectors, paired with the collapse of oil prices have significantly impacted global economies. During the latter part of the first quarter of 2020, these factors began having a material adverse impact on our investees indicating that some of our investments in related entities carried at cost may have been impaired eventually requiring us to estimate their recoverable amount at the next reporting date. While the effects of these events cannot be estimated at our report release date, we anticipate many of these impacts affecting our investments' recoverable amount will continue in the foreseeable future depending on the severity and duration of the pandemic. Such effects and the required mitigating actions will continue to be monitored and evaluated by management during the 2020 financial year.

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.

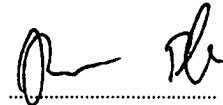
GE Industrial Treasury Holdings

Directors' Report (continued)

Reappointment of auditor

The auditor, KPMG LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 3 August 2020 and signed on its behalf by:

Handwritten signature of A T P Budge in black ink, consisting of a stylized 'A' and 'P' followed by 'Budge'.

A T P Budge
Director

GE Industrial Treasury Holdings

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 Industrial Treasury Holdings

Opinion

We have audited the financial statements of GE Industrial Treasury Holdings ("the company") for the year ended 31 December 2019, 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 2019 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. 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. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Independent Auditor's Report to the Members of GE Industrial Treasury Holdings (continued)

Other information

The directors are responsible for the Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information;
- in our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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.

Independent Auditor's Report to the Members of GE Industrial Treasury Holdings (continued)


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.

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: 03 August 2020

GE Industrial Treasury Holdings

Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Administrative income/(expenses)		<u>41</u>	<u>(34)</u>
Operating profit/(loss)		41	(34)
Interest payable and similar expenses	4	<u>(7)</u>	<u>-</u>
Profit/(loss) before tax		34	(34)
Tax on profit/(loss)	8	<u>-</u>	<u>-</u>
Profit/(loss) for the year		34	(34)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>34</u></u>	<u><u>(34)</u></u>

The above results were derived from continuing operations.

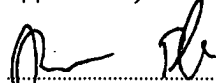
GE Industrial Treasury Holdings

Registration number: 02302709

Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	9	47,074,620	47,074,620
Creditors: Amounts falling due within one year	10	-	(34)
Net current liabilities		-	(34)
Net assets		<u>47,074,620</u>	<u>47,074,586</u>
Capital and reserves			
Called up share capital	11	47,074,621	47,074,621
Profit and loss account		(1)	(35)
Shareholders' funds		<u>47,074,620</u>	<u>47,074,586</u>

Approved by the Board on 3 August 2020 and signed on its behalf by:



A T P Budge
Director

GE Industrial Treasury Holdings

Statement of Changes in Equity for the Year Ended 31 December 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	47,074,621	(35)	47,074,586
Comprehensive income for the year			
Profit for the year	-	34	34
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	34	34
At 31 December 2019	<u>47,074,621</u>	<u>(1)</u>	<u>47,074,620</u>

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2018	47,074,621	(1)	47,074,620
Comprehensive loss for the year			
Loss for the year	-	(34)	(34)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(34)	(34)
At 31 December 2018	<u>47,074,621</u>	<u>(35)</u>	<u>47,074,586</u>

The notes on pages 10 to 18 form an integral part of these financial statements.

GE Industrial Treasury Holdings

Notes to the Financial Statements

1 General information

The company is a private unlimited company, 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

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006. The amendments to FRS 101 (2018/19 cycle) issued in July 2019 have been applied.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("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 the period of 12 months from the date of approval of these financial statements, which indicate that, taking account of a reasonably possible downside scenario, the company will have sufficient funds to meet its liabilities as they fall due for that period. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements. As a result, the going concern basis of accounting has been adopted.

GE Industrial Treasury Holdings

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.

Basis of measurement

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

Changes in accounting policy

In the current year the company has adopted IFRIC 23: Uncertainty over Income Tax Treatments. The effect of the adoption is considered not to be material.

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 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;
- 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.

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.

GE Industrial Treasury Holdings

Notes to the Financial Statements

2 Accounting policies (continued)

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.

