

Registration number: 09836119

GE Industrial Sterling Treasury Services

Annual Report and Financial Statements

for the Year Ended 31 December 2021



GE Industrial Sterling Treasury Services

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GE Industrial Sterling Treasury Services

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the company is the operation of the Sterling denominated cash pool header for certain GE UK legal entities.

Results and dividends

The profit for the year, after taxation, amounted to £12,222,000 (2020: £19,534,000).

The directors do not recommend the payment of a dividend (2020: £nil).

Directors of the company

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

A T P Budge

A P Mathur

Financial risk management objectives and policies

Details of the company's financial risk management, objectives and policies have been included in Note 12.

Future developments

The directors are not expecting a change in the principal activity of the Company in the foreseeable future.

On 9 November 2021, General Electric Company (GE) announced that it would form three global listed companies that are intended to be run independently and focus on the aerospace, healthcare, and energy segments. In this context, GE plans to spin off 80.1% of its Healthcare business in early 2023 and retain a 19.9% interest in GE Healthcare after the spin-off. In addition, GE Digital, Renewables and Power businesses are planned to be combined into one business and spun off from GE in early 2024. Following these transactions, GE is expected to be an aviation-focused company shaping the future of flight while retaining certain other assets and liabilities including its runoff insurance operations. At the date of approving the financial statements the potential impact from these transactions, if any, on this entity has not yet been determined.

GE Industrial Sterling Treasury Services

Directors' Report

Going concern

The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements, also considering events reasonably foreseeable beyond this horizon, which indicates that, taking account of the ongoing negative socio-economic impact of the COVID-19 pandemic, in light of the company's ability to access the group's cash pool facility if required, the company will have sufficient funds to meet its liabilities as they fall due for that period.

The directors are confident that the company will have sufficient funds to continue in operational existence for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis.

Directors' liabilities

One or more of the directors have benefited from qualifying third party indemnity provisions in place during the financial period 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Strategic report

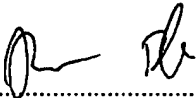
The Directors' report has been prepared in accordance with the exemptions relating to companies as set out in the Companies Act 2006. The directors have not prepared a Strategic Report as the company meets the exemptions applicable to companies subject to small companies regime within Part 15 Companies Act 2006 (Section 41B - Strategic report: Small companies exemption).

Auditor

In the year the Board determined to appoint Deloitte LLP as external auditor, commencing for the year ended 31 December 2021.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and will therefore continue in office.

Approved by the Board on 19 May 2022 and signed on its behalf by:



A T P Budge
Director

GE Industrial Sterling Treasury Services

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 Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of GE Industrial Sterling Treasury Services

Opinion

In our opinion the financial statements of GE Industrial Sterling Treasury Services (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Profit and Loss Account and Other Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the statement of accounting policies in note 2; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of GE Industrial Sterling Treasury Services

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of GE Industrial Sterling Treasury Services

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent Auditor's Report to the Members of GE Industrial Sterling Treasury Services

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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.
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

We have nothing to report in these respects.

Use of our report

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.



James Boyle CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Statutory Auditor
Edinburgh,
United Kingdom

Date: 19 May 2022

GE Industrial Sterling Treasury Services

Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Administrative expenses		<u>(2)</u>	<u>(1)</u>
Operating loss		(2)	(1)
Interest receivable and similar income	4	26,231	36,032
Interest payable and similar expenses	5	<u>(14,007)</u>	<u>(16,497)</u>
Profit before tax		12,222	19,534
Tax on profit	9	<u>-</u>	<u>-</u>
Profit for the year		12,222	19,534
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>12,222</u></u>	<u><u>19,534</u></u>

The above results were derived from continuing operations.

