

Registration number: 04267912

Amending

Alstom UK Holdings Ltd.  
Annual Report and Financial Statements  
for the Year Ended 31 December 2018



# Alstom UK Holdings Ltd.

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# Alstom UK Holdings Ltd.

## Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2018.

### Principal activity and business review

The principal activity of the company during the year was to act as a holding company.

On 13 July 2018, SLB14 UK Limited, a subsidiary undertaking was dissolved. There is no impact on the financial statements as the investment has been fully impaired and reflected at no value.

Due to the nature of the business, the directors have assessed that there will be little or no impact on the future activities of the company as a result of Brexit.

### Results and dividends

The profit for the year, after taxation, amounted to £230,000 (loss for the 9 month period ended 31 December 2017: £20,000).

The directors do not recommend payment of a dividend (9 month period ended 31 December 2017: £nil).

### Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net liabilities of £1,866,000 (2017: £2,096,000).

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.

### Directors' of the company

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

I G R MacDonald

NG Jones

### Post balance sheet event

On 1st May 2019 the company acquired the entire share capital of GE Oil & Gas Marine and Industrial Limited from Vetco Gray, a GE group company, for £1.

### Directors' liabilities

One or more of the directors have benefited from qualifying third party indemnity provisions in place during the financial year and subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

### Disclosure of information to the auditor

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

# Alstom UK Holdings Ltd.

## Directors' Report

### Reappointment of auditors

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

Approved by the Board on 20 September 2019 and signed on its behalf by:



I G R MacDonald  
Director

# Alstom UK Holdings Ltd.

## 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Independent Auditor's Report to the Members of Alstom UK Holdings Ltd.

### Opinion

We have audited the financial statements of Alstom UK Holdings Ltd. ("the company") for the year ended 31 December 2018, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The Impact of uncertainties due to UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the carrying value of investments and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

## Independent Auditor's Report to the Members of Alstom UK Holdings Ltd.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Directors' Report

The directors are responsible for the Directors' Report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' Report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### 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; or
- 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.

## Independent Auditor's Report to the Members of Alstom UK Holdings Ltd.

### Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

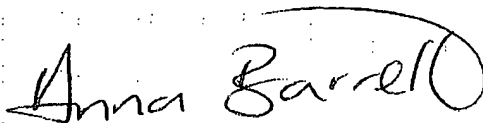
### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Anna Barrell (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

One Snow Hill  
Snowhill Queensway  
Birmingham  
B4 6GH  
United Kingdom

Date: 27-9-19



# Alstom UK Holdings Ltd.

## Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2018

|                                                  |      | Year ended 31<br>December<br>2018<br>£ 000 | 1 April 2017 to<br>31 December<br>2017<br>£ 000 |
|--------------------------------------------------|------|--------------------------------------------|-------------------------------------------------|
|                                                  | Note |                                            |                                                 |
| Administrative income/(expenses)                 | 4    | 263                                        | (1)                                             |
| Operating profit/(loss)                          |      | 263                                        | (1)                                             |
| Interest payable and similar expenses            | 5    | (33)                                       | (19)                                            |
| Profit/(loss) before taxation                    |      | 230                                        | (20)                                            |
| Tax on profit/(loss)                             | 9    | -                                          | -                                               |
| Profit/(loss) for the period                     |      | 230                                        | (20)                                            |
| Other comprehensive income                       |      | -                                          | -                                               |
| Total comprehensive profit/(loss) for the period |      | 230                                        | (20)                                            |

The above results were derived from continuing operations.

The notes on pages 10 to 21 form an integral part of these financial statements.

# Alstom UK Holdings Ltd.

Registration number: 04267912

## Balance Sheet as at 31 December 2018

|                                                       |      | 31 December<br>2018<br>£ 000 | 31 December<br>2017<br>£ 000 |
|-------------------------------------------------------|------|------------------------------|------------------------------|
|                                                       | Note |                              |                              |
| <b>Fixed assets</b>                                   |      |                              |                              |
| Investments                                           | 10   | -                            | 500                          |
| <b>Creditors: Amounts falling due within one year</b> | 11   | (1,866)                      | (2,596)                      |
| <b>Total assets less current liabilities</b>          |      | (1,866)                      | (2,096)                      |
| Provisions for liabilities                            |      | -                            | -                            |
| <b>Net liabilities</b>                                |      | (1,866)                      | (2,096)                      |
| <b>Capital and reserves</b>                           |      |                              |                              |
| Called up share capital                               | 12   | 262,809                      | 262,809                      |
| Profit and loss account                               |      | (264,675)                    | (264,905)                    |
| <b>Shareholders' deficit</b>                          |      | (1,866)                      | (2,096)                      |

