

COMPANY NUMBER : 2204070

GPT INTERNATIONAL LIMITED

REPORT AND FINANCIAL STATEMENTS

31 MARCH 1991



GPT INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and the audited Financial Statements for the year ended 31 March 1991.

Principal activities, business review and future developments

The Company acts as the GPT group's holding company for its overseas interests.

The principal activities of the GPT Group are the design, manufacture and supply of a full range of telecommunications products to government, commercial and industrial customers in the United Kingdom and overseas. Products include public switching exchanges, such as System X; transmission systems for use in public and private trunk, junction and local distribution networks; business telephone exchanges; telephones and intelligent pay-phones.

Investment in new technology to retain its competitive position and make further progress as an international telecommunications company has continued during the year.

On 30 November 1990 a subsidiary of the company entered into a joint venture agreement with Siemens Communication Systems Inc to form Siemens Stromberg Carlson, the third largest public switching supplier in the United States of America.

Substantially all the assets and liabilities of Stromberg Carlson Corporation were transferred to the joint venture in which Stromberg Carlson is an equal partner with Siemens Communication Systems Inc.

Results

The profit and loss account for the year shows a loss on ordinary activities before taxation of £19,890,000. The appropriation of this loss is shown in the Financial Statements on page 5.

No dividend is recommended.

Research and development

The GPT Group has a comprehensive programme of investment in research and development and is dedicated to the continued introduction of more efficient technologies and techniques. The Group has access to the technology of its shareholders, The General Electric Company, p.l.c. and Siemens Aktiengesellschaft and makes use of their research facilities.

Directors

The Directors holding office during the year are listed below:

Mr G G Daniel	(appointed 12 April 1990)
Mr C B Hilton	(appointed 1 September 1990, resigned 31 May 1991)
Mr A E Isaac	(resigned 12 April 1990)
Mr R G Reynolds	
Mr R K Robertson	(appointed 1 September 1990)

Mr M W J Parton was appointed a Director of the Company on 2 April 1991.

GPT INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS (continued)

Re-election of Directors

Messrs M W J Parton and R K Robertson retire from the board pursuant to the Company's articles of association and will offer themselves for re-election at the forthcoming Annual General Meeting.

Directors' interests

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 parent or holding companies held, on 31 March 1991, 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:

	<u>At 31 March 1991</u> (beneficial)		<u>At 1 April 1990 or date of</u> <u>appointment</u> (beneficial)	
	GEC Ordinary 5p shares	GEC Managers' 1984 Share Option Scheme	GEC Ordinary 5p shares	GEC Managers' 1984 Share Option Scheme
G G Daniel	-	1,500	-	-
R K Robertson	7,500	28,000	12,780	20,000

Mr G G Daniel was granted an option over 1,500 GEC Ordinary shares of 5p each during the year.

Mr R K Robertson was granted an option over a further 8,000 GEC Ordinary shares of 5p each during the year.

Employee participation

Employee participation remains a high priority for the management and to encourage individual involvement the Directors have introduced a company-wide "Innovation" Scheme which offers incentives to employees for new ideas which contribute to the success and well-being of the company. Communication has continued through company and business journals which are published regularly and distributed widely. The use of team briefings has also continued with the aim of improving communications with employees.

GPT INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS (continued)

Employment of disabled persons

The GPT Group's policy is to give full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. If an employee becomes disabled, GPT, wherever possible, seeks to either continue their employment in their existing job, or to redeploy them on suitable alternative duties within GPT.

Auditors

A resolution to re-appoint Coopers & Lybrand Deloitte as the Company's auditors will be proposed at the Annual General Meeting.

By order of the Board.

A handwritten signature in dark ink, appearing to be 'G G Daniel', written in a cursive style.

G G Daniel
SECRETARY

16 September 1991

AUDITORS' REPORT TO THE MEMBERS OF

GPT INTERNATIONAL LIMITED

We have audited the Financial Statements on pages 5 to 11 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company at 31 March 1991 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

The Financial Statements do not include the statement of source and application of funds required by Statement of Standard Accounting Practice No 10.

Coopers & Lybrand Deloitte

COOPERS & LYBRAND DELOITTE
Chartered Accountants
Birmingham

16/9/ 1991

GPT INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1991

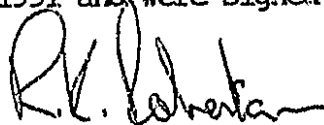
	Note	1991 £000	1990 £000
Other external and operating charges		<u>(80)</u>	<u>(226)</u>
OPERATING LOSS		(80)	(226)
Other interest receivable and similar income	1	1,136	1,240
Amounts written off investments	3	<u>(20,946)</u>	<u>(27,567)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(19,890)	(26,553)
Taxation on loss on ordinary activities	2	<u>(317)</u>	<u>(483)</u>
DEFICIT FOR THE YEAR	10	<u>(20,207)</u>	<u>(27,036)</u>

GPT INTERNATIONAL LIMITED

Balance Sheet as at 31 March 1991

	Note	1991 £000	1990 £000
FIXED ASSETS			
Investments	3	<u>52,137</u>	<u>71,318</u>
CURRENT ASSETS			
Debtors	6	59,014	60,019
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	7	<u>(407)</u>	<u>(329)</u>
NET CURRENT ASSETS		<u>58,607</u>	<u>59,690</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		110,744	131,008
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	8	<u>(327)</u>	<u>(384)</u>
NET ASSETS		<u>110,417</u>	<u>130,624</u>
CAPITAL AND RESERVES			
Called-up share capital	9	-	-
Share premium account		157,660	157,660
Profit and loss account	10	<u>(47,243)</u>	<u>(27,036)</u>
		<u>110,417</u>	<u>130,624</u>

The Financial Statements were approved by the board of directors on 16 September 1991 and were signed on its behalf by:



R K Robertson
DIRECTOR

GPT INTERNATIONAL 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) **FIXED ASSET INVESTMENTS**

Investments in subsidiary undertakings are valued at cost less any provisions necessary for permanent diminution in value.

