

Registration number: 03053570

IGE USA Group
Annual Report and Financial Statements
for the Year Ended 31 December 2017

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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 2017.

Principal activity

The company sold its subsidiary investment during the year and no longer trades. The directors intend to liquidate the company so the financial statements have not been prepared on a going concern basis.

Results and dividends

The profit for the year, after taxation, amounted to £11,881,000 (2016: loss £849,000).

On 15 May 2017, the company paid an interim dividend in specie of £267,040,000 to IGE USA Holdings, its immediate parent undertaking (2016: £nil).

On 24 November 2017, the company paid a further interim dividend of £12,543,000 to IGE USA Holdings, its immediate parent undertaking (2016: £nil).

The directors do not recommend payment of a final dividend (2016: £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 (resigned 27 June 2017)

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

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.

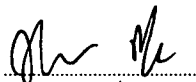
IGE USA Group

Directors' Report

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 28 September 2018 and signed on its behalf by:



A T P Budge
Director

IGE USA Group

Strategic Report

The directors present their strategic report for the year ended 31 December 2017.

Business review

The profit for the year, after taxation, amounted to £11,881,000 (2016: loss £849,000).

The company has net assets of £1 (2016: £209,703,000), including £nil (2016: 57,325,000) due to fellow GE group companies.

On 12 May 2017, the company issued 58,000,000 ordinary shares of £1 each to its immediate parent undertaking, IGE USA Holdings, at par.

On the same day, the company reduced its fully paid up share capital from £58,000,200 (comprising 58,000,123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) to £200 (comprising 123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) by cancelling and extinguishing 58,000,000 issued ordinary shares of £1 each, giving rise to distributable reserves of £58,000,000.

On 15 May 2017, the company transferred 309,665,280 ordinary shares of \$0.01 each in the capital of its subsidiary undertaking Vetco International Limited and 300 common shares in the capital of its subsidiary undertaking GE Energy Oilfield Technology Inc to IGE USA Holdings, as a dividend in specie.

On 18 June 2017, the company transferred its entire shareholding in its subsidiary undertaking, PII Group Limited (comprising 9,876,372 A ordinary shares of £0.10 each) to Panametrics Limited, for a total cash consideration of £11,981,000.

On 8 November 2017, the company further reduced its fully paid up share capital from £200 (comprising 123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) to £1 (comprising 1 ordinary share of £1) by cancelling and extinguishing 122 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each, giving rise to distributable reserves of £199.

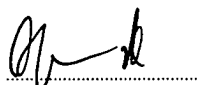
Principal risks and uncertainties

The company no longer trades so does not face any principal risks and uncertainties.

Other key performance indicators

The company no longer trades so no key performance indicators are being utilised.

Approved by the Board on 28 September 2018 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 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
- As explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 IGE USA Group

Opinion

We have audited the financial statements of IGE USA Group (the 'company') for the year ended 31 December 2017, 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 2017 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.

Emphasis of matter- non going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements which explains that the financial statements have not been prepared on going concern basis for the reason set out in that note.

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.

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

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.

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 for the audit of the financial statements

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.

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

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.



Nigel Harker (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
Canary Wharf
London
E14 5GL

Date: **09 OCTOBER 2018**

IGE USA Group

Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2017

	Note	2017 £ 000	2016 £ 000
Profit on sale of fixed asset investments		11,981	-
Administrative expenses		<u>(31)</u>	<u>(85)</u>
Operating profit/(loss)		11,950	(85)
Interest receivable and similar income	7	7	4
Interest payable and similar expenses	8	<u>(76)</u>	<u>(768)</u>
Profit/(loss) before tax		11,881	(849)
Tax on profit/(loss)	9	<u>-</u>	<u>-</u>
Profit/(loss) for the year		11,881	(849)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>11,881</u></u>	<u><u>(849)</u></u>

The above results were derived from discontinued operations.

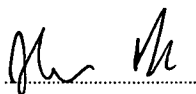
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Registration number: 03053570

Balance Sheet as at 31 December 2017

	Note	2017 £ 000	2016 £ 000
Fixed asset			
Investments	10	-	267,040
Creditors: Amounts falling due within one year	11	-	(57,337)
Net assets		-	209,703
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		-	209,703
Shareholders' funds		-	209,703

Approved by the Board on 28 September 2018 and signed on its behalf by:



A T P Budge
Director

IGE USA Group

Statement of Changes in Equity for the Year Ended 31 December 2017

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2017	-	209,703	209,703
Comprehensive income for the year			
Profit for the year	-	11,881	11,881
Other comprehensive income	-	-	-
Total comprehensive income	-	11,881	11,881
Shares issued during the year	58,000	-	58,000
Shares cancelled during the year/distributable reserves created on cancellation of shares	(58,000)	58,000	-
Dividends paid	-	(279,584)	(279,584)
At 31 December 2017	-	-	-

	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 loss	-	(849)	(849)
At 31 December 2016	-	209,703	209,703

IGE USA Group

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
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' ('FRS 101') and the Companies Act 2006. The amendments to FRS 101 (2016/17 Cycle) issued in July 2017 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).