Approved by the Board on 20 September 2019 and signed on its behalf by:



I G R MacDonald  
Director

# Alstom UK Holdings Ltd.

## Statement of Changes in Equity for the Year Ended 31 December 2018

|                                                | Called up<br>share capital<br>£ 000 | Profit and loss<br>account<br>£ 000 | Total<br>£ 000 |
|------------------------------------------------|-------------------------------------|-------------------------------------|----------------|
| At 1 January 2018                              | 262,809                             | (264,905)                           | (2,096)        |
| <b>Comprehensive income for the year</b>       |                                     |                                     |                |
| Profit for the year                            | -                                   | 230                                 | 230            |
| Other comprehensive income                     | -                                   | -                                   | -              |
| <b>Total comprehensive income for the year</b> | -                                   | 230                                 | 230            |
| At 31 December 2018                            | <u>262,809</u>                      | <u>(264,675)</u>                    | <u>(1,866)</u> |

|                                                | Called up<br>share capital<br>£ 000 | Profit and loss<br>account<br>£ 000 | Total<br>£ 000 |
|------------------------------------------------|-------------------------------------|-------------------------------------|----------------|
| At 1 April 2017                                | 262,809                             | (264,885)                           | (2,076)        |
| <b>Comprehensive income for the period</b>     |                                     |                                     |                |
| Loss for the period                            | -                                   | (20)                                | (20)           |
| Other comprehensive income                     | -                                   | -                                   | -              |
| <b>Total comprehensive loss for the period</b> | -                                   | (20)                                | (20)           |
| At 31 December 2017                            | <u>262,809</u>                      | <u>(264,905)</u>                    | <u>(2,096)</u> |

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 1 General information

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

The address of its registered office is:

St Leonards Building  
Harry Kerr Drive  
Stafford  
England  
ST16 1WT

### 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 in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006. The amendments to FRS 101, issued in March 2018, have been applied except for the triennial review 2017 amendments issued in December 2017 as these are applicable with effect from 1 January 2019 and have not been early adopted.

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

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

#### Exemption from preparing group accounts

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group, which are available from its registered office.

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 UK Holdings Ltd.

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Basis of measurement

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

#### Changes in accounting policy

In the current year the company has adopted new accounting standards IFRS 9: *Financial Instruments*. An explanation of the impact of the adoption of this new standards is included in note 15.

#### 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.

#### 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.

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

A net deferred tax asset is recognised only if it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

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

Deferred tax assets and liabilities are not discounted.

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 2 Accounting policies (continued)

#### Going concern

Notwithstanding net current liabilities of £1,866,000 as at 31 December 2018, a profit for the year then ended of £230,000 and operating cash inflows for the year of £730,000 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have considered the cash flow requirements for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through intercompany cashpool facilities to meet its liabilities as they fall due for that period.

Those cashflow requirements are dependent on the continued funding through the intercompany cashpool facilities and assumes that they will not be seeking repayment of the amounts currently due to the group, which at 31 December 2018 amounted to £1,866,000. GE Brazil Holding Limited, the company's intermediate parent company, has indicated its continued support over the period. 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.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### Investments

Investment in group undertakings are shown at cost less provision for impairment.

At each balance sheet date the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If such indication exists, the recoverable amount of the investment is estimated based on its fair value less costs of disposal and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in profit and loss account in the period.

# Alstom UK Holdings Ltd.

## 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.

# Alstom UK Holdings Ltd.

## 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 FVOCI 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.

##### Derivative financial instruments

Derivative financial instruments are contracts, the value of which is derived from one or more underlying financial instruments or indices, and include futures, forwards, swaps and options in the interest rate, foreign exchange, equity and credit markets.

Derivative financial instruments are recognised in the balance sheet at fair value. Fair values are derived from prevailing market prices, discounted cash flow models or option pricing models as appropriate.

In balance sheet, derivative financial instruments with positive fair values (unrealised gains) are included as assets and derivative financial instruments with negative fair values (unrealised losses) are included as liabilities. The changes in the fair values of derivative financial instruments entered into for trading purposes are included in trading income.



