



GEC-MARCONI ELECTRONICS OVERSEAS LIMITED
(Formerly GEC TRAFFIC AUTOMATION (INTERNATIONAL) LIMITED)

DIRECTORS' REPORT
AND
ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 1992

REGISTERED NUMBERED 771516

A large, hand-drawn circle is drawn around the registered number 771516.

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

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GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the audited accounts of the Company for the year ended the 31st March 1992.

Results

The loss for the year after taxation amounted to £39,000. The Directors do not recommend the payment of a dividend.

Principal Activity and Review of the Company

The principal activity of the Company has been traffic signalling and control systems, with installation and maintenance support provided by our field services organisation.

The business, assets and undertaking of the Republic of Ireland Branch of GEC Traffic Automation Limited was transferred to the Company on the 2nd April, 1991 and the Company commenced trading on that date. The entire business, assets and undertaking of the Company was sold on 24th June 1991.

Directors

The present members of the Board are Messrs. I.G. King and L. J. Ogier. Messrs I. G. King and L. J. Ogier were appointed to the Board of Directors on the 31st May, 1991 and the 6th April, 1992 respectively. Messrs. M.J.H. Chandler and E.A. Peachey resigned from the Board on the 31st May, 1991 and the 6th April, 1992 respectively.

According to the Register kept by the Company in accordance with Section 325 of the Companies Act 1985 the persons who were Directors on the 31st March, 1992 had no interests in the shares or debentures of The General Electric Company, p.l.c. or its subsidiaries other than those shown below:-

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

REPORT OF THE DIRECTORS

IN THE GENERAL ELECTRIC COMPANY, p.l.c.

At the 1st April, 1991 Options granted At 31st March 1992
(or date of appointment, during the year
if later)

Options in respect of Ordinary Shares of 5p each

- i) Under the terms of The GEC Managers' 1984 Share Option Scheme the following Options were outstanding:-

I.G. King	28,600	—	28,600
E.A. Peachey	3,700	—	3,700


No Options were granted to or exercised by the named Directors during the year under the above Scheme. Normally the Options are exercisable during the years 1992 to 2000 at subscription prices between 158p and 210p per share.

- ii) Under the terms of The GEC Employee Savings-Related Share Option Scheme the following Options were outstanding:-

I.G. King	6,092	4,934	11,026
E.A. Peachey	7,122	3,700	10,822

No options granted under the above Scheme were exercised by the named Directors during the year. Normally the Options are exercisable within six months of the 1st April, 1993, 1995, 1996 and 1997 at subscription prices between 138p and 195p per share.

By Order of the Board


E.A. PEACHEY
Secretary

Registered Office
The Grove
Warren Lane
Stanmore
Middlesex
HA7 4LY

20 June 1991

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

ACCOUNTS

PROFIT AND LOSS ACCOUNT

for the year ended 31st March 1992

	<u>Notes</u>	<u>1992</u> £'000	<u>1991</u> £'000
TURNOVER			
Sales to customers outside the Group	2	146	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(57)	-
Taxation	4	(18)	-
LOSS FOR THE FINANCIAL YEAR	9	(39)	-

The notes referred to form part of these accounts

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

ACCOUNTS

BALANCE SHEET 31st March 1992

	<u>Notes</u>	<u>1992</u> £'000	<u>1992</u> £'000	<u>1991</u> £'000	<u>1991</u> £'000
<u>FIXED ASSETS</u>					
Tangible assets	5	9	9	-	-
<u>CURRENT ASSETS</u>					
Stock and contracts in progress	6	14		-	
Debtors	7	72		-	
Cash at bank and in hand		29		-	
		115		-	
Creditors: amounts falling due within one year	8	(163)		-	
Net current assets			(48)		-
Total assets less current liabilities			(39)		-
<u>CAPITAL AND RESERVES</u>					
Called up share capital	9	-		-	
Profit and loss account	9	(39)		-	
Shareholders' interest			(39)		-

The notes referred to above form part of these accounts.

Approved by the Board of Directors on 13 JAN 1993

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I. G. King

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS

The Company's ultimate parent 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 group accounts are prepared. The parent undertaking of the smallest such group of undertakings of which the Company is a member is GEC-Marconi Limited which is registered in England and Wales. Copies of the accounts of The General Electric Company p.l.c. are available from The Secretary, Stanhope Gate, London W1A 1EH.

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The Company is a wholly owned subsidiary of the General Electric Company, p.l.c. and the cash flows of the Company are included in the consolidated group cash flow statement of The General Electric Company, p.l.c. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 from preparing a cash flow statement.

The more important accounting policies are summarised below to assist readers in the interpretation of the accounts and are in addition to the policies explained in the notes to the accounts.

- (a) The accounts are made up to the 31st March using the historical cost convention and are prepared in compliance with the Companies Act 1985.
- (b) Turnover. The Company records transactions as Sales only when title passes to customers or when there is a contractual right to invoice. Sales are exclusive of VAT. Long term contracts are not invoiced until contracts are completed or part deliveries made.
- (c) Tangible Fixed Assets. Property, plant, machinery and equipment are recorded at historic cost and depreciated on a straight line basis over their estimated useful lives.
- (d) Stocks of materials are valued at the lower of cost inclusive of appropriate overheads or estimated net realisable value on a first-in first-out basis. Work in progress valuations are based on the cost of material, labour and appropriate overheads and do not exceed net realisable value. Provisions are made for any losses incurred or expected to be incurred on contracts uncompleted at 31st March.

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS (continued)

Profits on long term contracts are only taken when the outcome of the contract can be assessed with reasonable accuracy. Payments on account of contracts are deducted from contract values to the extent of the value of work carried out at 31st March and the excess is shown as prepayments from customers.