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 requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations;
- 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 directors have taken the decision to cease trading in previous years. As the directors do not intend to acquire replacement trade and are considering liquidating the company following the settlement of the remaining net assets, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

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 estimated based on its fair value less costs of disposal (for which its net asset value may be used as a reasonable proxy) 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.

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 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.

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.

3 Critical accounting judgments and key sources of estimation uncertainty

The directors consider there are no critical accounting estimates or judgments identified in preparation of the financial statements in compliance with FRS 101.

4 Auditor's remuneration

	2017 £ 000	2016 £ 000
Audit of the financial statements	-	12

Remuneration of £12,000 (2016: £nil) paid to the auditor for their services to the company was borne by a fellow group undertaking.

IGE USA Group

Notes to the Financial Statements

5 Staff costs

The company had no employees during the year (2016: 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.

7 Interest receivable and similar income

	2017 £ 000	2016 £ 000
Interest receivable from group companies	<u>7</u>	<u>4</u>

8 Interest payable and similar expenses

	2017 £ 000	2016 £ 000
On loans from group undertakings	<u>76</u>	<u>768</u>

9 Taxation

Tax charged to the profit and loss account

	2017 £ 000	2016 £ 000
Current taxation		
UK corporation tax	<u>-</u>	<u>-</u>
Tax expense in the profit and loss account	<u>-</u>	<u>-</u>

IGE USA Group

Notes to the Financial Statements

9 Taxation (continued)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.25% (2016 - 20%).

The differences are reconciled below:

	2017 £ 000	2016 £ 000
Profit/(loss) before tax	11,881	(849)
Corporation tax at standard rate	2,287	(170)
Non-taxable income	(2,306)	-
Group relief for £nil consideration	19	170
Total tax charge/(credit)	-	-

Factors that may affect future tax charges

The UK corporation tax rate was reduced from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted at the balance sheet date. This will reduce any current tax charges 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 2017 or 31 December 2016.

IGE USA Group

Notes to the Financial Statements

10 Fixed asset Investments

	Shares in group undertakings £ 000
Cost	
At 1 January 2017	315,485
Disposals	<u>(315,485)</u>
At 31 December 2017	<u>-</u>
Impairment	
At 1 January 2017	48,445
On disposals	<u>(48,445)</u>
At 31 December 2017	<u>-</u>
Net book value	
At 31 December 2017	<u>-</u>
At 31 December 2016	<u>267,040</u>

On 15 May 2017, the company transferred 309,665,280 ordinary shares of \$0.01 each in the capital of its subsidiary undertaking Vetco International Limited and 300 common shares in the capital of its subsidiary undertaking GE Energy Oilfield Technology Inc to IGE USA Holdings, as a dividend in specie.

On 18 June 2017, the company transferred its entire shareholding in its subsidiary undertaking, PII Group Limited (comprising 9,876,372 A ordinary shares of £0.10 each) to Panametrics Limited, for a total cash consideration of £11,981,000.

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Notes to the Financial Statements

11 Creditors: Amounts falling due within one year

	2017 £ 000	2016 £ 000
Amounts owed to group undertakings	-	57,325
Accruals and deferred income	-	12
	<u>-</u>	<u>57,337</u>

12 Share capital

Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary shares of £1 each	1	1	123	123
Preferred A share of £1 each	-	-	1	1
Redeemable shares of £1 each	-	-	76	76
	<u>1</u>	<u>1</u>	<u>200</u>	<u>200</u>

On 12 May 2017, the company issued 58,000,000 ordinary shares of £1 each to its immediate parent undertaking, IGE USA Holdings, at par.

On the same day, the company reduced its fully paid up share capital from £58,000,200 (comprising 58,000,123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) to £200 (comprising 123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) by cancelling and extinguishing 58,000,000 issued ordinary shares of £1 each, giving rise to distributable reserves of £58,000,000.

On 8 November 2017, the company further reduced its fully paid up share capital from £200 (comprising 123 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each) to £1 (comprising 1 ordinary share of £1) by cancelling and extinguishing 122 ordinary shares of £1 each, 1 A preference share of £1 and 76 redeemable shares of £1 each, giving rise to distributable reserves of £199.

IGE USA Group

Notes to the Financial Statements

13 Dividends

	2017 £ 000	2016 £ 000
Dividend paid of £279,584.00 (2016 : £nil) per ordinary share	<u>279,584</u>	<u>-</u>

On 15 May 2017, the company transferred 309,665,280 ordinary shares of \$0.01 each in the capital of its subsidiary undertaking Vetco International Limited and 300 common shares in the capital of its subsidiary undertaking GE Energy Oilfield Technology Inc to its immediate parent undertaking, IGE USA Holdings, as a dividend in specie.

On 24 November 2017, the company paid a further interim dividend of £12,543,000 to its immediate parent undertaking, IGE USA Holdings (2016: £nil).

14 Ultimate parent undertaking and controlling party

The company's immediate parent is IGE USA Holdings, a company registered at The Ark, 201 Talgarth Road, Hammersmith, London, United Kingdom, W6 8BJ.

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.