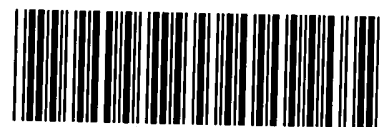


Registration number: 03053570

IGE USA Group
Annual Report and Financial Statements
for the Year Ended 31 December 2016

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IGE USA Group

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IGE USA Group

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

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

Results and dividends

The loss for the year, after taxation, amounted to £849,000 (2015: £66,059,000).

The directors do not recommend payment of a final dividend (2015: £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:

G M Wheeler

M Risinger (resigned 5 June 2017)

A P Mathur

Z J Citron (resigned 21 April 2017)

S J Dwyer (resigned 3 May 2017)

A E Brennan (resigned 23 May 2017)

A T P Budge

Post balance sheet event

On 12 May 2017, the company issued 58,000,000 ordinary shares of £1 each at par.

On 17 May 2017, the company cancelled and extinguished 58,000,000 ordinary shares of £1 each after which the issued share capital was £200 comprising 123 ordinary shares of £1 each, 1 A preference shares of £1 each and 76 redeemable shares of £1 each.

On the same day, the company transferred 309,665,280 ordinary shares of US\$ 0.01 each in the capital of Vetco International Limited and 300 common shares in the capital of GE Energy Oilfield Technology Inc to IGE USA Holdings as a dividend in specie.

On 18 June 2017, the company transferred 9,876,372 A ordinary shares of £0.10 each in PII Group Limited to a fellow GE subsidiary for cash.

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.

IGE USA Group

Directors' Report (continued)

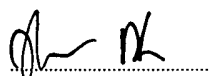
Disclosure of information to the auditor

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.

Reappointment of auditors

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

Approved by the Board on 29 June 2017 and signed on its behalf by:



A T P Budge
Director

IGE USA Group

Strategic Report

Business review

The loss for the year, after taxation, amounted to £849,000 (2015: £66,059,000).

The company has net assets of £209,703,000 (2015: £210,552,000), part of which £57,325,000 (2015: £56,476,000) is due to fellow GE group companies.

Principal risks and uncertainties

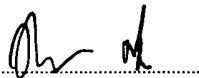
The principal risk of the company is the carrying value of its investments. The performance of the underlying subsidiaries is periodically reviewed in order to mitigate this risk.

Other Key performance indicators

The company has not identified any key performance indicators due to the nature of its operations as a holding company.

The directors are satisfied with both the performance for the year and balance sheet position at the year end.

Approved by the Board on 29 June 2017 and signed on its behalf by:



A T P Budge
Director

IGE USA Group

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 United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

IGE USA Group

Independent Auditor's Report to the members of IGE USA Group

We have audited the financial statements of IGE USA Group for the year ended 31 December 2016, set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities 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. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic Report and the Directors' Report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

IGE USA Group

Independent Auditor's Report to the members of IGE USA Group (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.



.....
Anna Barrell (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snowhill
Birmingham
United Kingdom
B4 6GH

Date:..... 4-7-2017

IGE USA Group

Statement of Comprehensive Income for the Year Ended 31 December 2016

		2016	2015
	Note	£ 000	£ 000
Loss on sale of fixed asset investments		-	(64,096)
Administrative (expenses) / income		<u>(85)</u>	<u>53</u>
Operating (loss)/profit		(85)	(64,043)
Interest receivable and similar income	7	4	14
Interest payable and similar expenses	8	<u>(768)</u>	<u>(2,030)</u>
Loss before tax		(849)	(66,059)
Tax on loss on ordinary activities	9	<u>-</u>	<u>-</u>
Loss for the year		(849)	(66,059)
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>(849)</u></u>	<u><u>(66,059)</u></u>


IGE USA Group

Registration number: 03053570

Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Fixed asset			
Investments	10	267,040	267,040
Current asset			
Debtors	11	-	3,814
Creditors: Amounts falling due within one year	12	<u>(57,337)</u>	<u>(60,302)</u>
Net current liabilities		<u>(57,337)</u>	<u>(56,488)</u>
Net assets		<u>209,703</u>	<u>210,552</u>
Capital and reserves			
Called up share capital		-	-
Profit and loss account		<u>209,703</u>	<u>210,552</u>
Shareholders' funds		<u>209,703</u>	<u>210,552</u>

Approved by the Board on 29 June 2017 and signed on its behalf by:



ATP Budge
Director

IGE USA Group

Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	-	210,552	210,552
Comprehensive income for the year			
Loss for the year	-	(849)	(849)
Other comprehensive income	-	-	-
Total comprehensive income	-	(849)	(849)
At 31 December 2016	-	209,703	209,703

	Called up share capital £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2015	200,001	550,000	178,554	928,555
Comprehensive income for the year				
Loss for the year	-	-	(66,059)	(66,059)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(66,059)	(66,059)
Shares cancelled during the year/ distributable reserves created on cancellation of shares	(200,001)	-	200,001	-
Transfers between reserves	-	(550,000)	550,000	-
Dividends: Equity capital	-	-	(651,944)	(651,944)
At 31 December 2015	-	-	210,552	210,552

IGE USA Group

Notes to the Financial Statements

1 General information

The company is a private unlimited company incorporated and domiciled in the United Kingdom.

The address of its registered office is:

3rd Floor
1 Ashley Road
Altrincham
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 under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately 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 judgment in applying the company's accounting policies (see note 3).

