

IGE USA Group Limited

Directors' report and financial statements
For the year ended 31 December 2001
Registered Number: 3053570



IGE USA Group Limited

Directors' report and financial statements

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IGE USA Group Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

Principal activities

The company acts as a holding company for certain European subsidiaries of General Electric Company (USA).

Business Review

The company made a profit before taxation for the year of £7,045,000 (2000: £68,674,000).

On 30 March 2001 the company acquired 9,927,254 Ordinary £0.01 shares in Smallworldwide Plc from IGE USA Investments in exchange for 2,174,900 Ordinary £1 shares in the company. Consideration was valued at £4,350,000.

Dividends

The directors do not recommend the payment of a dividend (2000: £nil).

Directors and directors' interests

The directors who held office during the year and after the year-end were as follows:

Mrs PA Green

JM Crowther

M Risinger

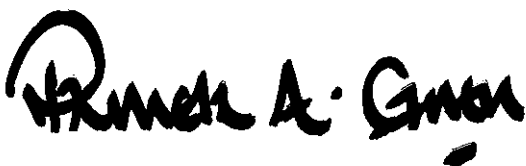
RG Clark (appointed 14 December 2001)

Since the company meets the definition in s736 (2)(3) of the Companies Act 1985 of a wholly owned subsidiary of a body corporate incorporated outside Great Britain, the company has taken advantage of regulation 3(1)(a) of Statutory Instrument 1985/802 exempting the company from the requirement to disclose directors' share interests and options in group companies.

Auditors

Pursuant to a shareholders' resolution, dated 11 July 1996, the company is not obliged to re-appoint auditors of the company annually and KPMG Audit Plc will continue in office.

On behalf of the board



Mrs PA Green
Director

3rd Floor
1 Trevelyan Square
Boar Lane
Leeds
LS1 6HP

31st October 2002

IGE USA Group Limited

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.

Independent report of the auditor, KPMG Audit Plc,
to the member of IGE USA Group Limited

We have audited the financial statements on pages 4 to 10.

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 1985. 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 affairs of the company as at 31 December 2001 and 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

1 The Embankment
Neville Street
Leeds
LS1 4DW

31 October 2002

IGE USA Group Limited

Profit and loss account

for the year ended 31 December 2001

	<i>Note</i>	2001 £000	2000 £000
Administrative expenses		(2)	(4)
Operating loss		(2)	(4)
Income from other fixed asset investments	5	-	65,000
Interest receivable and similar income	6	7,586	5,263
Interest payable and similar charges	7	(539)	(1,585)
Profit on ordinary activities before taxation	2	7,045	68,674
Tax on profit on ordinary activities	8	(2,113)	(1,102)
Retained profit for the financial year	13	4,932	67,572

The notes on pages 6 to 10 form part of these financial statements.

The movement in reserves is shown in note 13 to these financial statements.

The results in the above profit and loss account relate entirely to continuing operations.

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

IGE USA Group Limited

Balance sheet at 31 December 2001

	Note	2001 £000	2000 £000
Fixed assets			
Investments	9	996,511	992,161
Current assets			
Debtors	10	136,880	162,861
Cash at bank and in hand		5,400	963
		<u>142,280</u>	<u>163,824</u>
Creditors: amounts falling due within one year	11	<u>(2,416)</u>	<u>(28,892)</u>
Net current assets		<u>139,864</u>	<u>134,932</u>
Net assets		<u><u>1,136,375</u></u>	<u><u>1,127,093</u></u>
Capital and reserves			
Called up share capital	12	970,032	967,857
Share premium	13	87,773	85,598
Profit and loss account	13	78,570	73,638
Shareholder's funds			
Equity		737,059	727,777
Non-equity		399,316	399,316
	13	<u><u>1,136,375</u></u>	<u><u>1,127,093</u></u>

The notes on pages 6 to 10 form part of these financial statements.

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

31st October

2002



Mrs PA Green
Director

IGE USA Group Limited

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, under the historical cost convention and on a going concern basis.

(b) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

(c) Investments

Investments in subsidiary undertakings are stated at cost less provisions for permanent diminutions in value where necessary.

(d) Cash flow statement

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement. Exemption is on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of the ultimate parent company which are available to the public.

(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 Financial Reporting Standard 8, "Related Party Disclosures", in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of General Electric Company in which the company is included are available to the public.

(f) Group financial statements

The company is exempt under Section 228 of the Companies Act 1989 from the requirement to prepare and deliver group financial statements.

These financial statements present information about IGE USA Group Limited as an individual undertaking and not about its group.

2. Profit on ordinary activities before taxation

	2001 £000	2000 £000
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	2	4
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IGE USA Group Limited

Notes

(continued)

3. Remuneration of directors

None of the directors of the company received any emoluments during the year (2000: *£nil*).

4. Staff numbers and costs

The company had no employees during the year (2000: *nil*).

