

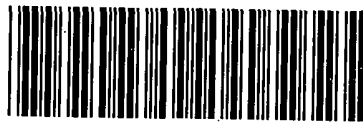
Registration number: 00156810

# IGE Dollar Treasury Services

## Annual Report and Financial Statements

for the Year Ended 31 December 2015

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# IGE Dollar Treasury Services

## Contents

Directors' Report	1
Statement of Directors' Responsibilities	2
Independent Auditor's Report to the members of IGE Dollar Treasury Services	3 to 4
Statement of Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 to 17

# IGE Dollar Treasury Services

## Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2015.

### **Principal activity**

The company operates as cash sub-pool header for US dollar denominated funding for certain UK legal entities.

### **Results and dividends**

The profit for the year, after taxation, amounted to \$5,048,000 (2014: \$2,177,000).

The directors do not recommend the payment of a dividend (2014: \$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:

Z J Citron

G M Wheeler

M Risinger

S J Dwyer

A E Brennan

A T P Budge

A S Bowman (resigned 23 June 2015)

A P Mathur (appointed 23 June 2015)

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

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### **Reappointment of auditors**

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 21 July 2016 and signed on its behalf by:



A T P Budge  
Director

# IGE Dollar 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 Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

# IGE Dollar Treasury Services

## Independent Auditor's Report to the members of IGE Dollar Treasury Services

We have audited the financial statements of IGE Dollar Treasury Services for the year ended 31 December 2015, set out on pages 5 to 17. 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 2), 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/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 2015 and of its profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# IGE Dollar Treasury Services

## Independent Auditor's Report to the members of IGE Dollar Treasury Services (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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



.....  
Anna Barrell (Senior Statutory Auditor)  
For and on behalf of KPMG LLP

Statutory Auditor  
Chartered Accountants

One Snowhill  
Birmingham  
London  
United Kingdom  
B4 6GH

27<sup>th</sup> July 2016  
~~21 July 2016~~

## IGE Dollar Treasury Services

### Statement of Comprehensive Income for the Year Ended 31 December 2015

	Note	2015 \$ 000	2014 \$ 000
Administrative expenses		<u>(65)</u>	<u>(41)</u>
<b>Operating loss</b>		(65)	(41)
Interest receivable and similar income	8	5,197	3,048
Interest payable and similar charges	9	<u>(680)</u>	<u>(234)</u>
<b>Profit on ordinary activities before tax</b>		4,452	2,773
Tax on profit on ordinary activities	10	<u>596</u>	<u>(596)</u>
<b>Profit for the year</b>		<u>5,048</u>	<u>2,177</u>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>5,048</b></u>	<u><b>2,177</b></u>

The above results were derived from continuing operations.

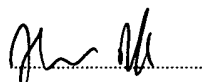
# IGE Dollar Treasury Services

Registration number: 00156810

## Balance Sheet as at 31 December 2015

	Note	2015 \$ 000	2014 \$ 000
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	1,412,831	1,923,099
<b>Creditors: Amounts falling due within one year</b>	12	<u>(1,261,229)</u>	<u>(1,776,545)</u>
<b>Net current assets</b>		<u>151,602</u>	<u>146,554</u>
<b>Net assets</b>		<u>151,602</u>	<u>146,554</u>
<b>Capital and reserves</b>			
Called up share capital	17	143,000	143,000
Profit and loss account		<u>8,602</u>	<u>3,554</u>
<b>Shareholders' funds</b>		<u>151,602</u>	<u>146,554</u>

Approved by the Board on 21 July 2016 and signed on its behalf by:



A T P Budge

Director



## IGE Dollar Treasury Services

### Statement of Changes in Equity for the Year Ended 31 December 2015

	Called up share capital \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2015	143,000	3,554	146,554
<b>Comprehensive income for the year</b>			
Profit for the year	-	5,048	5,048
Other comprehensive income	-	-	-
Total comprehensive income	-	5,048	5,048
At 31 December 2015	143,000	8,602	151,602
	<b>Called up share capital \$ 000</b>	<b>Profit and loss account \$ 000</b>	<b>Total \$ 000</b>
At 1 January 2014	143,000	1,377	144,377
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,177	2,177
Other comprehensive income	-	-	-
Total comprehensive income	-	2,177	2,177
At 31 December 2014	143,000	3,554	146,554

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 1 General information

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

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 years presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance of the company is provided in note 18.

