

Company Number: 402792

GPT Middle East Limited

Report and financial statements

31 March 1994



# GPT Middle East Limited

## Report of the Directors

The Directors present their Report and the audited Financial Statements for the year ended 31 March 1994.

### Principal activities and business review

The principal activity of the Company during the year has been to provide telecommunications supplies and technical services in Asia including the Middle East.

### Results and Dividends

The profit for the year on ordinary activities before taxation was £nil. Taxation on the result amounted to £33,000 and the loss for the financial year was £33,000.

No dividend is proposed. The retained deficit of £33,000 has been transferred to reserves.

### Directors

The directors holding office during the year are listed below:

Mr P R Brown  
Mr P O Gershon  
Mr M W J Parton

### Directors' interests

None of the directors had any beneficial interest, other than in the ordinary course of business, in any contract to which the Company was a party during the year.

According to the Company's Register of Directors' Interests, no director of the Company, nor any member of his family, as defined by the Companies Act 1985, had any interest in the shares of the Company.

No director who was not also a director of the Company's holding company held, on 31 March 1994, any interest in, or was granted or exercised, during the year, any right to subscribe for shares in or debentures of The General Electric Company, p.l.c. ("GEC") or its subsidiary companies, except as shown below:

# GPT Middle East Limited

## Report of the Directors (*continued*)

### Directors' interests (*continued*)

The GEC Employee Savings - Related Share Option Scheme			
	<u>31 March 1994</u>	<u>1 April 1993</u>	
P R Brown	12,335	12,335	
The GEC Managers' 1984 Share Option scheme			
	<u>31 March 1994</u>	<u>Granted</u>	<u>1 April 1993</u>
P R Brown	113,000	80,000	33,000

The options are exercisable normally in the years 1994 to 2004 at subscription prices between 152p - 328p per share.

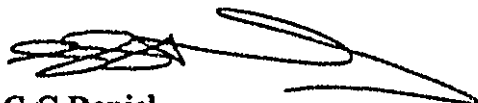
### Charitable and political donations

There were no charitable or political donations made during the year.

### Auditors

A resolution to re-appoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting.

By order of the Board.

  
G G Daniel  
Secretary

30 September 1994

# GPT Middle East Limited

## Auditors' report to the members of GPT Middle East Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for the financial year and to state whether the accounts have been prepared in accordance with applicable accounting standards.

The directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

It is our responsibility as auditors to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31st March 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand*

Coopers and Lybrand  
Chartered Accountants and Registered Auditors  
Birmingham

30 September 1994

# GP1 Middle East Limited

## Profit and loss account

*For the year ended 31 March 1994*

	<i>Note</i>	<b>1994 £000</b>	<b>1993 £000</b>
Change in stocks of finished goods		20	(40)
Staff costs	1	(61)	(159)
Auditors' remuneration		(1)	(1)
Other operating income		<u>42</u>	<u>200</u>
<b>Profit on ordinary activities before taxation</b>		-	-
Taxation on profit on ordinary activities	2	<u>(33)</u>	<u>33</u>
<b>Retained (loss)/profit for the financial year</b>	7	<u>(33)</u>	<u>33</u>

Movements in reserves are shown in note 7 on page 8.

The profit and loss account relates solely to continuing operations.

The Company had no recognised gains and losses apart from the loss for the financial year.

## Reconciliation of movements in shareholders' funds

	<b>1994 £000</b>	<b>1993 £000</b>
At 1 April 1993	130	97
(Loss)/profit for the financial year	<u>(33)</u>	<u>33</u>
<b>At 31 March 1994</b>	<u>97</u>	<u>130</u>

# GPT Middle East Limited

## Balance sheet

As at 31 March 1994

	Note	1994 £000	1993 £000
<b>Current assets</b>			
Stock - finished goods		268	248
Debtors	3	240	291
Cash at bank and in hand		<u>20</u>	<u>20</u>
		528	559
<b>Creditors: amounts falling due within one year</b>	4	<u>(431)</u>	<u>(429)</u>
<b>Net assets</b>		<u>97</u>	<u>130</u>
<b>Capital and reserves</b>			
Called up share capital	6	100	100
Profit and loss account	7	<u>(3)</u>	<u>30</u>
		<u>97</u>	<u>130</u>

The Financial Statements were approved by the Directors on 30 September 1994 and were signed on their behalf by:



**M W J Parton**  
Director

# GPT Middle East Limited

## Principal accounting policies

The Financial Statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention.

**(b) Turnover**

Turnover comprises the sales value, excluding value added tax, of goods and services supplied to outside customers.