# Alstom UK Holdings Ltd.

## 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 judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the year. Although these estimates are based on the directors' best knowledge of the amounts, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

#### Impairment of investments

The principal activity of the company is to act as a holding company for underlying subsidiaries. As a result the main risk facing the company is the underlying trade of the investments not supporting the carrying value.

Investments are subject to impairment when there are indicators, such as, the net assets of the underlying company being less than the carrying value of the investments, adverse trade conditions in the underlying investments, cessation of trade in the underlying investments, significant losses in the year in the underlying investments and impairment of fixed assets in the underlying investments in the year.

Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs of disposal and value-in-use), an impairment loss is recognised by writing down the investments to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The estimates of future cash flows exclude cash inflows or outflows attributable to financing activities and income tax. Impairment losses arising in respect of investments are not reversed once recognised.

### 4 Administrative income/(expenses)

The analysis is as follows:

|                                             | 2018<br>£ 000 | 2017<br>£ 000 |
|---------------------------------------------|---------------|---------------|
| Reversal of impairment charge (see note 10) | 265           | -             |
| Administrative expenses                     | (2)           | (1)           |
|                                             | <u>263</u>    | <u>(1)</u>    |

In accounting period ended 31 March 2017, the company booked an impairment charge to reduce the value of its investment in Capture Power Limited to the expected realisable amount. In 2018 the company received a repayment of £765,000 which was in excess of the carrying value, and therefore part of the original impairment charge has been reversed.

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 5 Interest payable and similar expenses

|                                  | Year ended 31<br>December<br>2018<br>£ 000 | 1 April 2017 to<br>31 December<br>2017<br>£ 000 |
|----------------------------------|--------------------------------------------|-------------------------------------------------|
| On loans from group undertakings | 33                                         | 19                                              |

### 6 Staff costs

The company had no employees during the year (9 month period ended 31 December 2017: nil).

### 7 Directors' remuneration

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

The directors did not provide material qualifying services to the company. The remuneration for the directors is borne by another group company.

### 8 Auditor's remuneration

Remuneration of £10,000 (9 month period ended 31 December 2017: £20,000) paid to the auditor for their services to the company was borne by a fellow group undertaking.

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 9 Taxation

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

|                                                   | Year ended 31<br>December<br>2018<br>£ 000 | 1 April 2017 to<br>31 December<br>2017<br>£ 000 |
|---------------------------------------------------|--------------------------------------------|-------------------------------------------------|
| <b>Deferred taxation</b>                          |                                            |                                                 |
| Origination and reversal of temporary differences | (7)                                        | (4)                                             |
| Effect of changes to tax rates                    | 1                                          | 1                                               |
| Movement on deferred tax not provided             | 6                                          | 3                                               |
| <b>Total deferred taxation</b>                    | -                                          | -                                               |

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (31 December 2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 19%).

The differences are reconciled below:

|                                          | 2018<br>£ 000 | 2017<br>£ 000 |
|------------------------------------------|---------------|---------------|
| Profit/(loss) before tax                 | 230           | (20)          |
| Corporation tax at standard rate         | 44            | (4)           |
| Effect of change in tax rate             | 1             | 1             |
| Expenses not deductible for tax purposes | (51)          | -             |
| Movement in deferred tax not provided    | 6             | 3             |
| <b>Total tax charge/(credit)</b>         | -             | -             |

### Factors that may affect future tax charges

The UK corporation tax rate will reduce from 19% to 17% on 1 April 2020. This will reduce any current tax charges 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 2019 to 31 December 2021 (the overall average rate ranging from 19% to 17%). The impact of this on the financial statements is not considered material.

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

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 9 Taxation (continued)

#### Deferred tax

There are £2,866,000 of unused tax losses (9 month period ended 31 December 2017: £2,860,000) for which no deferred tax asset is recognised in the balance sheet.

### 10 Fixed asset investments

|                       | Shares in<br>subsidiary<br>undertakings<br>£ 000 | Shares in<br>associates<br>and joint<br>ventures<br>£ 000 | Total<br>£ 000 |
|-----------------------|--------------------------------------------------|-----------------------------------------------------------|----------------|
| <b>Cost</b>           |                                                  |                                                           |                |
| At 1 January 2018     | 886,288                                          | 1,660                                                     | 887,948        |
| Disposals             | (16,800)                                         | (765)                                                     | (17,565)       |
| At 31 December 2018   | 869,488                                          | 895                                                       | 870,383        |
| <b>Impairment</b>     |                                                  |                                                           |                |
| At 1 January 2018     | 886,288                                          | 1,160                                                     | 887,448        |
| Credit for the year   | -                                                | (265)                                                     | (265)          |
| On disposals          | (16,800)                                         | -                                                         | (16,800)       |
| At 31 December 2018   | 869,488                                          | 895                                                       | 870,383        |
| <b>Net book value</b> |                                                  |                                                           |                |
| At 31 December 2018   | -                                                | -                                                         | -              |
| At 31 December 2017   | -                                                | 500                                                       | 500            |

