

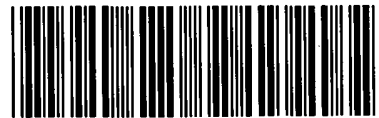
Registration number: 08462333

# Alstom Renewable UK Limited

## Annual Report and Financial Statements

for the Year Ended 31 December 2016

SATURDAY



\*A6G37Q16\*

A08

30/09/2017

#138

COMPANIES HOUSE

# Alstom Renewable UK Limited

## Contents

Strategic Report	1 to 2
Directors' Report	3 to 4
Statement of Directors' Responsibilities	5
Independent Auditor's Report to the members of Alstom Renewable UK Limited	6 to 7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 to 22

# Alstom Renewable UK Limited

## Strategic Report

The directors present their strategic report for the year ended 31 December 2016.

### **Business review**

The results for the company show a pre-tax loss of £2,554,000 (9 month period ended 31 December 2015: £6,303,000 ) and sales of £13,647,000 (9 month period ended 31 December 2015: £1,581,000).

### **Outlook**

The outlook for the business remains positive with future potential for some growth and expectations of a return to profitability.

### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to several risks. The principal risks and uncertainties are:

#### **General economic risk:**

The company is subject to general economic risk including: (i) changes in the economic outlook; (ii) government changes and/or changes in industrial, fiscal, monetary or regulatory policies; and (iii) changes in interest rates, exchange rates or rates of inflation.

#### **Regulatory risk:**

The company is subject to extensive legal and regulatory controls and failure by the company to comply with these could have material adverse effects. The company attempts to mitigate regulatory risk through its contract negotiations with customers.

#### **Political risk:**

The development of renewable energy depends on the political framework in which market participants operate. The withdrawal or reduction of government initiatives may have a material adverse effect on the size of the renewable energy market.

#### **Competition risk:**

With the growth of the renewables sector, competition for the development of new projects or investment in existing projects is likely to increase.

# Alstom Renewable UK Limited


## Strategic Report (continued)

### Key Performance Indicators

The principal Key Performance Indicators used in assessing the company's activities are:

	Sales £000	Operating margin
Year ended 31 December 2016	13,647	(19%)
9 months to 31 December 2015	1,581	(400%)

Approved by the Board on 28 September 2017 and signed on its behalf by:



JP Welch  
Director

# Alstom Renewable UK Limited

## 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 during the year was electrical and mechanical engineering for the renewable power market.

### **Directors of the company**

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

S R Burgin (resigned 23 March 2016)

U S Dudley (resigned 30 September 2016)

I G R MacDonald (resigned 26 May 2016)

S D Maycock (resigned 3 April 2017)

R J Stevenson (resigned 25 April 2016)

M E M Elborne (appointed 11 January 2016 and resigned 25 August 2016)

JP Welch (appointed 15 June 2016)

AJ Woodhouse (appointed 19 October 2016)

FDW Middleton (appointed 31 March 2017)

JA Wright (appointed 19 June 2017)

### **Results and dividends**

The loss for year ended 31 December 2016, after taxation, amounted to £2,554,000 (9 month period ended 31 December 2015: £6,303,000).

The directors do not recommend the payment of dividend (9 month period ended 31 December 2015: £nil).

### **Post balance sheet event**

As part of a General Electric Company restructuring plan, on 1 June 2017 the trade and assets of the wind division were sold to Alstom Renewable UK (Holdings) Limited, for £1.

On 5 June 2017 the ordinary issued share capital of the company was sold by its parent undertaking ALSTOM Renewable UK (Holdings) Limited to another General Electric company group company Vetco Gray Holding.

### **Disclosure of information to the auditors**

Each director has taken the 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.

# Alstom Renewable UK Limited

## Directors' Report (continued)

### 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 2017 and signed on its behalf by:



JP Welch  
Director

# Alstom Renewable UK Limited

## Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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.

# Alstom Renewable UK Limited

## Independent Auditor's Report to the members of Alstom Renewable UK Limited

We have audited the financial statements of Alstom Renewable UK Limited for the year ended 31 December 2016, set out on pages 8 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 5), 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](http://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 United Kingdom 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.



