

Registration number: 04267912

Alstom UK Holdings Ltd.

Annual Report and Financial Statements

for the Period from 1 April 2017 to 31 December 2017



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 period from 1 April 2017 to 31 December 2017.

Principal activity and business review

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

On 2 March 2018, the company changed its accounting reference date from 31 March to 31 December. As a result, the current period results are for a 9 month period whereas the prior period comparatives are for a 15 month period.

Results and dividends

The loss for the 9 month period ended 31 December 2017: £20,000 (loss for the 15 month period ended 31 March 2017: £580,143,000).

The directors do not recommend payment of a dividend (15 month period ended 31 March 2017: £nil).

Directors' of the company

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

M E M Elborne (resigned 31 December 2017)

I G R MacDonald

Jones NG (appointed 20 December 2017)

Post balance sheet event

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.

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 27 September 2018 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 United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- 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 period from 1 April 2017 to 31 December 2017, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the period 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.

Going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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.

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

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.

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 for the audit of the financial statements

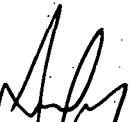
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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.



James Tracey (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

One, Snowhill
Snowhill Queensway
B4 6GH
Birmingham

Date: 28 September 2018

Alstom UK Holdings Ltd.

Profit and Loss Account and Other Comprehensive Income for the Period from 1 April 2017 to 31 December 2017

	Note	1 April 2017 to 31 December 2017 £ 000	1 January 2016 to 31 March 2017 £ 000
Impairment of fixed asset investments	9	-	(576,602)
Administrative expenses		(1)	(4)
Other operating income		-	135
Operating loss		(1)	(576,471)
Interest payable and similar expenses	4	(19)	(3,672)
Loss before taxation		(20)	(580,143)
Tax on loss	8	-	-
Loss for the period		(20)	(580,143)
Other comprehensive income		-	-
Total comprehensive loss for the period		<u>(20)</u>	<u>(580,143)</u>

The above results were derived from continuing operations.

The notes on pages 10 to 19 form an integral part of these financial statements.

Alstom UK Holdings Ltd.

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Balance Sheet as at 31 December 2017

	Note	31 December 2017 £ 000	31 March 2017 £ 000
Fixed assets			
Investments	9	500	500
Creditors: Amounts falling due within one year	10	<u>(2,596)</u>	<u>(2,576)</u>
Net current liabilities		<u>(2,596)</u>	<u>(2,576)</u>
Total assets less current liabilities		<u>(2,096)</u>	<u>(2,076)</u>
Net liabilities		<u>(2,096)</u>	<u>(2,076)</u>
Capital and reserves			
Called up share capital	11	262,809	262,809
Profit and loss account		<u>(264,905)</u>	<u>(264,885)</u>
Shareholders' deficit		<u>(2,096)</u>	<u>(2,076)</u>

Approved by the Board on 27 September 2018 and signed on its behalf by:



I G R MacDonald
Director

Alstom UK Holdings Ltd.

Statement of Changes in Equity for the Period from 1 April 2017 to 31 December 2017

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

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	100,000	315,258	415,258
Comprehensive income for the period			
Loss for the period	-	(580,143)	(580,143)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(580,143)	(580,143)
Share capital issued during the year	<u>162,809</u>	<u>-</u>	<u>162,809</u>
At 31 March 2017	<u>262,809</u>	<u>(264,885)</u>	<u>(2,076)</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
United Kingdom
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 under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006. The amendments to FRS 101 (2016/17 Cycle) issued in July 2017 have been applied.

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

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

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.

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.

Alstom UK Holdings Ltd.

Notes to the Financial Statements

2 Accounting policies (continued)

Summary of disclosure exemptions

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

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

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net liabilities of £2,096,000 (2016: £2,076,000).

The directors have reviewed the financial position of the company, including the arrangements with group undertakings. The directors have considered the financial position of the company's immediate group and ultimate parent.

On the basis of their assessment of the company's financial position and of the enquiries made by the directors, the company's directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the immediate group to continue as a going concern. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Accordingly they expect that the company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Alstom UK Holdings Ltd.

Notes to the Financial Statements

2 Accounting policies (continued)

Tax

Tax is recognised in the Statement of Comprehensive Income except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Full provision is made for deferred tax liabilities arising from all 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.

Investments

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

At each balance sheet date the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If such indication exists, the recoverable amount of the investment estimated based on its fair value less costs of disposal (for which its net asset value may be used as a reasonable proxy) and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in Profit and Loss Account in the period.

3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amount, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

Alstom UK Holdings Ltd.