Investments in associated undertakings are valued at cost less any provisions necessary for permanent diminution in value.

(c) **INVESTMENT INCOME**

Income from fixed asset investments is credited to the profit and loss account on an accruals basis.

(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 are only carried forward where considered to be recoverable. They are included in debtors.

(e) **FOREIGN CURRENCY**

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

GPT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

	1991 £000	1990 £000
1. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Income from shares in subsidiary undertakings	214	137
Income from unlisted investments	-	6
Other interest receivable - inter group	<u>922</u>	<u>1,097</u>
	<u>1,136</u>	<u>1,240</u>
2. TAXATION ON LOSS ON ORDINARY ACTIVITIES	£000	£000
United Kingdom		
Corporation tax at 34% (1990 35%)	297	247
Deferred taxation at 33% (1990 35%)	(34)	104
Under provision of previous year		
Corporation tax	-	57
Deferred taxation - change of rate	(8)	-
- other	(15)	-
Overseas taxes	<u>77</u>	<u>75</u>
	<u>317</u>	<u>483</u>
3. FIXED ASSET INVESTMENTS		
	Associated undertakings £000	Subsidiary undertakings £000
Shares at cost		
At 1 April 1990	991	86,743
Additions	<u>368</u>	<u>-</u>
At 31 March 1991	<u>1,359</u>	<u>86,743</u>
Loans		
At 1 April 1990	-	6,011
Currency retranslation	-	(73)
Advanced during year	-	1,877
Repaid during year	<u>-</u>	<u>(407)</u>
At 31 March 1991	<u>-</u>	<u>7,408</u>

GPT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. **FIXED ASSET INVESTMENTS** (continued)

	Associated undertakings £000	Subsidiary undertakings £000
Amounts written off		
At 1 April 1990	-	22,427
Amounts written off in the year	-	<u>20,946</u>
At 31 March 1991	<u>-</u>	<u>43,373</u>
Net book values		
At 31 March 1991	<u>1,359</u>	<u>50,778</u>
At 31 March 1990	<u>991</u>	<u>70,327</u>

Fixed asset investments are all unlisted.

4. **SUBSIDIARY UNDERTAKINGS**

The companies set out below are subsidiary undertakings, all of which are in the telecommunications industry. Shareholdings are in equity capital and the companies are wholly owned.

	<u>Country of incorporation and operation</u>
GPT North America Inc	USA
GEC Plessey Telecommunications (Australia) Pty Limited	Australia
GPT (New Zealand) Limited	New Zealand
GEC Plessey Telecommunications (Canada) Limited	Canada
GPT (Far East) Limited	Hong Kong
GEC Plessey Telecommunications (Kenya) Limited	Kenya
GPT Nederland BV	Netherlands
GEC Plessey Telecommunications Ireland Limited	Eire
GP Telecom S.A.	France
GPT Optical Fibres B.V.	Netherlands

On 30 November 1990 a subsidiary of the company entered into a joint venture agreement with Siemens Communication Systems Inc to form Siemens Stromberg Carlson. Substantially all the assets and liabilities of Stromberg Carlson Corporation were transferred to the joint venture in which Stromberg Carlson is an equal partner with Siemens Communication Systems Inc.

GPT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. **ASSOCIATED UNDERTAKINGS**

The investments in related undertakings, all of which are associated undertakings operating in the telecommunications industry, are shown below.

	<u>Country of incorporation and operation</u>	<u>Class of capital</u>	<u>Per- centage held</u>
Comstar	USSR	Ordinary	50%
The Shanghai International Digital Telephone Equipment Company Limited	China	Ordinary	44%
GPT (West Africa) Limited	Nigeria	Ordinary	40%
Usha GEC Plessey Telecommunications Private Limited	India	Ordinary	40%

	1991 £000	1990 £000
6. DEBTORS		
Amounts falling due within one year		
Amounts owed by group companies	59,008	60,013
Amounts owed by related companies	<u>6</u>	<u>6</u>
	<u>59,014</u>	<u>60,019</u>

	£000	£000
7. CREDITORS		
Amounts falling due within one year		
Amounts owed to group companies	-	7
Corporation tax	<u>407</u>	<u>322</u>
	<u>407</u>	<u>329</u>

8. **DEFERRED TAXATION**

Deferred taxation provided in the Financial Statements and the total potential liability, are as follows:

	<u>Amounts provided</u>		<u>Total potential liability</u>	
	1991 £000	1990 £000	1991 £000	1990 £000
Tax effect of timing differences due to:				
Excess of tax allowances over depreciation	-	-	-	-
Other	<u>327</u>	<u>384</u>	<u>327</u>	<u>384</u>
	<u>327</u>	<u>384</u>	<u>327</u>	<u>384</u>

GPT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. DEFERRED TAXATION (continued)

The movements on the provision for deferred taxation are as follows:

	£000
At 1 April 1990	384
Transfer to profit and loss account	<u>(57)</u>
At 31 March 1991	<u>327</u>

9. SHARE CAPITAL

Authorised, allotted, called-up and fully paid
100 Ordinary shares of £1 each

1991	1990
£100	£100
==	==

10. PROFIT AND LOSS ACCOUNT

£000

Deficit

At 1 April 1990	(27,036)
Deficit for the year	<u>(20,207)</u>
At 31 March 1991	<u>(47,243)</u>

11. GROUP ACCOUNTS

Consolidated accounts have not been prepared because the company is a wholly owned subsidiary. In the opinion of the directors the aggregate value of the assets of the Company consisting of shares in or amounts due from the Company's subsidiary undertakings is not less than the aggregate value of the amounts at which those assets are stated or included in the company's balance sheet.

12. STATEMENT OF SOURCE AND APPLICATION OF FUNDS

The Company's funds are controlled on a group basis through its holding company and no useful purpose would be served by presenting a statement dealing with the Company separately.

13. ULTIMATE HOLDING COMPANY

The ultimate holding company is The General Electric Company, p.l.c., a company incorporated in England and Wales.