**(c) Stocks**

Stocks of finished goods are valued at the lower of cost, inclusive of appropriate overheads, and estimated net realisable value.

**(d) Deferred taxation**

Deferred taxation is provided on the liability method for all timing differences which are expected to reverse in the foreseeable future.

Deferred taxation assets which are considered to be recoverable within the foreseeable future are included in debtors.

**(e) Foreign currency**

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising are taken to the profit and loss account.

**(f) Pension schemes**

Eligible employees are members of one of The General Electric Company, p.l.c. pension schemes. Based on recommendations by independent actuaries, the rates of employee and company contributions are intended, in respect of each year, to provide sufficient funds to meet future benefits relating to that year's service. Contributions, the Company's share of which is charged against profits for the year, are held in trustee-administered funds independent of the Company's finances.

# GPT Middle East Limited

## Notes to the financial statements

### 1. Directors and employees

#### Employees

The average weekly number of employees employed by the Company, all of whom worked wholly or mainly outside of the UK, was:

1994 Number	1993 Number
<u>1</u>	<u>6</u>

Staff costs for the above persons were:

Wages and salaries  
Social security costs

1994 £000	1993 £000
61	152
<u>-</u>	<u>7</u>
<u>61</u>	<u>159</u>

#### Directors

There was no remuneration paid to the directors.

### 2. Taxation on profit on ordinary activities

United Kingdom taxation:

Deferred taxation at 33%

Over provision in respect of prior years' deferred taxation

1994 £000	1993 £000
(33)	(11)
<u>-</u>	<u>44</u>
<u>(33)</u>	<u>33</u>

### 3. Debtors

*Amounts falling due within one year*

Amounts owed by fellow subsidiary undertakings

Prepayments and accrued income

1994 £000	1993 £000
28	28
<u>212</u>	<u>230</u>
240	258

*Amounts falling due after more than one year*

Deferred taxation (see note 5 below)

1994 £000	1993 £000
-	33
<u>240</u>	<u>291</u>

### 4. Creditors: amounts falling due within one year

Advance payments from customers

Amount owed to fellow subsidiary undertakings

1994 £000	1993 £000
339	339
<u>92</u>	<u>90</u>
<u>431</u>	<u>429</u>



# GPT Middle East Limited

## Notes to the financial statements *(continued)*

### 5. Deferred taxation asset

Deferred taxation recorded in the financial statements, which is the total potential asset, is as follows:

	1994 £000	1993 £000
Tax effect of timing differences due to:		
Excess of tax allowances over depreciation	<u>-</u>	<u>33</u>

The movement on the deferred taxation account is as follows:

	£000
At 1 April 1993	33
Charge to profit and loss account	<u>(33)</u>
At 31 March 1994 (see note 3)	<u>-</u>

### 6. Share capital

	1994 £000	1993 £000
<i>Authorised, allotted, called-up and fully paid</i>		
100,000 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 7. Profit and loss account

	£000
At 1 April 1993	30
Retained deficit for the year	<u>(33)</u>
At 31 March 1994	<u>(3)</u>

### 8. Pensions

The Company is a subsidiary of The General Electric Company p.l.c. (GEC) and all employees who are members of pension plans are members of 'The GEC Plan', the principal pension plan of the GEC Group. This plan is funded and is of the 'defined benefit' type; particulars of its most recent actuarial valuation are disclosed in the report and accounts of GEC for the year to 31 March 1994.

The pensions cost charge to the Company in respect of employees who are members of The GEC Plan consists of employers' contributions payable which are similar across the Group as a whole as a percentage of pensionable earnings. Based on advice from a qualified actuary, there were no employer contributions to The GEC Plan in the year or in the previous year and none is expected prior to 31 March 1995.

# GPT Middle East Limited

## Notes to the financial statements *(continued)*

### 9. Cash flow statement

A cash flow statement has not been prepared because the Company is a wholly owned subsidiary of GPT Holdings Limited within whose consolidated cash flow statement the cash flows of the Company are included.

### 10. Contingent liabilities

The Company has entered into a guarantee, together with certain group undertakings, in respect of the overdrafts of other group undertakings. This is limited at any one time to the Company's current bank balance.

### 11. Parent undertakings

The Company's ultimate holding company is The General Electric Company p.l.c. ("GEC"), which is registered in England and Wales. GEC is the parent undertaking of the largest group of undertakings of which the company is a member, for which consolidated financial statements are prepared. The parent company of the smallest group of undertakings for which consolidated financial statements are prepared is GPT Holdings Limited, a company registered in England and Wales.

Copies of the accounts of GEC are available from The Secretary, 1 Stanhope Gate, London W1A 1EH.