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 41 Farnsworth Street, Boston, MA 02210, USA or at www.ge.com.

IGE USA Group

Notes to the Financial Statements

2 Accounting policies (continued)

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 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;

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £57,337,000 (2015: £56,488,000).

The directors have reviewed the financial position of the company, including the arrangements with group undertakings. The directors have considered the financial position of the company's immediate group and ultimate parent.

On the basis of their assessment of the company's financial position and of the enquiries made by the directors, the company's directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the immediate group to continue as a going concern. Accordingly they expect that the company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investments

Investment in subsidiaries 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 net asset value and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in statement of comprehensive income in the period.

Income from shares in group undertakings

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

IGE USA Group

Notes to the Financial Statements

2 Accounting policies (continued)

Taxation

Tax is recognised in the profit and loss account, except that a change attributable to an item of income and 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.

Full provision is made for deferred tax liabilities arising from all timing 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 probable not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

3 Critical accounting judgments 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 date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amount, 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:

IGE USA Group

Notes to the Financial Statements

3 Critical accounting judgments and key sources of estimation uncertainty (continued)

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 Auditor's remuneration

	2016 £ 000	2015 £ 000
Audit of the financial statements	<u>12</u>	<u>24</u>

5 Staff costs

The company had no employees during the year (2015: 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. It was not possible to determine an appropriate proportion of their services on behalf of the company.

IGE USA Group

Notes to the Financial Statements

7 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest receivable from group companies	<u>4</u>	<u>14</u>

8 Interest payable and similar expenses

	2016 £ 000	2015 £ 000
On loans from group undertakings	<u>768</u>	<u>2,030</u>

9 Taxation

Tax charged to the profit and loss account

	2016 £ 000	2015 £ 000
Current taxation		
UK corporation tax	<u>-</u>	<u>-</u>
Tax expense in statement of comprehensive income	<u>-</u>	<u>-</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
Loss before tax	<u>(849)</u>	<u>(66,059)</u>
Corporation tax at standard rate	(170)	(13,374)
Increase/(decrease) arising from group relief tax reconciliation	170	397
Increase/(decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	<u>-</u>	<u>12,977</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

IGE USA Group

Notes to the Financial Statements

9 Taxation (continued)

Factors that may affect future tax charges

The UK corporation tax rate will reduce from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce any current tax charges in future periods accordingly.

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 2016 or 31 December 2015

10 Fixed asset Investments

	Shares in group undertakings £ 000
Cost	
At 1 January 2016	319,835
Disposals	<u>(4,350)</u>
At 31 December 2016	<u>315,485</u>
Impairment	
At 1 January 2016	52,795
On disposals	<u>(4,350)</u>
At 31 December 2016	<u>48,445</u>
Net book value	
At 31 December 2016	<u>267,040</u>
At 31 December 2015	<u>267,040</u>

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2016. There are no indications of impairment and the carrying values of the investments are correct

IGE USA Group

Notes to the Financial Statements

10 Fixed asset Investments (continued)

Details of the subsidiaries and other undertaking as at 31 December 2016 are as follows:

Name of subsidiary	Registered office	Class of shares held	Proportion of ownership interest
Vetco International Limited	The Ark , 201 Talgarth Road, London, W6 8BJ, United Kingdom	Ordinary	100%
GE Energy Oilfield Technology, Inc	208 Ida Road, Broussard, LA, United States	Ordinary	100%
PII Group Limited	Atley Way, North Nelson Industrial Estate, Cramlington, NE23 1WW, United Kingdom	Ordinary	8.78%

11 Debtors

	2016 £ 000	2015 £ 000
Amounts owed by group undertakings	-	3,814

12 Creditors: Amounts falling due within one year

	2016 £ 000	2015 £ 000
Amounts owed to group undertakings	57,325	60,290
Accruals and deferred income	12	12
	<u>57,337</u>	<u>60,302</u>

IGE USA Group

Notes to the Financial Statements

13 Share capital

Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary shares of £1 each	123	123	123	123
Preferred A share of £1 each	1	1	1	1
Redeemable shares of £1 each	76	76	76	76
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

14 Dividends

	2016 £ 000	2015 £ 000
Dividend paid of £nil (2015 - £1.00) per ordinary share	-	651,944

15 Ultimate parent undertaking and controlling party

The company's immediate parent is IGE USA Holdings, a company incorporated in England and Wales.

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 registered at 41 Farnsworth Street, Boston, Massachusetts, 02210, USA. The consolidated financial statements of this company are available to the public and may be obtained from the registered address or at www.ge.com.

IGE USA Group

Notes to the Financial Statements

16 Post balance sheet event

On 12 May 2017, the company issued 58,000,000 ordinary shares of £1 each at par.

On 17 May 2017, the company cancelled and extinguished 58,000,000 ordinary shares of £1 each after which the issued share capital was £200 comprising 123 ordinary shares of £1 each, 1 A preference shares of £1 each and 76 redeemable shares of £1 each.

On the same day, the company transferred 309,665,280 ordinary shares of US\$ 0.01 each in the capital of Vetco International Limited and 300 common shares in the capital of GE Energy Oilfield Technology Inc to IGE USA Holdings as a dividend in specie.

On 18 June 2017, the company transferred 9,876,372 A ordinary shares of £0.10 each in PII Group Limited to a fellow GE subsidiary for cash.