# Alstom Renewable UK Limited

## Independent Auditor's Report to the members of Alstom Renewable UK Limited (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  
Snowhill Queensway  
Birmingham  
B4 6GH

Date: 29 SEPTEMBER 2017

# Alstom Renewable UK Limited

## Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
<b>Turnover</b>	4	13,647	1,581
Cost of sales		<u>(15,671)</u>	<u>(7,618)</u>
<b>Gross loss</b>		(2,024)	(6,037)
Distribution costs		-	(110)
Administrative expenses		<u>(535)</u>	<u>(183)</u>
<b>Operating loss</b>		(2,559)	(6,330)
Interest receivable and similar income	5	<u>5</u>	<u>27</u>
<b>Loss before tax</b>		(2,554)	(6,303)
Tax on loss	9	<u>-</u>	<u>-</u>
<b>Loss for the year/period</b>		(2,554)	(6,303)
Other comprehensive income for the year/period		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year/period</b>		<u>(2,554)</u>	<u>(6,303)</u>

The above results were derived from continuing operations.

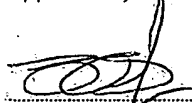
# Alstom Renewable UK Limited

Registration number: 08462333

## Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
<b>Current assets</b>			
Stocks	10	4,036	1,697
Debtors	12	<u>7,243</u>	<u>15,681</u>
		11,279	17,378
Creditors: Amounts falling due within one year	13	<u>(18,213)</u>	<u>(23,183)</u>
<b>Net current liabilities</b>		<u>(6,934)</u>	<u>(5,805)</u>
<b>Total assets less current liabilities</b>		(6,934)	(5,805)
Provisions for liabilities	14	<u>(3,554)</u>	<u>(2,129)</u>
<b>Net liabilities</b>		<u>(10,488)</u>	<u>(7,934)</u>
<b>Capital and reserves</b>			
Called up share capital			
Profit and loss account		<u>(10,488)</u>	<u>(7,934)</u>
<b>Shareholders' deficit</b>		<u>(10,488)</u>	<u>(7,934)</u>

Approved by the Board on 28 September 2017 and signed on its behalf by:



JP Welch  
Director

# Alstom Renewable UK Limited

## 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	-	(7,934)	(7,934)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(2,554)	(2,554)
Other comprehensive income	-	-	-
Total comprehensive income	-	(2,554)	(2,554)
At 31 December 2016	-	(10,488)	(10,488)

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2015	-	(1,631)	(1,631)
<b>Comprehensive income for the period</b>			
Loss for the period	-	(6,303)	(6,303)
Other comprehensive income	-	-	-
Total comprehensive income	-	(6,303)	(6,303)
At 31 December 2015	-	(7,934)	(7,934)

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 1 General information

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

The address of its registered office is:

The Ark  
201, Talgarth Road  
London  
W6 8BJ

### 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 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](http://www.ge.com).

# Alstom Renewable UK Limited

## 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 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; and
  - 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 liabilities of 10,488,000 (2015: £7,934,000).

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. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. 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.

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company activities.

Revenue recognition on long-term product and contract service agreements requires estimates of profits over the multiple-year terms of such agreements, considering factors such as the frequency and extent of future monitoring, maintenance and overhaul events; the amount of personnel, spare parts and other resources required to perform the services; and future billing rate, cost changes and customers' utilization of assets. We routinely review estimates under product services agreements and regularly revise them to adjust for changes in outlook.

#### Foreign currency transactions and balances

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

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

#### Tax

Tax is recognised in the statement of comprehensive income, 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 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 as probable 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.

#### Inventories

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

#### Leases

Rentals paid under operating leases are charged to the statement of comprehensive income (net of any incentives received from the lessor) on a straight-line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate. Finance leases are those where substantially all the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### Employee Benefits - pensions and other post-retirement benefits

The company is a member of a larger group pension scheme providing benefits based on final pensionable pay. The group pension scheme, Alstom Pension Plan, covers a number of United Kingdom subsidiary companies of General Electric Company. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 Employee Benefits, the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme.

#### Derivative financial instruments and hedging activities

The company has not applied hedge accounting and any derivatives are measured at fair value through profit and loss.



