

ARROW LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1994



ARROW LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 1994

1. ACTIVITIES AND RESULTS

The Company is an investment holding company.

The Company has not traded during the year and did not trade during the previous year, consequently there is neither profit nor loss (1993 - profit of £27,958). The directors do not anticipate that the Company will resume trading in the foreseeable future and do not recommend the payment of a dividend (1993 - £nil).

2. DIRECTORS

The directors who served during the year were:

Miss J C Polley
Mr N C Porter
Miss J E Powney

On 1st August 1994, Miss J E Powney resigned as a director of the Company.

3. DIRECTORS' INTERESTS

According to the Register kept by the Company under the Companies Act 1985, Section 325, the interests of directors holding office at the end of the year were as follows:

The General Electric Company, p.l.c. - Options in respect of ordinary 5p shares

(a) The GEC Employee Savings-Related Share Option Schemes

Options to subscribe for the following numbers of shares:

	<u>31st March 1994</u>	<u>1st April 1993</u>
Miss J C Polley	5,184	5,184
Mr N C Porter	7,651	7,651

The options are exercisable normally within 6 months following 1st April 1996 and 1997 at subscription prices of 138p and 152p per share, respectively.

No options were granted to or exercised by the directors under the GEC Employee Savings-Related Share Option Schemes during the year.

ARROW LIMITED

DIRECTORS' REPORT (Continued)

(b) The GEC Managers' 1984 Share Option Scheme

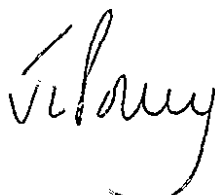
Options to subscribe for the following numbers of shares:

	<u>31st March 1994</u>	<u>1st April 1993</u>
Miss J C Polley	3,000	3,000
Mr N C Porter	80,000	80,000
Miss J E Powney	1,600	1,600

The options are exercisable normally in the years 1995 to 2002 at a subscription price of 226p per share.

No options were granted to or exercised by the directors under the GEC Managers' 1984 Share Option Scheme during the year.

By Order of the Board



J C Polley (Miss)
Secretary

1 Stanhope Gate
London W1A 1EH

Dated: 20 JAN 1995

A C C O U N T S

PROFIT & LOSS ACCOUNT

For the year ended 31 March 1994

	1994 £	1993 £
EXCEPTIONAL ITEM		
Profit on sale of property	-	27,893
Taxation overprovided prior years	-	65
PROFIT FOR THE FINANCIAL YEAR	<u> </u>	<u> </u>
TRANSFERRED TO RESERVES	-	27,958
	<u> </u>	<u> </u>

All amounts are in respect of discontinued activities.

There were no recognised gains or losses in the year or in the prior year other than the result for that year. Accordingly, no statement of total recognised gains and losses has been prepared.

MOVEMENT ON PROFIT AND LOSS ACCOUNT RESERVE

At 1 April	959,377	931,419
Profit after taxation for the financial year	-	27,958
	<u> </u>	<u> </u>
At 31 March	959,377	959,377
	<u> </u>	<u> </u>

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Profit for the financial year	-	27,958
Opening shareholders' funds	1,009,377	981,419
	<u> </u>	<u> </u>
Closing shareholders' funds	1,009,377	1,009,377
	<u> </u>	<u> </u>

A C C O U N T S

BALANCE SHEET 31 March 1994

		1994 £	1993 £
Fixed Assets			
Shares in subsidiary undertaking	1	150	150
		<u>150</u>	<u>150</u>
Current Assets:			
Debtors	2	1,009,721	533,942
Cash at bank		-	520,852
Other debtors		-	1,925
		<u>1,009,721</u>	<u>1,056,719</u>
Current Liabilities: amounts falling due within one year			
Creditors	3	494	47,492
		<u>1,009,227</u>	<u>1,009,227</u>
Net Current Assets			
		<u>1,009,377</u>	<u>1,009,377</u>
Total Assets less Current Liabilities			
Capital and Reserves			
Called up share capital authorised, allotted and fully paid			
50,000 ordinary shares at £1 each		50,000	50,000
Profit and loss account		959,377	959,377
		<u>1,009,377</u>	<u>1,009,377</u>

These accounts were approved by the Board of Directors on **20 JAN 1995**

Signed on behalf of the Board of Directors



} Directors

NOTES TO THE ACCOUNTS

1 SHARES IN SUBSIDIARY UNDERTAKING

The Company has the following wholly owned subsidiary, valued at cost less amounts written off.

		1994 £	1993 £
GEC Automotive Electronics Limited			
Ordinary Shares			
At cost	225,100		
Amount written off	224,950		
		150	150

The subsidiary is non-trading and is registered in England and Wales. As the Company is itself a wholly-owned subsidiary undertaking of another company incorporated in Great Britain no group accounts have been prepared.

2 DEBTORS

	1994 £	1993 £
Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	533,942	533,942
Amounts owed by ultimate parent company	475,779	-
	1,009,721	533,942

3 CREDITORS

	1994 £	1993 £
Amounts falling due within one year:		
Bank Overdraft	148	-
Amount owed to ultimate parent company	-	47,146
Amount owed to fellow subsidiary undertakings	150	150
Accruals	196	196
	494	47,492

NOTES TO THE ACCOUNTS - continued

4 DIRECTORS AND EMPLOYEES

The directors are employed and remunerated by other companies in the GEC Group. They do not receive any remuneration specifically for their services as directors of the Company. The Company had no employees during the year.

5 ULTIMATE PARENT COMPANY

The Company's ultimate parent company is The General Electric Company, p.l.c (GEC), which is registered in England and Wales. The GEC group is the only group of which the Company is a member for which group accounts are prepared. Copies of the group accounts are available from The Secretary at 1 Stanhope Gate, London W1A 1EH.

ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

A U D I T O R S ' R E P O R T

TO THE MEMBERS OF ARROW LIMITED

We have audited the financial statements on pages 3 to 6 which have been prepared under 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 the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 March 1994 and of its result 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 and Registered Auditors
Hill House
1 Little New Street
London EC4A 3TR