- (e) Deferred Taxation. Provision is made for deferred taxation to the extent that, in the opinion of the Directors, there is a reasonable probability that it will become payable in the foreseeable future. Deferred taxation arising in the United Kingdom is calculated at the rates of tax expected to be applicable in the future when the items become taxable or available for tax relief.
- (f) Provisions. Provisions for liabilities which cannot be determined with reasonable accuracy arising in the year from the ordinary course of business are charged against profits. These include expected costs of maintenance under guarantees and other work in respect of products delivered and invoiced and possible losses on contract work in progress. Provisions for liabilities where the amounts can be accurately determined are included as creditors.

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS (continued)

2. PRINCIPAL ACTIVITY AND MARKETS

In the opinion of the Directors the Company had only carried on business in one class.

The analysis of turnover by geographical area is as follows:

	<u>Note</u>	<u>1992</u> £'000	<u>1991</u> £'000
Europe		146	-
		<u>146</u>	<u>-</u>
3. <u>LOSS BEFORE TAXATION</u>		<u>1992</u>	<u>1991</u>
		£'000	£'000
Sales to customers outside the GEC Group		146	-
		<u>146</u>	<u>-</u>
Raw materials & consumables		55	-
Staff costs	10	37	-
Depreciation		5	-
Remuneration of the Auditor		1	-
Other external operating charges		105	-
		<u>203</u>	<u>-</u>
Loss on operations		(57)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(57)</u>	<u>-</u>
4. <u>TAXATION</u>		<u>1992</u>	<u>1991</u>
		£'000	£'000
Corporation tax 33% (1991: 34%)		(18)	-
		<u>(18)</u>	<u>-</u>

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS (continued)

5. TANGIBLE ASSETS

	Plant & machinery	Fixtures fittings tools equipment & motor vehicles	Total
	£'000	£'000	£'000
Cost at 1st April 1991	-	-	-
Additions at cost	-	-	-
Transfers in from Group			
Undertakings	7	18	25
Disposals	-	(9)	(9)
Cost at 31st March 1992	7	9	16
Depreciation at 1st April 91	-	-	-
Charged to profit & loss	-	5	5
Transfers in from Group			
Undertakings	-	11	11
Eliminated in respect of disposals	-	(9)	(9)
Depreciation at 31st March 92	-	7	7
Net Book Value at 31st March 1992	7	2	9
Net Book Value at 31st March 1991	-	-	-
Depreciation Rates			
Plant and machinery (33.1/3%), fixtures fittings, tools, equipment (20%) and motor vehicles (25%)			
	1992 £'000	1991 £'000	
Capital expenditure			
Commitments contracted for at 31st March	NIL	NIL	
Authorised but not contracted for at 31st March	NIL	NIL	

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS (continued)

6. STOCK AND CONTRACTS IN PROGRESS

	<u>1992</u> £'000	<u>1991</u> £'000
Raw materials and bought out components	14	-
	<u>14</u>	<u>-</u>

7. DEBTORS

	<u>1992</u> £'000	<u>1991</u> £'000
Amounts falling due within one year:		
Trade debtors	53	-
Amounts owed by parent company and fellow subsidiaries.	-	-
Prepayments and accrued income	1	-
Group Relief	18	-
	<u>72</u>	<u>-</u>

8. CREDITORS

	<u>1992</u> £'000	<u>1991</u> £'000
Amounts falling due within one year:		
Trade Creditors	4	-
Amounts owed to parent company and fellow subsidiaries	156	-
Accruals and deferred income	3	-
	<u>163</u>	<u>-</u>

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO ACCOUNTS (continued)

9. SHAREHOLDERS' INTEREST

	<u>£</u>
Share Capital	
Issued at 1st April 1991	
and 31st March 1992	
100 £1 Ordinary Shares	100
fully paid	<u>100</u>
Unissued shares at 1st April 1991	
and 31st March 1992	NIL
Authorised share capital	<u>100</u>

<u>Profit and loss account</u>	<u>1992</u>	<u>1991</u>
	£'000	£'000
At 1st April	-	-
Deducted in year	(39)	-
At 31st March	<u>(39)</u>	<u>-</u>

10. DIRECTORS AND EMPLOYEES

a) Average number of employees		
working overseas	2	-
	<u>£'000</u>	<u>£'000</u>
Aggregate gross remuneration	34	-
State social security cost	3	-
Other pension costs	-	-
	<u>37</u>	<u>-</u>

Directors Emoluments

The Directors were full time executives of other group companies. They do not receive any remuneration as Directors from GEC-Marconi Electronics Overseas Limited and it is not practicable to allocate their emoluments from other group companies for the services provided to GEC-Marconi Electronics Overseas Limited.

GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

NOTES TO THE ACCOUNTS (continued)

11. CONTINGENT LIABILITIES

	<u>1992</u>	<u>1991</u>
	<u>£'000</u>	<u>£'000</u>
Guarantees issued	<u>NIL</u>	<u>NIL</u>

a) Under a group registration the Company is jointly and severally liable for any Value Added Tax owing by other General Electric Group Companies at 31st March 1992.

b) The Company is party to a cross guarantee in favour of the Midland Bank plc whereby repayment to the Bank of indebtedness of any of the parties is guaranteed by all the other. All parties to the agreement are members of the General Electric Group of Companies at 31st March 1992.

12. POST BALANCE SHEET EVENTS

On 24th June 1992 the business, assets and undertaking of the Company was sold as a going concern.

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GEC-MARCONI ELECTRONICS OVERSEAS LIMITED

REPORT OF THE AUDITOR
TO THE MEMBERS OF GEC TRAFFIC AUTOMATION LIMITED

We have audited the accounts on pages 4 to 12 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st March, 1992 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants
and Registered Auditor
London

28th January, 1993