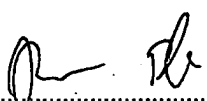
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Balance Sheet as at 31 December 2021

	Note	2021 £ 000	2020 £ 000
Current assets			
Debtors: Amounts falling due within one year	10	2,612,793	4,428,152
Creditors: Amounts falling due within one year	11	<u>(2,455,744)</u>	<u>(4,283,325)</u>
Net current assets		<u>157,049</u>	<u>144,827</u>
Total assets less current liabilities		<u>157,049</u>	<u>144,827</u>
Net assets		<u>157,049</u>	<u>144,827</u>
Capital and reserves			
Called up share capital	13	38,000	38,000
Profit and loss account		<u>119,049</u>	<u>106,827</u>
Shareholders' funds		<u>157,049</u>	<u>144,827</u>

Approved by the Board on 19 May 2022 and signed on its behalf by:


.....
A T P Budge
Director

GE Industrial Sterling Treasury Services

Statement of Changes in Equity for the Year Ended 31 December 2021

	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2021	38,000	106,827	144,827
Comprehensive income for the year			
Profit for the year	-	12,222	12,222
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	12,222	12,222
At 31 December 2021	38,000	119,049	157,049

	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2020	38,000	87,293	125,293
Comprehensive income for the year			
Profit for the year	-	19,534	19,534
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	19,534	19,534
At 31 December 2020	38,000	106,827	144,827

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

1 General information

The company is a private unlimited company, incorporated in the United Kingdom registered in England and Wales.

The address of its registered office is:
3rd Floor 1 Ashley Road
Altrincham
Cheshire
WA14 2DT

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 5 Necco Street, Boston, Massachusetts, 02210, USA or at www.ge.com.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

2 Accounting policies (continued)

Going concern

The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements, also considering events reasonably foreseeable beyond this horizon, which indicates that, taking account of the ongoing negative socio-economic impact of the COVID-19 pandemic, in light of the company's ability to access the group's cash pool facility if required, the company will have sufficient funds to meet its liabilities as they fall due for that period.

The directors are confident that the company will have sufficient funds to continue in operational existence for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of measurement

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

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Functional currency

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

Foreign currency transactions and balances

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 profit and loss account.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

2 Accounting policies (continued)

Financial instruments

Initial recognition

The company recognises financial assets and financial liabilities in the balance sheet when, and only when, the company becomes party to the contractual provisions of the financial instrument.

A financial asset (unless it is a trade debtor without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade debtor without a significant financing component is initially measured at the transaction price.

Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

Classification and subsequent measurement

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:

Financial assets are classified into one of the following three categories:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the company's business model for managing financial assets and liabilities and the contractual cash flow characteristics of the financial assets. Accordingly, all financial assets and liabilities are subsequently measured at amortised cost.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

2 Accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVTOCI and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income, and any adjustments to tax payable in respect of previous years. Full provision is made for deferred tax liabilities arising from all temporary differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

2 Accounting policies (continued)

A net deferred tax asset is recognised only if it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the temporary differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Interest receivable and payable

Interest income and expense are recognised in profit or loss using the effective interest rate ("EIR") method. The EIR is the rate that discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument but not, in the case of financial assets, future credit losses.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

Interest income and expense presented in the Statement of Profit or Loss include interest on financial assets and financial liabilities at amortised cost on an effective interest rate basis.

3 Critical accounting judgements and key sources of estimation uncertainty

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

4 Interest receivable and similar income

	2021	2020
	£ 000	£ 000
Interest receivable from group undertakings	<u>26,231</u>	<u>36,032</u>

5 Interest payable and similar expenses

	2021	2020
	£ 000	£ 000
Interest payable to group undertakings	<u>14,007</u>	<u>16,497</u>

6 Staff costs

The company had no employees during the year (2020: nil).

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

7 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 also directors of fellow group undertakings and do not specifically receive any remuneration in respect of these companies. The appropriate proportion of their services on behalf of the company is considered to be not significant.

8 Auditor's remuneration

Remuneration of £7,000 paid to Deloitte LLP as auditor (2020: £10,000 paid to KPMG LLP) for their audit services to the company was borne by a fellow group undertaking.

9 Taxation

Tax charged in the Profit and Loss Account

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax	-	-

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (2020: lower than the standard rate of corporation tax in the UK) of 19% (2020: 19%).

The differences are reconciled below:

	2021 £ 000	2020 £ 000
Profit before tax	12,222	19,534
Corporation tax at standard rate	2,322	3,712
Group relief for £nil consideration	(2,322)	(3,712)
Total tax charge/(credit)	-	-

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

9 Taxation (continued)

Factors that may affect future tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. The impact of the announced future rate change on the financial statements is not considered material.