03-01-92
For attachment to accounts for GPT International Limited
Covs No. 220407G



GPT HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
31 MARCH 1991



**TOWARDS
THE NEW CENTURY**

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REPORT OF THE DIRECTORS

The Directors present their Report and the audited Financial Statements for the year ended 31 March 1991.

Principal activities and business review

The Company is a holding company whose subsidiary undertakings are principally engaged in the design, development and manufacture of telecommunications systems.

The Company's subsidiary undertakings design, manufacture and supply a full range of telecommunications products to government, commercial and industrial customers in the United Kingdom and overseas. Products include public switching exchanges, such as System X; transmission systems for use in public and private trunk, junction and local distribution networks; business telephone exchanges; telephones and intelligent pay-phones.

Investment in new technology to retain a competitive position and make further progress as an international telecommunications company has continued during the year.

On 30 November 1990 the Group entered into a joint venture agreement with Siemens Communication Systems Inc to form Siemens Stromberg Carlson, the third largest public switching supplier in the United States of America.

Substantially all the assets and liabilities of Stromberg Carlson Corporation were transferred to the joint venture in which Stromberg Carlson is an equal partner with Siemens Communication Systems Inc.

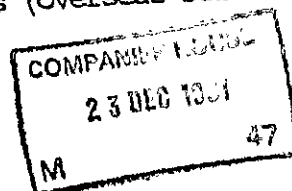
Results and Dividends

The consolidated profit for the year on ordinary activities before taxation was £117.6 million. Taxation on profit amounted to £43.5 million, and consolidated profit on ordinary activities after taxation was £74.1 million. The appropriation of this profit is shown in the notes to the Financial Statements on page 5.

A final dividend of £36.6 million will be proposed at the forthcoming Annual General Meeting and the retained profit of £36.6 million has been carried forward to reserves.

Post balance sheet event

On 2 April 1991, as part of a Group reorganisation, the Company acquired the entire issued share capital of GPT Limited, GPT Investments Limited and GPT Finance Limited from its subsidiary company for £1,588.0 million being the estimated market value of those companies. On the same day it acquired the entire issued share capital of GEC Telecommunications (Overseas Services) Limited from another group company for £1.0 million.



GPT HOLDINGS LIMITED

REPORT OF THE DIRECTORS (continued)

Research and development

The GPT Group has a comprehensive programme of investment in research and development and is dedicated to the continued introduction of more efficient technologies and techniques. The Group has access to the technology of its shareholders, The General Electric Company, p.l.c. and Siemens Aktiengesellschaft and makes use of their research facilities.

Directors

The Directors holding office during the year are listed below:

Mr H Asmussen	
Mr M R Bates	
Mr P O Gershon	(appointed 27 February 1991)
Dr E N Hardt	
Mr C B Hilton	(appointed 24 October 1990, resigned 31 May 1991)
Mr A E Isaac	(resigned 12 April 1990)
Dr J H Mackenrodt	
Mr D B Newlands	
Mr R G Reynolds	
Hon S A Weinstock	

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, or a subsidiary undertaking, 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 1991, 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:

	<u>At 31 March 1991</u> (beneficial)	<u>At 1 April 1990</u> (or subsequently on appointment) (beneficial)
	GEC Managers' 1984 Share Option Scheme	GEC Managers' 1984 Share Option Scheme
P O Gershon	460,000	350,000

Mr P O Gershon was granted an option over a further 110,000 GEC Ordinary shares of 5p each during the year.

The options are exercisable normally in the years 1993 to 2001 at subscription prices of 182p and 184p per share.

The interests of those directors who are also directors of GEC are disclosed in that company's accounts.

GPT HOLDINGS LIMITED

REPORT OF THE DIRECTORS (continued)

Charitable and political donations

Donations to United Kingdom charitable (including educational) organisations amounted to £81,000. No political donations were made during the year.

Employee participation

Employee participation remains a high priority for the management and to encourage individual involvement the Directors have introduced a company-wide "Innovation" Scheme which offers incentives to employees for new ideas which contribute to the success and well-being of the company. Communication has continued through company and business journals which are published regularly and distributed widely. The use of team briefings has also continued with the aim of improving communications with employees.

Employment of disabled persons

The GPT Group's policy is to give full and fair consideration to the applications for employment from disabled persons, having regard to their particular aptitudes and abilities. If an employee becomes disabled, GPT, wherever possible, seeks to either continue their employment in their existing job, or to redeploy them on suitable alternative duties within GPT.

Auditors

A resolution to re-appoint Coopers & Lybrand Deloitte as the Company's auditors will be proposed at the Annual General Meeting.

By order of the Board.


N C Porter
SECRETARY

7 September 1991

AUDITORS' REPORT TO THE MEMBERS OF

GPT HOLDINGS LIMITED

We have audited the Financial Statements on pages 5 to 24 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company and the Group at 31 March 1991 and of the profit and source and application of funds of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand Deloitte

COOPERS & LYBRAND DELOITTE
Chartered Accountants
Birmingham

9 Sept. 1991

GPT HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1991

	Note	1991 £m	1990 £m
TURNOVER			
Change in stocks of finished goods and work in progress	1	1,250.5	1,211.6
Own work capitalised		(13.4)	19.5
Other operating income		2.7	12.4
		<u>6.9</u>	<u>7.8</u>
		1,246.7	1,251.3
Raw materials and consumables		(475.7)	(486.4)
Staff costs	5	(420.5)	(412.2)
Depreciation		(51.0)	(51.8)
Cost of hire of plant		(6.3)	(6.3)
Auditors' remuneration		(0.6)	(0.5)
Other external and operating charges		<u>(167.3)</u>	<u>(187.2)</u>
OPERATING PROFIT		125.3	106.9
Share of profits of associated undertakings	8	1.4	-
Other interest receivable and similar income	2	10.9	3.6
Interest payable and similar charges	3	<u>(20.0)</u>	<u>(23.7)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	117.6	86.8
Taxation on profit on ordinary activities	6	<u>(43.5)</u>	<u>(36.0)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		74.1	50.8
Minority interests		<u>(0.9)</u>	<u>(0.8)</u>
PROFIT FOR THE FINANCIAL YEAR		73.2	50.0
Dividends proposed		<u>(36.6)</u>	<u>(25.0)</u>
RETAINED PROFIT FOR THE YEAR	20 & 22	<u>36.6</u>	<u>25.0</u>

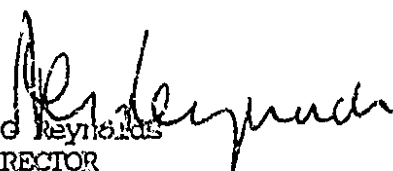
Movements in reserves are shown in notes 20, 21 and 22 on page 23.