Notes to the Financial Statements

3 Critical accounting judgments and key sources of estimation uncertainty (continued)

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 Interest payable and similar expenses

	1 April 2017 to 31 December 2017 £ 000	1 January 2016 to 31 March 2017 £ 000
On loans from group undertakings	19	3,672

5 Staff costs

The company had no employees during the 9 month period ended 31 December 2017 (15 months period ended 31 March 2017: nil).

6 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.

7 Auditor's remuneration

Remuneration for the 9 month period ended 31 December 2017 £20,000 (for 15 month period ended 31 March 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

8 Taxation

Tax charged/(credited) in the Profit and Loss Account

	1 April 2017 to 31 December 2017 £ 000	1 January 2016 to 31 March 2017 £ 000
Deferred taxation		
Origination and reversal of temporary differences	(4)	(735)
Effect of changes to tax rates	1	242
Adjustment in respect of prior year	-	112
Movement on deferred tax not provided	3	381
Total deferred taxation	-	-

The tax assessed for the period is higher 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% (2016 - 20%).

The differences are reconciled below:

	1 April 2017 to 31 December 2017 £ 000	1 January 2016 to 31 March 2017 £ 000
Loss before tax	(20)	(580,143)
Corporation tax at standard rate	(4)	(116,029)
Adjustment to tax charge in respect of prior year	-	112
Effect of changes to tax rates	1	242
Non-taxable income	-	(26)
Expenses not deductible for tax purposes	-	115,320
Movement on deferred tax not provided	3	381
Total tax charge/(credit)	-	-

Alstom UK Holdings Ltd.

Notes to the Financial Statements

8 Taxation (continued)

Factors that may affect future tax charges

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

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 2018 to 31 December 2020 (the overall average rate ranging from 19% to 17.5%). The impact of this on the financial statements is not considered material.

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

Deferred tax

There are £2,860,000 of deductible temporary differences (31 March 2017: £2,857,000) for which no deferred tax asset is recognised in the balance sheet.

Alstom UK Holdings Ltd.

Notes to the Financial Statements

9 Fixed asset investments

	Shares in subsidiary undertakings £ 000	Shares in associates and joint ventures £ 000	Total £ 000
Cost			
At 1 April 2017	887,200	2,860	890,060
Disposals	(912)	(1,200)	(2,112)
At 31 December 2017	<u>886,288</u>	<u>1,660</u>	<u>887,948</u>
Impairment			
At 1 April 2017	887,200	2,360	889,560
On disposals	(912)	(1,200)	(2,112)
At 31 December 2017	<u>886,288</u>	<u>1,160</u>	<u>887,448</u>
Net book value			
At 31 December 2017	<u>-</u>	<u>500</u>	<u>500</u>
At 31 March 2017	<u>-</u>	<u>500</u>	<u>500</u>

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2017. There are no indications of impairment and the carrying values of the investments are correct.

The disposals relate to companies that have been liquidated in the period. The investment value had been fully impaired in prior years and so there is no impact on the profit and loss account for the period nor the net book value of investments.

The following companies were liquidated, St Leonards SPR Limited, ST Leonards Power Plants Ltd and Costa Head Wave Farm Limited.

Details of the company's group undertakings as at 31 December 2017 are as follows:

Alstom UK Holdings Ltd.

Notes to the Financial Statements

9 Fixed asset investments (continued)

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

Alstom UK Holdings Ltd.

Notes to the Financial Statements

9 Fixed asset investments (continued)

Name and nature of business	Registered office	Class of shares held	Proportion of ownership interest
*SLB14 UK Limited	St Leonards Works, St Leonards Avenue, Stafford, ST17 4LX, United Kingdom	Ordinary	100%
**ALSTOM Power Ltd	St Leonards Building, Harry Kerr Drive, Stafford, ST16 1WT, United Kingdom	Ordinary	100%
**UK Grid Solutions Limited	St Leonards Building, Harry Kerr Drive, Stafford, ST16 1WT, United Kingdom	Ordinary	100%
**GE Strongwish Automation & Controls Technology Development (Shenzhen) Co. Ltd).	501-502, Building 6, Science-Technology Industry Park, Shenzhen, China	Ordinary	100%

* In liquidation.

** Indirect Holdings

10 Creditors: Amounts falling due within one year

	31 December 2017 £ 000	31 March 2017 £ 000
Amounts owed to group undertakings	<u>2,596</u>	<u>2,576</u>

Amount owed to group undertakings are unsecured and repayable on demand.

Alstom UK Holdings Ltd.

Notes to the Financial Statements

11 Share capital

Allotted, called up and fully paid shares

	31 December 2017		31 March 2017	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>262,809</u>	<u>262,809</u>	<u>262,809</u>	<u>262,809</u>

12 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.

13 Post balance sheet event

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.