# Alstom Renewable UK Limited

## Notes to the Financial Statements

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

The preparation of the financial statements requires the directors to make judgments, 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 judgment and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

#### **Revenue recognition on long-term contracts**

Revenue recognition on construction projects and long-term product services agreements requires estimates of profits over the multiple-year terms of such agreements, considering factors such as the frequency and extent of future monitoring, maintenance and overhaul events; the amount of personnel, spare parts and other resources required to perform the services; and future billing rate, cost changes and customers' utilization of assets. We routinely review estimates under product services agreements and regularly revise them to adjust for changes in outlook.

Total expected revenue and costs on a contract reflect management's current best estimate of the probable future benefits and obligations associated with the contract.

We also regularly assess customer credit risk inherent in the carrying amounts of receivables and contract costs and estimated earnings, including the risk that contractual penalties may not be sufficient to offset our accumulated investment in the event of customer termination. We gain insight into future utilization and cost trends, as well as credit risk, through our knowledge of the installed base of equipment and the close interaction with our customers that comes with supplying critical services and parts over extended periods. Revisions may affect a product services agreement's total estimated profitability resulting in an adjustment of earnings.

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 4 Turnover

A geographical analysis of turnover is as follows:

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
United Kingdom	12,097	(247)
Rest of Europe	1,497	1,743
USA	12	61
Other	41	24
	<u>13,647</u>	<u>1,581</u>

### 5 Interest receivable and similar income

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
Interest Income on deposits	-	22
Interest receivable from group companies	5	5
	<u>5</u>	<u>27</u>

### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
Wages and salaries	3,475	2,517
Social security costs	365	255
Other pension costs	262	190
	<u>4,102</u>	<u>2,962</u>

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 6 Staff costs (continued)

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	Year ended 31 December 2016 No.	1 April 2015 to 31 December 2015 No.
Manufacturing and engineering	72	76
Management and administration	2	2
Sales & marketing	1	1
	<u>75</u>	<u>79</u>

### 7 Directors' remuneration

The directors' remuneration for the year was as follows:

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
Remuneration	121	96
Defined benefit pension costs	18	13
	<u>139</u>	<u>109</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	Year ended 31 December 2016 No.	1 April 2015 to 31 December 2015 No.
Accruing benefits under defined benefit pension scheme	<u>1</u>	<u>1</u>

In respect of the highest paid director:

	2016 £ 000	2015 £ 000
Remuneration	121	96
Defined benefit pension costs	18	13
	<u>139</u>	<u>109</u>

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 7 Directors' remuneration (continued)

Not all of the directors are remunerated through the company, these directors did not provide material qualifying services to the company. The remuneration for these directors is borne by other group entities.

### 8 Auditor's remuneration

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
Audit of the financial statements	22	21

### 9 Taxation

Tax charged/(credited) in the statement of comprehensive income

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
<b>Deferred taxation</b>		
Origination and reversal of temporary differences	(511)	(1,260)
Effect of changes to tax rates	163	173
Movement on deferred tax not provided	348	1,087
Total deferred taxation	-	-

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:

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 9 Taxation (continued)

	Year ended 31 December 2016 £ 000	1 April 2015 to 31 December 2015 £ 000
Loss before tax	(2,554)	(6,303)
Corporation tax at standard rate	(511)	(1,261)
Expenses not deductible for tax purposes	-	1
Movement on deferred tax not provided	348	1,260
Effect of changes to tax rates	163	-
Total tax charge/(credit)	-	-

#### 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.

Deferred tax assets and liabilities on all timing differences have been calculated at 17%, including those expected to reverse in the years ending 31 December 2017 to 31 December 2020 (the overall average rate ranging from 19.25% to 17.5%).

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

#### Deferred tax

There are £4,905 of deductible temporary differences (2015- £6,184) and £1,909,513 of unused tax losses (2015 - £1,563,156) for which no deferred tax asset is recognised in the balance sheet.