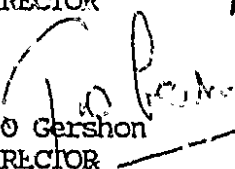
CPT HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 1991

	Note	1991 £m	1990 £m
FIXED ASSETS			
Tangible assets	7	194.4	205.8
Investments	8	<u>2.0</u>	<u>0.8</u>
		<u>196.4</u>	<u>206.6</u>
CURRENT ASSETS			
Stocks	11	208.2	239.0
Debtors	12	430.6	501.9
Investments	13	104.7	11.9
Cash at bank and in hand		<u>46.7</u>	<u>16.1</u>
		<u>790.2</u>	<u>768.9</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year			
Loans and overdrafts	14	(141.4)	(143.6)
Other creditors	15	<u>(345.9)</u>	<u>(346.2)</u>
		<u>(487.3)</u>	<u>(489.8)</u>
NET CURRENT ASSETS			
		<u>302.9</u>	<u>279.1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		499.3	485.7
Creditors: amounts falling due after more than one year			
Loans and overdrafts	14	(0.5)	(2.9)
Other creditors	15	<u>(24.8)</u>	<u>(7.1)</u>
		<u>(25.3)</u>	<u>(10.0)</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	-	(2.2)
Other provisions	17	<u>(69.1)</u>	<u>(77.8)</u>
		<u>(69.1)</u>	<u>(80.0)</u>
NET ASSETS			
		<u>404.9</u>	<u>395.7</u>
CAPITAL AND RESERVES			
Called-up share capital	19	200.0	200.0
Profit and loss account	20	106.7	96.3
Other group reserves	21	96.1	98.1
Associated undertakings reserves	22	<u>0.6</u>	<u>(0.2)</u>
		<u>403.4</u>	<u>394.2</u>
Minority interests		<u>1.5</u>	<u>1.5</u>
		<u>404.9</u>	<u>395.7</u>

The Financial Statements were approved by the Directors on 9 September 1991 and were signed on their behalf by:


R G Reynolds
DIRECTOR


P O Gershon
DIRECTOR

GPT HOLDINGS LIMITED

BALANCE SHEET AS AT 31 MARCH 1991

	Note	1991 £000	1990 £000
FIXED ASSETS			
Tangible assets	7	-	500
Investments - shares in Group companies	8	<u>199,500</u>	<u>199,500</u>
		<u>199,500</u>	<u>200,000</u>
CURRENT ASSETS			
Debtors : amounts owed by subsidiary companies		37,150	25,000
CURRENT LIABILITIES			
Creditors: amounts falling due within one year			
Bank overdraft		(25)	-
Proposed dividends		(36,600)	(25,000)
Accruals and deferred income		<u>(25)</u>	<u>-</u>
		<u>(36,650)</u>	<u>(25,000)</u>
NET CURRENT ASSETS		<u>500</u>	<u>-</u>
NET ASSETS		<u>200,000</u>	<u>200,000</u>
CAPITAL AND RESERVES			
Called-up share capital	19	200,000	200,000
Profit and loss account	20	<u>-</u>	<u>-</u>
		<u>200,000</u>	<u>200,000</u>

The Financial Statements were approved by the Directors on 9 September 1991 and were signed on their behalf by:


R G Reynolds
DIRECTOR


P O Gershon
DIRECTOR

GPT HOLDINGS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 MARCH 1991

	1991 £m	1990 £m
Funds from operations		
Profit before taxation	117.6	86.8
Adjustments not involving the movement of funds:		
Depreciation	51.0	51.8
Loss/(profit) on sale of tangible fixed assets	0.2	(1.2)
Provisions	39.9	22.4
Currency retranslation	(6.1)	0.5
Profits retained in associated undertakings	<u>(1.2)</u>	<u>-</u>
	201.4	160.3
Funds from other sources		
Sales of tangible fixed assets	29.6	7.9
Consolidation adjustment on net asset value	<u>-</u>	<u>0.5</u>
Total inflow of funds	<u>231.0</u>	<u>168.7</u>
Application of funds		
Purchase of tangible fixed assets	(73.1)	(82.2)
Purchase of fixed asset investments	(0.4)	(0.6)
Purchase of goodwill	(20.0)	(1.7)
Corporate taxation paid	(36.5)	(39.8)
Dividends paid	(25.0)	(49.1)
Charged to provisions	(48.5)	(60.6)
(Increase)/decrease in working capital		
Stocks	35.5	(7.7)
Debtors	80.4	44.6
Creditors	<u>(15.4)</u>	<u>(13.5)</u>
	<u>(103.0)</u>	<u>(210.6)</u>
Net inflow/(outflow) of funds	<u>128.0</u>	<u>(41.9)</u>
Increase/(decrease) in net cash balances		
Current asset investments and cash	123.4	(22.8)
Loans and overdrafts	<u>4.6</u>	<u>(19.1)</u>
	<u>128.0</u>	<u>(41.9)</u>

GET HOLDINGS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 MARCH 1991 (continued)

Summary of the effects of the acquisition of Siemens Stromberg Carlson joint venture.