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at [www.ge.com](http://www.ge.com).

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).

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Changes in accounting policy

##### **New standards, interpretations and amendments effective**

The following have been applied for the first time from 1 January 2015 and have had an effect on the financial statements:

##### **FRS 100 and FRS 101**

In the current year the company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the company to take advantage of some of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below.

None of the other standards, interpretations and amendments effective for the first time from 1 January 2015 have had a material effect on the financial statements.

##### **Summary of disclosure exemptions**

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

- 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 and 111 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**

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### **Tax**

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

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Deferred tax assets and liabilities are not discounted.

#### **Functional currency**

The functional currency of the company is the United States dollar. The company is expected to have a significant level of dollar assets and transactions. The financial statements are therefore presented in US dollars.

#### **Foreign currency transactions and balances**

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of comprehensive income.

#### **Non derivative financial instruments**

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Identification and measurement of impairment

At each reporting date the company assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restricting of a loan or advance by the company on terms that the company would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the company.

The company considers evidence of impairment for loans and advances at both a specific asset and collective level. All individually significant loans and advances are assessed for specific impairment. All individually significant loans and advances found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances that are not individually significant are collectively assessed for impairment by grouping together loans and advances with similar risk characteristics. Collective allowances are established using statistical methods based on historic loss rate experience. The estimate of loss arrived at on the basis of historical information is then reviewed to ensure that it appropriately reflects the economic conditions and actual loss experience at the reporting date.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. In estimating these cash flows, the company makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Losses are recognised in the profit and loss account and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through the profit and loss account.

The company writes off loans and advances when they are determined to be uncollectable.

### 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 Operating loss

The operating loss is stated after charging/(crediting):

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 4 Operating loss (continued)

	2015 \$ 000	2014 \$ 000
Difference on foreign exchange	<u>2</u>	<u>(9)</u>

### 5 Auditors' remuneration

	2015 \$ 000	2014 \$ 000
Audit of the financial statements	<u>11</u>	<u>11</u>

Remuneration paid to the auditor for their services to the company was borne by a fellow group undertaking in 2014.

### 6 Staff costs

The company had no employees during the year (2014: nil).

### 7 Directors' remuneration

No directors received any remuneration in respect of services to the company during the current or preceding financial year.

### 8 Interest receivable and similar income

	2015 \$ 000	2014 \$ 000
Interest receivable from group companies	<u>5,197</u>	<u>3,048</u>

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 9 Interest payable and similar charges

	2015 \$ 000	2014 \$ 000
On loans from group undertakings	<u>680</u>	<u>234</u>

### 10 Taxation

Tax charged/(credited) in the profit and loss account

	2015 \$ 000	2014 \$ 000
<b>Current taxation</b>		
UK corporation tax	-	596
UK corporation tax adjustment to prior periods	<u>(596)</u>	<u>-</u>
	<u>(596)</u>	<u>596</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2014 - the same as the standard rate of corporation tax in the UK) of 20.2% (2014 - 21.5%).

The differences are reconciled below:

	2015 \$ 000	2014 \$ 000
Profit before tax	<u>4,452</u>	<u>2,773</u>
Corporation tax at standard rate	901	596
Increase/(decrease) in current tax from adjustment for prior periods	(596)	-
Increase/(decrease) arising from group relief tax reconciliation	<u>(901)</u>	<u>-</u>
Total tax (credit)/charge	<u>(596)</u>	<u>596</u>

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 10 Taxation (continued)

#### Factors that may affect future tax charges

The UK corporation tax rate was reduced from 21% to 20% on 1 April 2015. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted at the balance sheet date. This will reduce any current tax charges accordingly. Subsequently, the UK government announced that the UK corporation tax rate will reduce further to 17% from 1 April 2020. 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 2015 or 31 December 2014.

