

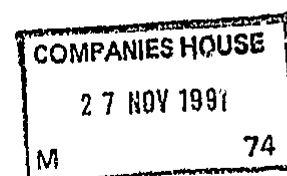
REGISTRATION NO: 2227940

RACAL - VODAFONE HOLDINGS LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 1991



RACAL - VODAFONE (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS

The Directors submit their annual report and audited financial statements for the year ended 31 March 1991.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the Company is as a holding company for other companies within the Racal Telecom Plc group of companies.
The Company will continue as a holding company for Racal - Vodafone Limited.

RESULTS AND DIVIDENDS

The profit and loss account is set out on page 3. A dividend of 0.042p per ordinary share was paid during the year.

DIRECTORS

The directors of the Company during the year were as follows:

G.A. Whent
E.J. Peett
K.J. Hydon
C.C. Gent

None of the directors has any interest in the shares of the Company or other group companies except as stated below.

DIRECTORS' INTEREST IN THE SHARES OF RACAL TELECOM PLC
AND RACAL ELECTRONICS PLC

The shareholdings and share options in Racal Electronics Plc and Racal Telecom Plc of Mr G. A. Whent, Mr E.J. Peett, Mr. K.J. Hydon and Mr C.C. Gent are disclosed in the Annual Report of Racal Telecom Plc.

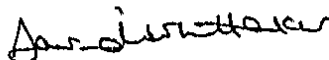
AUDITORS

A resolution proposing the re-appointment of Touche Ross & Co. as auditors to the Company will be put to the Annual General Meeting.

REGISTERED OFFICE

The registered office of the Company is at Western Road, Bracknell, Berkshire, England.

By Order of the Board
David Whittaker
Secretary
9 July 1991



REPORT OF THE AUDITORS

to the members of

RACAL - VODAFONE (HOLDINGS) LIMITED

We have audited the financial statements on pages 3 to 7 in accordance with Auditing Standards.

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

Touche Ross & Co.

Touche Ross & Co.
Chartered Accountants
Hill House
1 Little New Street
LONDON
EC4A 3TR
9 July 1991

RACAL - VODAFONE (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1991

	NOTE	1991 £'000	1990 £'000
Interest receivable less payable	3	-	-
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	4	-	-
Profit on ordinary activities after tax		-	-
Dividends	5	(170)	-
Retained (loss) for the year		(170)	-
Retained profit brought forward		170	170
Retained profit carried forward		-	170
		=====	=====


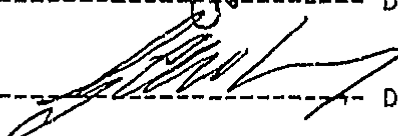
RACAL - VODAFONE (HOLDINGS) LIMITED

BALANCE SHEET

AT 31 MARCH 1991

	NOTE	£'000	1991 £'000	1990 £'000
FIXED ASSETS				
Investments	6		1,500,000	1,500,000
CURRENT ASSETS				
Debtors	7	-		46,640
CREDITORS: amounts falling due within one year	8	1,100,000		1,146,470
NET CURRENT LIABILITIES			(1,100,000)	(1,099,830)
TOTAL ASSETS LESS CURRENT LIABILITIES			400,000	400,170
CAPITAL AND RESERVES				
Called up share capital	9		400,000	400,000
Profit and loss account			-	170
			400,000	400,170

These financial statements were approved by the Board of Directors on 9 July 1991


 ----- Director

 ----- Director

RACAL - VODAFONE (HOLDINGS) LIMITED

STATEMENT OF ACCOUNTING POLICIES

YEAR ENDED 31 MARCH 1991

1. Basis of accounting

The financial statements have been prepared in accordance with statements of standard accounting practice issued by UK accountancy bodies.

The historical cost accounting convention has been applied.

2. Deferred Taxation

Provision is made for deferred taxation only where there is a reasonable probability that a liability will crystallise in the foreseeable future.

3. Investments

Investments in subsidiaries are stated at cost.

RACAL - VODAFONE (HOLDINGS) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1990

1.	Employees		
	The company has no employees.(1990 None)		
2.	Directors		
	No director received any remuneration from the company during the year (1990 £nil).		
3.	Interest receivable less payable	1991 £'000	1990 £'000
	Interest receivable:		
	Fellow Subsidiary loans	-	7,690
		<u>-</u>	<u>7,690</u>
	Interest payable:		
	Fellow Subsidiary loans	-	(7,690)
		<u>-</u>	<u>-</u>
		=====	=====
4.	Tax on profit on ordinary activities	1991 £'000	1990 £'000
	Corporation tax charge on profit for the year at 34% (1990-35%)	-	-
		=====	=====
5.	Dividends	1991 £'000	1990 £'000
	Paid 0.042p per share (1990 - Nilp)	170	Nil
		=====	=====
6.	Investments		
	Cost	1991 £'000	1990 £'000
	Racal - Vodafone Limited	1,500,000	1,500,000
		=====	=====

The company holds 100% of the issued share capital of Racal - Vodafone Limited, a company registered in England which operates a cellular radio network.

The company has taken advantage of section 228 of Companies Act 1985 to not prepare consolidated accounts since it is itself a wholly owned subsidiary of a company.

RACAL - VODAFONE (HOLDINGS) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1991

7.	Debtors	1991 £'000	1990 £'000
	Amounts owed by fellow subsidiaries	- =====	46,640 =====
8.	Creditors: amounts falling due within one year		
		1991 £'000	1990 £'000
	Amounts owed to fellow subsidiaries	1,100,000	1,146,469
	Accruals and deferred income	-	1
		<u>1,100,000</u> =====	<u>1,146,470</u> =====
9.	Called up share capital		
		1991 £'000	1990 £'000
	Authorised: 500,000,000 ordinary shares of £1 each	500,000 =====	500,000 =====
	Allotted and fully paid: 400,000,002 ordinary shares of £1 each	400,000 =====	400,000 =====
10	Ultimate Holding Company		
	The Ultimate holding company of Racal - Vodafone (Holdings) Limited is Racal Electronics Plc, which is registered in England.		