Net Assets Acquired		Consideration	
	£m		£m
		Net assets contributed:	
Fixed assets	23.3	Fixed assets	23.2
Stocks	45.6	Stocks	19.9
Debtors	17.4	Debtors	26.9
Cash	0.1	Cash	0.1
Creditors	(30.7)	Creditors	(11.2)
Liability provisions	(5.7)	Liability provisions	(7.7)
	<hr/>		<hr/>
	50.0		51.2
Goodwill	19.8	Cash	4.2
		Deferred consideration	14.4
	<hr/>		<hr/>
	<u>69.8</u>		<u>69.8</u>

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 AND CONSOLIDATION**

The Group accounts include the accounts of the Company and its subsidiary undertakings, each made up to 31 March, together with the attributable share of results, net assets and reserves of associated undertakings. The results of those companies acquired or disposed of during the year are included for the periods of ownership.

Goodwill arising on consolidation of subsidiary undertakings, proportional consolidation of unincorporated joint venture undertakings and in respect of associated undertakings is written off to reserves on acquisition.

The Financial Statements have been prepared under the historical cost convention. As permitted by section 230 Companies Act 1985, the holding company's profit and loss account has not been included in these Financial Statements.

(b) **TURNOVER**

Turnover comprises the sales value of goods and services supplied to outside customers and, in the case of long term contracts, the value of work done appropriate to the stage of completion of those contracts.

(c) **RESEARCH AND DEVELOPMENT**

Expenditure incurred in the year is charged to the profit and loss account unless specifically chargeable to and recoverable from customers under agreed contract terms.

(d) **INSTALLATION RENTALS**

Rentals are taken to income on a time basis in annual instalments over the period of the agreement which is not less than the period over which the installations are written off.

Expenditure on repairs to and maintenance of installations on rental is charged to the profit and loss account as incurred.

(e) **TANGIBLE FIXED ASSETS**

Tangible fixed assets are stated at cost. Rental assets are stated at manufacturing cost plus attributable overheads. Depreciation is provided on a straight line basis over the estimated useful lives as follows:-

- | | |
|----------------------|--|
| Freehold buildings | - over periods ranging from 10 to 50 years. |
| Leasehold properties | - over the period of the lease, or 50 years for long leases. |
| Plant and equipment | - over periods ranging from 2 to 10 years. |

GPT HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (continued)

(f) GOVERNMENT GRANTS

Grants received are treated as deferred credits and are transferred to the profit and loss account over the expected useful life of the asset.

This is a change to the previous policy and opening fixed assets and creditors have been restated. The restatement affects both the opening cost and depreciation of certain assets and the resultant increase in net book value is equal to the capital creditor introduced.

(g) LEASED ASSETS

Fixed assets acquired under finance leases are treated as if they had been purchased and the corresponding lease commitments are included under creditors. The finance element of lease payments is charged to the profit and loss account over the term of the lease.

The income from equipment held by customers under finance leases is allocated to accounting periods to provide a constant rate of return on the funds invested, and the capital element of future rentals is included within debtors.

The annual rentals of operating leases are charged/credited to the profit and loss account on an accruals basis.

(h) FIXED ASSET INVESTMENTS

Investments in group companies are valued at cost, less any provision necessary for the permanent diminution in value, with the exception of the investments in the companies acquired from The General Electric Company, p.l.c. which have been recorded at the nominal value of the shares issued by the Company in accordance with the merger relief provisions of the Companies Act 1985.

(i) ASSOCIATED UNDERTAKINGS

Companies in which the Group has an equity interest of more than 20 per cent, but not exceeding 50 per cent, and which are not controlled by the Group, are classified as associated undertakings. The Group's share of the profits less losses of associated undertakings is included in the consolidated profit and loss account. The associated undertakings are valued at the Group's share of net tangible assets.

Joint ventures in the form of unincorporated undertakings are classified as associated undertakings and are accounted for on a proportional consolidation basis.

(j) STOCKS AND CONTRACTS IN PROGRESS

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

Work in progress valuations are based on the cost of material, labour and appropriate overheads, and does not exceed net realisable value. Provisions are made for any losses incurred or expected to be incurred on uncompleted contracts.

GPT HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (continued)

(j) STOCKS AND CONTRACTS IN PROGRESS (continued)

Profits on long term contracts are taken only when the outcome of the contract can be assessed with reasonable certainty; this usually occurs when contracts are completed or part deliveries are made to customers under contract terms.

Progress payments received and receivable on contracts at 31 March 1991 are deducted in arriving at the net value of contract work-in-progress. Progress payments in excess of costs and customers' advances on contracts are included in current liabilities as advance payments from customers.

(k) DEFERRED TAXATION

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

(l) FOREIGN CURRENCY

Results, assets and liabilities denominated in foreign currency are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising are taken to the profit and loss account. Exchange differences arising on the retranslation of opening net assets held overseas are dealt with through reserves.

(m) PENSION SCHEMES

Eligible employees are members of one of The General Electric Company, p.l.c. or The Plessey Company Limited pension schemes. Based on recommendations by independent actuaries, the rate 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 are charged against profits for the year, are held in trustee-administered funds independent of the Company's finances.