### 10 Stock

	31 December 2016 £ 000	31 December 2015 £ 000
Work in progress	1,885	871
Finished goods and goods for resale	2,151	826
	4,036	1,697

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 11 Construction contracts in progress

	Year ended 31 December 2016	1 April 2015 to 31 December 2015
	£000	£000
Construction contracts in progress - assets	-	283
Construction contracts in progress - Liabilities	(6,930)	(7,530)
Construction contracts in progress	(6,930)	(7,247)

	Year ended 31 December 2016	1 April 2015 to 31 December 2015
	£000	£000
Contract costs incurred & recognised profits less recognised losses to date	18,385	26,251
Less: Progress billing	(25,315)	(32,150)
Construction contracts in progress excluding down payments received from customers	(6,930)	(5,899)
Down payments received from customers	-	(1,348)
Construction contracts in progress	(6,930)	(7,247)

### 12 Debtors

	2016 £ 000	2015 £ 000
Trade debtors	3,656	1,265
Amounts owed by group undertakings	2,700	12,755
Derivative financial instruments - assets	16	5
Prepayments	357	-
Other debtors	514	1,656
	<u>7,243</u>	<u>15,681</u>

Amounts owed by group undertakings are unsecured and repayable on demand. Interest is earned on non-trading balances at a variable rate based on the 3 months LIBOR rate.

# Alstom Renewable UK Limited

## Notes to the Financial Statements

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

	31 December 2016 £ 000	31 December 2015 £ 000
Trade creditors	3,868	4,125
Accruals and deferred income	2,066	6,194
Amounts owed to group undertakings	4,727	6,947
Social security and other taxes	615	1,045
Construction contracts in progress - liabilities	6,930	4,858
Derivative financial instruments - liabilities	7	14
	<u>18,213</u>	<u>23,183</u>

Amounts owed to group undertakings are repayable on demand and are unsecured. Interest accrues on non-trading balances at a variable rate based on the 3 months LIBOR rate.

### 14 Provision for liabilities

	Warranties £ 000	Contract Risks (incl. Penalties & Claims) £ 000	Total £ 000
At 1 January 2016	298	1,831	2,129
Additions during the year	1,216	1,970	3,186
Utilised during the year	(44)	(1,717)	(1,761)
At 31 December 2016	<u>1,470</u>	<u>2,084</u>	<u>3,554</u>

a) Warranty - The provision is established to recognise known and expected claims against delivered products or services within the contractual guarantee periods for such sales. The expenditure is expected to be mainly incurred over the next 12 to 30 months, in line with the contractual warranty periods.

b) Contract Risks (incl. Penalties & Claims) - These provisions relate to risks on contracts including anticipated risks related to non-performance in respect of contractual terms for delivery and performance. The utilisation of these provisions is anticipated to be within 2 years.

# Alstom Renewable UK Limited

## Notes to the Financial Statements

### 15 Share capital

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

	31 December 2016		31 December 2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 16 Pension

The company is a member of a larger group pension scheme providing benefits based on final pensionable pay. The group pension scheme, Alstom Pension Scheme, covers a number of United Kingdom subsidiary companies of General Electric Company. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 'Employee Benefits', the scheme had been accounted for in the financial statements as if the scheme was a defined contribution scheme. The funding surplus/deficit in respect of this scheme is disclosed in the financial statements of General Electric Energy UK Limited, a company registered in England and Wales.

The pension charge for year was £262,000 (9 month period ended 31 December 2015: £190,000), including £51,000 (9 month period ended 31 December 2015: £42,000) in respect of the defined benefit scheme. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

### 17 Ultimate parent undertaking and controlling party

At the 31 December 2016 company's immediate parent was Alstom Renewable UK (Holdings) Limited, a company registered at The Ark 201 Talgarth Road, London, W6 8BJ, United Kingdom. From 5 June 2017 the immediate parent changed to Vetco Gray Holding.

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 incorporated in the United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 41 Farnsworth Street, Boston, MA 02210, USA or at [www.ge.com](http://www.ge.com).

### 18 Post balance sheet event

As part of a General Electric Company restructuring plan, on 1 June 2017 the trade and assets of the wind division were sold to Alstom Renewable UK (Holdings) Limited, for £1.

On 5 June 2017 the ordinary issued share capital of the company was sold by its parent undertaking ALSTOM Renewable UK (Holdings) Limited to another General Electric company group company Vetco Gray Holding.