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.

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.

GE Industrial Treasury Holdings

Notes to the Financial Statements

2 Accounting policies (continued)

Financial instruments (continued)

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.

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 FVOCI 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.

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.

GE Industrial Treasury Holdings

Notes to the Financial Statements

2 Accounting policies (continued)

Financial instruments (continued)

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.

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.

GE Industrial Treasury Holdings

Notes to the Financial Statements

4 Interest payable and similar expenses

	2019 £	2018 £
On loans from group undertakings	<u>7</u>	<u>-</u>

5 Staff costs

The company had no employees during the year (2018: nil).

6 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 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 material.

7 Auditor's remuneration

Remuneration of £6,000 (2018: £6,000) paid to the auditor for their services to the company was borne by a fellow group undertaking.

8 Taxation

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

	2019 £	2018 £
Current taxation		
UK corporation tax	<u>-</u>	<u>-</u>

GE Industrial Treasury Holdings

Notes to the Financial Statements

8 Taxation (continued)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (2018: higher than the standard rate of corporation tax in the UK) of 19% (2018: 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit/(loss) before tax	34	(34)
Corporation tax at standard rate	6	(6)
Group relief for £nil consideration	(6)	6
Total tax charge/(credit)	-	-

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. Subsequent to the balance sheet date it was announced that the rate of 19% would continue to apply with effective from 1 April 2020. This change was substantively enacted on 17 March 2020. This will increase the current tax charge accordingly.

The U.K. Tax authorities issued assessments to disallow interest deductions claimed by other group companies for years from 2004 to 2015. The proposed disallowance does not affect interest deductions claimed by GE Industrial Treasury Holdings but, if sustained, could impact losses surrendered against the taxable income of GE Industrial Treasury Holdings in prior years. We comply with all applicable tax laws and judicial doctrines of the United Kingdom. We are contesting the disallowance and believe the full benefit of the deductions will be sustained on their technical merits, but the outcome of pending litigation cannot be fully known until resolution of the matter. Given the uncertainty of how much may be ultimately disallowed and availability of other U.K. group tax attributes, GE Industrial Treasury Holdings is unable to quantify the amount, if any, of the tax impact of this item.

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 2019 or 31 December 2018.

GE Industrial Treasury Holdings

Notes to the Financial Statements

9 Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2019	<u>47,074,620</u>
At 31 December 2019	<u>47,074,620</u>
Net book value	
At 31 December 2019	<u>47,074,620</u>
At 31 December 2018	<u>47,074,620</u>

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2019. There are no indications of impairment and the carrying value of the investment is correct.

Details of the company's subsidiary undertaking as at 31 December 2019 are as follows:

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
GE Industrial Sterling Treasury Services	3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT	Ordinary	100%

10 Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	<u>-</u>	<u>34</u>

GE Industrial Treasury Holdings

Notes to the Financial Statements

11 Share capital

Allotted, called up and fully paid shares

	No.	2019 £	No.	2018 £
Ordinary shares of £1 each	<u>47,074,621</u>	<u>47,074,621</u>	<u>47,074,621</u>	<u>47,074,621</u>

12 Ultimate parent undertaking and controlling party

The company's immediate parent is GE Industrial Consolidation Limited, a company registered at 3rd Floor, 1 Ashley Road, Altrincham, 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.

13 Post balance sheet event

The COVID-19 pandemic, resulting in workforce and travel restrictions, supply chain and production disruptions and reduced demand and spending across many sectors, paired with the collapse of oil prices have significantly impacted global economies. During the latter part of the first quarter of 2020, these factors began having a material adverse impact on our investees indicating that some of our investments in related entities carried at cost may have been impaired eventually requiring us to estimate their recoverable amount at the next reporting date. While the effects of these events cannot be estimated at our report release date, we anticipate many of these impacts affecting our investments' recoverable amount will continue in the foreseeable future depending on the severity and duration of the pandemic. Such effects and the required mitigating actions will continue to be monitored and evaluated by management during the 2020 financial year.