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

	1991 £m	1990 £m
1. ANALYSIS OF TURNOVER BY MAIN MARKETS		
United Kingdom	966.9	929.1
The Americas	143.5	143.9
Europe	41.2	38.9
Africa	26.7	19.3
Australasia	45.1	51.3
Asia	<u>27.1</u>	<u>29.1</u>
	<u>1,250.5</u>	<u>1,211.6</u>
2. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	£m	£m
Income from cash on deposit	10.2	3.3
Other interest receivable	<u>0.7</u>	<u>0.3</u>
	<u>10.9</u>	<u>3.6</u>
3. INTEREST PAYABLE	£m	£m
On bank loans, overdrafts and other borrowings:		
Repayable within five years, not by instalments	19.0	22.5
Repayable within five years, by instalments	0.5	0.8
On finance leases	<u>0.5</u>	<u>0.4</u>
	<u>20.0</u>	<u>23.7</u>
4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£m	£m
Profit is stated after charging or (crediting):		
Operating lease rentals payable		
- land and buildings	4.5	4.0
- other assets	2.6	1.4
Operating lease rentals receivable		
- plant and machinery	(17.1)	(19.6)
- other assets	(0.2)	-
Finance lease income receivable		
- plant and machinery	(4.9)	(5.5)
Research and development expenditure		
- privately funded	145.8	163.1
- customer funded	30.0	12.2
Rationalisation and closure costs	22.4	23.5
Loss/(profit) on sale of fixed assets	<u>0.2</u>	<u>(1.2)</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1991 Number	1990 Number
5. DIRECTORS AND EMPLOYEES		
Employees		
The average weekly number of persons employed by the Group was:		
In the UK	19,254	21,321
Overseas	<u>3,110</u>	<u>3,188</u>
	<u>22,364</u>	<u>24,509</u>
Staff costs for the above persons inclusive of redundancy costs were:	£m	£m
Wages and salaries	379.4	372.6
Social security costs	33.9	33.7
Other pension costs	<u>7.2</u>	<u>5.9</u>
	<u>420.5</u>	<u>412.2</u>
Directors		
The remuneration paid to the directors was:	1991 £000	1990 £000
Fees	50	-
Other emoluments	<u>43</u>	<u>17</u>
	<u>93</u>	<u>17</u>
Directors remuneration, excluding pension contributions includes amounts paid to:	£000	£000
The highest paid director	<u>30</u>	<u>11</u>
The number of directors who received emoluments in the following ranges was:	Number	Number
£0 - £5,000	3	11
£5,001 - £10,000	5	1
£10,001 - £15,000	1	1
£25,001 - £30,000	<u>1</u>	<u>-</u>

The current year excludes the remuneration of Messrs P O Gershon and R G Reynolds who are paid by the holding company, since it is impracticable to allocate their remuneration between that earned as directors of GPT Holdings Limited and that earned in other capacities.

Mr A E Isaac had an interest - free house purchase loan of £61,500 from a subsidiary company which was repaid in November 1990.

Mr C B Hilton had an interest-free house purchase loan of £33,000 from a subsidiary company throughout the year.

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1991 £m	1990 £m
6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES		
United Kingdom		
Corporation tax at 34% (1990 35%)	48.9	31.6
Deferred taxation at 33% (1990 35%)	(4.9)	8.7
Under/(over) provisions of previous years		
Corporation tax	0.5	(1.1)
Deferred tax - change of rate	(0.1)	-
- other	(1.3)	1.0
	<u>43.1</u>	<u>40.2</u>
Overseas		
Corporate tax	<u>0.4</u>	<u>(4.2)</u>
	<u>43.5</u>	<u>36.0</u>

7. TANGIBLE FIXED ASSETS

	Land & buildings £m	Plant & machinery £m	Fixtures, fittings, tools & equipment £m	Capital work-in- progress £m	Total £m
GROUP COST					
At 1 April 1990	46.8	153.0	254.6	12.2	466.6
Currency retranslation	0.5	(0.3)	2.0	-	2.2
Reclassification	-	(2.8)	2.8	-	-
Assets brought into use	8.8	4.4	3.6	(16.8)	-
Reclassification as stock	-	-	-	(4.7)	(4.7)
Additions at cost	0.8	3.4	33.7	11.9	49.8
Additions from acquisitions	9.4	13.7	19.9	0.8	43.8
Disposals	(9.3)	(49.3)	(19.2)	(1.2)	(79.0)
At 31 March 1991	<u>57.0</u>	<u>122.1</u>	<u>297.4</u>	<u>2.2</u>	<u>478.7</u>
DEPRECIATION					
At 1 April 1990	3.7	89.4	167.7	-	260.8
Currency retranslation	0.2	(0.2)	1.2	-	1.2
Reclassification	-	(1.4)	1.4	-	-
Charge for the year	1.1	15.2	34.7	-	51.0
Depreciation from acquisitions	1.2	7.4	11.9	-	20.5
Disposals	(0.7)	(32.1)	(16.4)	-	(49.2)
At 31 March 1991	<u>5.5</u>	<u>78.3</u>	<u>200.5</u>	<u>-</u>	<u>284.3</u>
NET BOOK VALUES					
At 31 March 1991	<u>51.5</u>	<u>43.8</u>	<u>96.9</u>	<u>2.2</u>	<u>194.4</u>
At 31 March 1990	<u>43.1</u>	<u>63.6</u>	<u>86.9</u>	<u>12.2</u>	<u>205.8</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. TANGIBLE FIXED ASSETS (continued)

	Land & buildings <u>£m</u>	Plant & machinery <u>£m</u>	Fixtures, fittings, tools & equipment <u>£m</u>	Capital work-in- progress <u>£m</u>	Total <u>£m</u>
COMPANY COST					
At 1 April 1990	0.5	-	-	-	0.5
Transfers	<u>(0.5)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(0.5)</u>
At 31 March 1991	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEPRECIATION					
At 1 April 1990 and 31 March 1991	-	-	-	-	-
NET BOOK VALUE					
At 31 March 1991	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 1990	<u>0.5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.5</u>

	1991 <u>£m</u>	1990 <u>£m</u>
Land and buildings at net book value comprises:		
Freeholds	48.0	39.5
Long leaseholds	3.4	3.6
Short leaseholds	<u>0.1</u>	<u>-</u>
	<u>51.5</u>	<u>43.1</u>

The net book value of tangible fixed assets of the Group includes an amount of £4.0 million (1990 £2.1 million) in respect of assets held under finance leases, on which the depreciation charge for the year was £1.8 million (1990 £1.2 million).