### 11 Debtors

	2015 \$ 000	2014 \$ 000
Amounts owed by group undertakings	1,411,884	1,923,099
Corporation tax	947	-
	<u>1,412,831</u>	<u>1,923,099</u>

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

	2015 \$ 000	2014 \$ 000
Amounts owed to group undertakings	1,261,218	1,776,276
Other creditors	11	-
Corporation tax	-	269
	<u>1,261,229</u>	<u>1,776,545</u>



# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 13 Financial assets and liabilities

The following tables summarise the carrying value and fair values of the financial assets and liabilities and the classification of each class of financial asset and liability

	Loans and receivables		Total carrying value	Fair value
2015	\$000	\$000	\$000	\$000
Amounts owed by group undertakings (L3)	1,411,884	1,411,884	1,411,884	1,411,884
Other assets (L3)	947	947	947	947
<b>Total financial assets</b>	<b>1,412,831</b>	<b>1,412,831</b>	<b>1,412,831</b>	<b>1,412,831</b>
Amounts owed to group undertakings (L3)	1,261,218	1,261,218	1,261,218	1,261,218
Other liabilities (L3)	11	11	11	11
<b>Total financial liabilities</b>	<b>1,261,229</b>	<b>1,261,229</b>	<b>1,261,229</b>	<b>1,261,229</b>
	Loans and receivables		Total carrying value	Fair value
2014	\$000	\$000	\$000	\$000
Amounts owed by group undertakings (L3)	1,923,099	1,923,099	1,923,099	1,923,099
Other assets (L3)				
<b>Total financial assets</b>	<b>1,923,099</b>	<b>1,923,099</b>	<b>1,923,099</b>	<b>1,923,099</b>
Amounts owed to group undertakings (L3)	1,776,276	1,776,276	1,776,276	1,776,276
Other liabilities (L3)	269	269	269	269
<b>Total financial liabilities</b>	<b>1,776,545</b>	<b>1,776,545</b>	<b>1,776,545</b>	<b>1,776,545</b>

The carrying amounts of the company's financial assets and liabilities are a reasonable approximation of their fair value given their short term nature.

The table above analyses financial instruments, into a fair value hierarchy based on the valuation technique used to determine fair value.

- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The amounts owed to and from group undertakings are repayable upon demand and interest is calculated on a daily basis at the applicable LIBOR plus a credit spread.

The company has no financial assets that are past due at the end of the reporting period but not impaired nor any financial assets that are impaired.

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 14 Financial risk management

The company operates as a cash sub pool header for US 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. 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 are no high risk of foreign exchange specifically at the company level and hence there are no sensitivities

### 15 Capital management

There are no specific regulatory requirement for managing capital at the company level. Capital management is carried out at the group level and relates to the funds available to lend to cash pool participants.

### 16 Maturity analysis of assets and liabilities

Financial assets of \$1,412,831,000 are all due within one year (2014: \$1,923,099,000). Financial liabilities of \$1,261,229,000 are all due within one year (2014: \$1,776,545,000).

# IGE Dollar Treasury Services

## Notes to the Financial Statements

### 17 Share capital

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

	2015		2014	
	No. 000	\$ 000	No. 000	\$ 000
Ordinary shares of \$1 each	<u>143,000</u>	<u>143,000</u>	<u>143,000</u>	<u>143,000</u>

### 18 Transition to FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.

### 19 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is International General Electric (USA), a company registered in England and Wales.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company incorporated in the United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 3135 Easton Turnpike, Fairfield, Connecticut, 06828, USA or at [www.ge.com](http://www.ge.com).