The disposal of shares in subsidiary undertakings relates to SLB 14 UK Limited which was dissolved on 13 July 2018. The disposal of shares in associates relates to a return of capital from the JV in Capture Power Limited.

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2018. Impairment of investments has been considered and the carrying values of the investments are correct.

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 10 Fixed asset investments (continued)

Details of the company's group undertakings as at 31 December 2018 are as follows:

| Name and nature of business                     | Registered office                                                    | Class of shares held | Proportion of ownership interest |
|-------------------------------------------------|----------------------------------------------------------------------|----------------------|----------------------------------|
| General Electric Energy UK Limited              | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK | Ordinary             | 100%                             |
| *Capture Power Limited                          | Hackwood Secretaries Limited, Barrington House, London, EC2V 7JA, UK | Ordinary             | 33.3%                            |
| ALSTOM Pension Trust Limited                    | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK | Ordinary             | 100%                             |
| Profit Combo Limited                            | Palm Grove House,<br>Road Town, British Virgin Islands               | Ordinary             | 100%                             |
| Grid Solutions HVDC India Limited               | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK | Ordinary             | 100%                             |
| Psymetrix Limited                               | 139 Fountainbridge, 3rd floor - Quay 2,<br>Edinburgh, UK             | Ordinary             | 100%                             |
| Grid Solutions Power Electronic Systems Limited | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK | Ordinary             | 100%                             |
| *Newbold Power Generation Limited               | Power House, Silverlink Business Park,<br>Wallsend, NE28 9ND, UK     | Ordinary             | 100%                             |
| Alstom T&D Distribution Switchgear Ltd          | Newbold Road, Rugby, Warwickshire, CV21 2NH, UK                      | Ordinary             | 100%                             |
| **ALSTOM Resources Management Ltd               | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK | Ordinary             | 100%                             |

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 10 Fixed asset investments (continued)

| Name and nature of business                                                       | Registered office                                                            | Class of shares held | Proportion of ownership interest |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------|----------------------|----------------------------------|
| **ALSTOM Power Ltd                                                                | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK         | Ordinary             | 100%                             |
| **UK Grid Solutions Limited                                                       | St Leonards Building,<br>Harry Kerr Drive,<br>Stafford, ST16 1WT, UK         | Ordinary             | 100%                             |
| **GE Strongwish Automation & Controls Technology Development (Shenzhen) Co. Ltd). | 501-502, Building 6,<br>Science-Technology Industry Park,<br>Shenzhen, China | Ordinary             | 100%                             |

\* In liquidation

\*\* Indirect holdings

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

|                                    | 31 December<br>2018<br>£ 000 | 31 December<br>2017<br>£ 000 |
|------------------------------------|------------------------------|------------------------------|
| Amounts owed to group undertakings | 1,866                        | 2,596                        |

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is charged on cashpool borrowings at variable interest rates linked to 1 month LIBOR.

# Alstom UK Holdings Ltd.

## Notes to the Financial Statements

### 12 Share capital

Allotted, called up and fully paid shares

|                            | No. 000        | 2018<br>£ 000  | No. 000        | 2017<br>£ 000  |
|----------------------------|----------------|----------------|----------------|----------------|
| Ordinary shares of £1 each | <u>262,809</u> | <u>262,809</u> | <u>262,809</u> | <u>262,809</u> |

### 13 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is GE Grid Solutions UK B.V., a company registered at Bergschot 69-2, Breda, Netherlands, 4817 PA.

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).

### 14 Post balance sheet event

On 1st May 2019 the company acquired the entire share capital of GE Oil & Gas Marine and Industrial Limited from Vetco Gray, a GE group company, for £1.

### 15 Changes resulting from adoption of IFRS 9

The company adopted IFRS 9 *Financial Instrument* with effect from 1 January 2018. No transition adjustments were required on adoption of IFRS 9 and the transition to IFRS 9 had no material impact on the financial statements of the company.