GPT HOLDINGS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (continued)8. FIXED ASSET INVESTMENTS

	GROUP Associated undertakings £m	COMPANY Subsidiary undertakings £m
Shares at cost/valuation		
At 1 April 1990	0.8	199.5
Currency retranslation	(0.4)	-
Additions	0.2	-
Share of profits less losses	<u>1.4</u>	<u>-</u>
At 31 March 1991	<u>2.0</u>	<u>199.5</u>

Fixed asset investments are all unlisted.

9. SUBSIDIARY UNDERTAKINGS

The Companies set out below are the principal subsidiary undertakings all of which are in the telecommunications industry. Shareholdings are in equity capital and the companies are wholly owned except where shown otherwise.

	<u>Country of incorporation and operation</u>
GPT International Investments Limited (formerly GEC Plessey Telecommunications Holdings Limited)	England
GPT Limited (formerly GEC Plessey Telecommunications Limited)	England
GPT Finance Limited	England
GPT International Limited	England
GPT Investments Limited	England
GPT Sales and Services Limited	England
Telephone Cables Limited (74.5%)	England
GPT Nederland BV	Netherlands
GEC Plessey Telecommunications (Australia) Pty Limited	Australia
GEC Plessey Telecommunications (Canada) Limited	Canada
GPT (Far East) Limited	Hong Kong
GEC Plessey Telecommunications Ireland Limited	Eire
GPT (New Zealand) Limited	New Zealand
GPT North America Inc	USA
Stromberg-Carlson Corporation	USA

On 30 November 1990 Stromberg-Carlson Corporation entered into a joint venture agreement with Siemens Communication Systems Inc to form Siemens Stromberg Carlson. Substantially all the assets and liabilities of Stromberg Carlson Corporation were transferred to the joint venture in which Stromberg Carlson is an equal partner with Siemens Communication Systems Inc.

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. SUBSIDIARY UNDERTAKINGS (continued)

On 2 April 1991, as part of a Group reorganisation the company acquired the entire issued share capital of GPT Limited, GPT Investments Limited and GPT Finance Limited from its subsidiary company for £1,588.0 million being the estimated market value of those companies. On the same day it acquired the entire issued share capital of GEC Telecommunications (Overseas Services) Limited from another group company for £1.0 million.

There are no adverse tax consequences as a result of these transactions.

10. ASSOCIATED UNDERTAKINGS

The investments in associated undertakings are shown below. All the companies, with the exception of Plessey Business Park Limited, are in the telecommunications industry.

	<u>Country of incorporation and operation</u>	<u>Class of capital</u>	<u>Per- centage held</u>
GPT (West Africa) Limited	Nigeria	Ordinary	40%
Telephone Cables Nigeria Limited	Nigeria	Ordinary	40%
Usha GEC Plessey Telecommunications Private Limited	India	Ordinary	40%
The Shanghai International Digital Telephone Equipment Company Limited	China	Ordinary	44%
Comstar	USSR	Ordinary	50%
Plessey Business Park Limited	England	Ordinary	50%

During the year the group increased its investment in Comstar by £0.4 million with a resulting goodwill write off of £0.2 million.

11. <u>STOCKS</u>	<u>GROUP</u>	
	<u>1991 £m</u>	<u>1990 £m</u>
Raw materials and consumables	63.1	81.2
Work-in-progress	89.7	116.1
Finished goods	49.3	43.1
Long term contract work-in-progress	<u>8.6</u>	<u>1.8</u>
	210.7	242.2
Less : payments on account		
- long term contract work-in-progress	(1.6)	(0.1)
- other	<u>(0.9)</u>	<u>(3.1)</u>
	<u>208.2</u>	<u>239.0</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

		GROUP	
		1991	1990
		£m	£m
12.	DEBTORS		
	Amounts falling due within one year		
	Trade debtors	269.8	426.4
	Amounts recoverable on contracts	89.6	0.9
	Amounts owed by GEC group companies	11.3	12.7
	Amounts owed by related companies	3.5	0.3
	Net investment in finance leases	9.8	9.0
	Other debtors	13.2	5.3
	ACT recoverable	9.1	-
	Prepayments and accrued income	<u>7.3</u>	<u>15.2</u>
		413.6	469.8
	Amounts falling due after more than one year		
	Trade debtors	3.4	11.0
	Net investment in finance leases	13.2	20.8
	Other debtors	<u>0.4</u>	<u>0.3</u>
		<u>17.0</u>	<u>32.1</u>
		<u>430.6</u>	<u>501.9</u>
		GROUP	
		1991	1990
		£m	£m
13.	CURRENT ASSET INVESTMENTS		
	Unlisted - Money market deposits	101.9	11.1
	- Certificates of tax deposits	<u>2.8</u>	<u>0.6</u>
		<u>104.7</u>	<u>11.9</u>
		GROUP	
		1991	1990
		£m	£m
14.	LOANS AND OVERDRAFTS		
	Repayable in one year or less, or on demand		
	Loans from shareholders	110.0	110.0
	Bank borrowings	27.8	33.5
	Other short term borrowings	3.6	-
	Long term borrowings	<u>-</u>	<u>0.1</u>
		<u>141.4</u>	<u>143.6</u>
	Repayable within five years		
	Bank loans	0.5	2.8
	Other loans	<u>-</u>	<u>0.2</u>
	Total	0.5	3.0
	Less amounts falling due within one year	<u>-</u>	<u>(0.1)</u>
		<u>0.5</u>	<u>2.9</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

	GROUP	
	1991 £m	1990 £m
14. LOANS AND OVERDRAFTS (continued)		
The above borrowings are repayable as follows:		
Bank loans		
Between one and two years	0.3	1.4
Between two and five years	<u>0.2</u>	<u>1.4</u>
	0.5	2.8
Other loans		
Between one and two years	<u>—</u>	<u>0.1</u>
	<u>0.5</u>	<u>2.9</u>

Loans from Shareholders are unsecured with interest payable at bank base rate plus 1%. The average interest rate during the year ended 31 March 1991 was 15.4%.

Loans and overdrafts amounting to £0.5 million are secured with rates of interest payable from 10.0% to 36.0%.