5. Income from other fixed asset investments

	2001 £000	2000 £000
Dividends received from group undertakings	-	65,000

6. Interest receivable and similar income

	2001 £000	2000 £000
On amounts owed by group undertakings	7,586	5,263

7. Interest payable and similar charges

	2001 £000	2000 £000
On amounts owed to group undertakings	539	1,585

8. Taxation

	2001 £000	2000 £000
UK corporation tax at 30% (2000: 30%) on the profit for the year	2,113	1,102

9. Investments

	Shares in subsidiary undertakings £000
At beginning of year	992,161
Additions	4,350
At end of year	996,511

IGE USA Group Limited

Notes

(continued)

9. Investments (continued)

On 30 March 2001 the company acquired 9,927,254 ordinary £0.01 shares in Smallworldwide Plc from IGE USA Investments in exchange for 2,174,900 ordinary £1 shares in the company. Consideration was valued at £4,350,000.

The company owns the following subsidiary undertaking, registered in England and Wales:-

Subsidiary undertaking	Principal activity	Proportion of share capital held by the company	Class of share
International General Electric (USA)	Holding company	100%	Ordinary
		100%	Ordinary Y
		100%	Redeemable
Smallworldwide Limited (formerly Smallworldwide Plc)	Development and marketing of software	100%	Ordinary

International General Electric (USA) holds investments in a number of group undertakings, details of which are disclosed in that company's financial statements.

10. Debtors

	2001 £000	2000 £000
Amounts owed by group undertakings	136,880	162,861

11. Creditors: amounts falling due within one year

	2001 £000	2000 £000
Amounts owed to group undertakings	2	27,343
Corporation tax	2,412	1,546
Accruals and deferred income	2	3
	2,416	28,892

IGE USA Group Limited

Notes

(continued)

12. Called up share capital

	2001		2000	
	Shares '000	£000	Shares '000	£000
Authorised				
850,000,000 Ordinary shares of £1 each	850,000	850,000	850,000	850,000
350,000,000 'Y' shares of £1 each	350,000	350,000	350,000	350,000
25,000,000 Preference shares of £1 each	25,000	25,000	25,000	25,000
Redeemable shares of £1 each	300,000	300,000	300,000	300,000
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	1,525,000	1,525,000	1,525,000	1,525,000
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Allotted, called up and fully paid				
570,715,930 (2000: 568,541,030) Ordinary shares of £1 each	570,716	570,716	568,541	568,541
99,315,912 'Y' shares of £1 each	99,316	99,316	99,316	99,316
300,000,000 Redeemable shares of £1 each	300,000	300,000	300,000	300,000
	<hr/>	<hr/>	<hr/>	<hr/>
	970,032	970,032	967,857	967,857
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On 30 March 2001 the company issued 2,174,900 Ordinary £1 Shares at a premium of £1 per share to IGE USA Investments to fund the acquisition of 9,927,254 Ordinary Shares in Smallworldwide Plc.

The redeemable shares rank *pari passu* with the other issued shares in the company save that any redeemable share may be redeemed at par at any time.

The 'Y' shares entitle holders to receive in priority to other members a dividend equal to the maximum amount which could have been paid by way of dividend by one of the company's indirect subsidiary undertakings, GE Capital Corporation Limited. Other than as aforesaid, holders of 'Y' shares have no further rights to participation in the profits of the company.

On a winding up, holders of 'Y' shares are entitled to receive in priority to other members an amount equal to the net after tax sale proceeds of the share capital or net assets of GE Capital Corporation Limited. Other than as aforesaid, holders of 'Y' shares shall have no further rights to participate in the assets of the company on a winding up or other return of capital.

Holders of 'Y' shares are entitled to 100 votes for each 'Y' share held.

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Notes

(continued)

13. Shareholder's funds

Movements in shareholder's funds were as follows:

	Share capital £000	Share premium account £000	Profit and loss account £000	2001 Share- holder's funds £000	2000 Share- holder's funds £000
At beginning of year	967,857	85,598	73,638	1,127,093	1,041,703
Retained profit for the financial year	-	-	4,932	4,932	67,572
New share capital issued	2,175	2,175	-	4,350	17,818
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At end of year	970,032	87,773	78,570	1,136,375	1,127,093
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Shareholder's funds are apportioned as follows:

	Equity £000	2001 Non- equity £000	Total £000	Equity £000	2000 Non- Equity £000	Total £000
Ordinary shares of £1 each	737,059	-	737,059	727,777	-	727,777
'Y' shares of £1 each	-	99,316	99,316	-	99,316	99,316
Redeemable shares of £1 each	-	300,000	300,000	-	300,000	300,000
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	737,059	399,316	1,136,375	727,777	399,316	1,127,093
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14. Parent undertakings

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

The largest group in which the results of the company are consolidated is that headed by the company's ultimate parent undertaking, General Electric Company, a company incorporated in the United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut 06431 or at www.ge.com.