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 2021 or 31 December 2020.

10 Debtors

	2021 £ 000	2020 £ 000
Due within one year		
Amounts owed by group undertakings	<u>2,612,793</u>	<u>4,428,152</u>

These deposits are receivable on demand and the interest receivable on them is 1M LIBOR (benchmark rate) plus spread. In 2022, GBP LIBOR index rate has ceased and we have transitioned to SOFIA index rates.

11 Creditors: Amounts falling due within one year

	2021 £ 000	2020 £ 000
Amounts owed to group undertakings	<u>2,455,744</u>	<u>4,283,325</u>

These intercompany borrowings are payable on demand and the interest payable on them is 1M LIBOR (benchmark rate) plus spread. In 2022, GBP LIBOR index rate has ceased and we have transitioned to SOFIA index rates.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

12 Financial risk management

The company operates as a cash sub pool header for Sterling denominated funding for fellow General Electric legal entities which manages risk at several different levels through an established governance structure designed to ensure effective and appropriate arrangements for risk management and risk assessment. This structure allows the company to set appropriate risk levels, review and manage existing risk and identify and manage any new material risks.

The company has identified the following areas as its key areas of risk:

1) Credit risk: represents the risk of loss if a cash pool participant fails to meet its contractual obligations although this is considered to be low given that all the assets and liabilities are due from and due to fellow GE subsidiaries. It is also implied that the credit quality of financial assets that are neither past due nor impaired is considered to be high.

2) Liquidity risk: represents the risk that the company is adversely affected by an inability to meet its contractual obligations. The company's solvency is monitored on a regular basis and has the ability to call on funds from the cash pool header. Based upon these insights, it is most likely that the company has, and will have in the near future, access to funding resources when required.

3) Interest rate risk: represents the exposure to interest rate fluctuations. The company's borrowings are all based on floating interest rate plus a spread. Interest income and interest expense have a natural offset and any remaining interest risk exposure is monitored. No derivative instruments, such as interest rate swaps or forward rate agreements, are currently used.

4) Foreign exchange risk: represents the potential for loss from foreign exchange. No specific instrument is entered into to manage the foreign exchange risk for the company. There is no high risk of foreign exchange specifically at the company level and hence there are no sensitivities.

GE Industrial Sterling Treasury Services

Notes to the Financial Statements

13 Share capital

Allotted, called up and fully paid shares

	No. 000	2021 £ 000	No. 000	2020 £ 000
Ordinary shares of £1 each	<u>38,000</u>	<u>38,000</u>	<u>38,000</u>	<u>38,000</u>

14 Ultimate parent undertaking and controlling party

The company's immediate parent is GE Industrial Treasury Holdings, a company registered at 3rd Floor, 1 Ashley Road, Altrincham, United Kingdom, WA14 2DT.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking and controlling party, General Electric Company, a company registered at 1 River Road, Schenectady, New York, 12345, USA, with principal executive offices at 5 Necco Street, Boston, Massachusetts, 02210, USA. The consolidated financial statements of this company are available to the public and may be obtained from the address of the principal executive offices or at www.ge.com.

SH01

Return of allotment of shares

4

Statement of capital

Complete the table(s) below to show the issued share capital at the date to which this return is made up.

Complete a separate table for each currency (if appropriate). For example, add pound sterling in 'Currency table A' and Euros in 'Currency table B'.

Please use a Statement of Capital continuation page if necessary.

Currency Complete a separate table for each currency	Class of shares E.g. Ordinary/Preference etc.	Number of shares	Aggregate nominal value (£, €, \$, etc) Number of shares issued multiplied by nominal value	Total aggregate amount unpaid, if any (£, €, \$, etc) Including both the nominal value and any share premium
Currency table A				
GBP	Ordinary	1,482,604	£14.82604	NIL
GBP	Series Seed	464,969	£4.77047	NIL
Totals		1,947,573	£19.59651	NIL

Currency table B				
Totals				

Currency table C				
Totals				

Totals (including continuation pages)		Total number of shares	Total aggregate nominal value ❶	Total aggregate amount unpaid ❶
		1,947,573	£19.59651	NIL

❶ Please list total aggregate values in different currencies separately.
For example: £100 + €100 + \$10 etc.