	GROUP	
	1991 £m	1990 £m
15. OTHER CREDITORS		
Amounts falling due within one year		
Net obligations in respect of finance leases	1.1	5.1
Advance payments from customers	15.8	27.7
Trade creditors	80.8	92.8
Amounts owed to GEC group companies	15.5	22.1
Amounts owed to associated undertakings	0.1	0.2
Proposed dividends	36.6	25.0
Corporation tax	48.6	34.2
ACT payable	12.2	8.3
Other taxation and social security payable	24.0	33.3
Other creditors	41.3	15.4
Accruals and deferred income	<u>69.9</u>	<u>82.1</u>
	<u>345.9</u>	<u>346.2</u>
Amounts falling due after more than one year		
Net obligations in respect of finance leases:		
Payments due between one and two years	0.7	3.9
Payments due between two and five years	1.9	0.8
Advance payments from customers	0.6	0.1
Trade creditors	1.1	1.0
Other creditors	<u>20.5</u>	<u>1.3</u>
	<u>24.8</u>	<u>7.1</u>

GPT HOLDINGS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (continued)

16. DEFERRED TAXATION

Deferred taxation provided in the Financial Statements and the total potential liability, are as follows:-

	GROUP	
	1991	1990
	£m	£m
Tax effect of timing differences due to:		
Excess of tax allowances over depreciation	14.1	19.9
Other	(11.0)	(9.4)
ACT recoverable	<u>(3.1)</u>	<u>(8.3)</u>
	<u>-</u>	<u>2.2</u>
The movements on the provision for deferred taxation are as follows:		GROUP
		£m
At 1 April 1990		2.2
Transfer from profit & loss account		2.0
Reclassification as current taxation		(1.1)
ACT utilised in the year		<u>(3.1)</u>
At 31 March 1991		<u>-</u>

17. PROVISIONS FOR LIABILITIES AND CHARGES

	Product warranties and losses on contracts	GROUP Rationalisation and closure costs	Other	Total
	£m	£m	£m	£m
At 1 April 1990	42.9	23.7	11.2	77.8
Currency retranslation	0.4	-	(0.5)	(0.1)
Additions from acquisitions	4.9	0.8	-	5.7
Utilisation of opening provisions	(18.8)	(19.7)	(10.0)	(48.5)
Charge to profit & loss account (net)	12.6	16.6	5.0	34.2
Reclassification	<u>(0.7)</u>	<u>-</u>	<u>0.7</u>	<u>-</u>
At 31 March 1991	<u>41.3</u>	<u>21.4</u>	<u>6.4</u>	<u>69.1</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. FAIR VALUE PROVISIONS

The opening fair value provisions arose from the creation of the GPT Group from assets acquired from The General Electric Company, p.l.c. and The Plessey Company plc on 1 April 1988. These are stated net of taxation.

	Asset write downs £m	Rational- isation £m	Contract Losses £m	Accounting policies and Others £m	Total £m
At 1 April 1990	0.8	5.6	15.8	4.1	26.3
Arising during the year	(2.1)	4.8	-	-	2.7
Utilised during the year	0.7	(8.6)	(4.6)	(0.2)	(12.7)
Release of unutilised provisions	-	(0.6)	(1.9)	(0.2)	(2.7)
At 31 March 1991	<u>(0.6)</u>	<u>1.2</u>	<u>9.3</u>	<u>3.7</u>	<u>13.6</u>

Fair value provisions created during the year arose from the formation of the Siemens Stromberg Carlson joint venture partnership between Stromberg Carlson Corporation Inc. and Siemens Communication Systems Inc. The goodwill and fair value provisions are as follows:-

	£m
Purchase consideration	15.9
Book value of net assets contributed	49.1
Revaluation of tangible fixed assets	2.1
Fair value	<u>2.7</u>
Fair value of purchase consideration	69.8
Fair value of net tangible assets acquired	<u>50.0</u>
Goodwill	<u>19.8</u>

Goodwill written off in respect of acquisitions of businesses which were in the Group at 31 March 1991 made since 23 December 1989, amounted to £21.7 million (1990 £1.7 million). Information to calculate the amount of goodwill written off in respect of businesses acquired prior to that date is either unavailable or it would be costly to obtain.

19. SHARE CAPITAL

	1991 £m	1990 £m
Authorised, allotted, called-up and fully paid 200,000,000 Ordinary shares of £1 each	<u>200.0</u>	<u>200.0</u>

GPT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. PROFIT AND LOSS ACCOUNT	GROUP £m	COMPANY £000
At 1 April 1990	96.3	-
Currency retranslation	(5.0)	-
Retained profit/(deficit) for the year	35.2	-
Goodwill write off	<u>(19.8)</u>	<u>-</u>
At 31 March 1991	<u>106.7</u>	<u>-</u>
21. OTHER GROUP RESERVES	Share premium account of <u>direct subsidiary</u> £m	Merger reserves of <u>the Group</u> £m <u>Total</u> £m
At 1 April 1990	61.6	36.5
Stamp duty adjustment	<u>(2.0)</u>	<u>-</u>
At 31 March 1991	<u>59.6</u>	<u>36.5</u>
22. ASSOCIATED UNDERTAKINGS RESERVES	£m	
At 1 April 1990	(0.2)	
Currency retranslation	(0.4)	
Goodwill write off	(0.2)	
Retained profit for the year	<u>1.4</u>	
At 31 March 1991	<u>0.6</u>	
23. CONTINGENT LIABILITIES	GROUP 1991 1990 £m £m	
Uninsured performance bonds and similar obligations	44.7	49.3
Other	<u>0.2</u>	<u>0.8</u>
	<u>44.9</u>	<u>50.1</u>
There are certain matters under litigation which are being contested and which, in the opinion of the directors, will not result in any liability materially in excess of any provision made in these accounts.		
24. CAPITAL COMMITMENTS	GROUP 1991 1990 £m £m	
Contracted but not provided for	9.8	22.5
Authorised but not contracted at year end	<u>13.1</u>	<u>18.2</u>