

**ARROW LIMITED**  
REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 1996



# DIRECTORS' REPORT

## ARROW LIMITED

The Directors present their report and the financial statements of the Company for the year ended 31 March 1996.

### 1. ACTIVITIES

The Company is an investment holding company. The Company has not traded during the year and did not trade during the previous year. The Directors do not anticipate that the Company will resume trading in the foreseeable future.

### 2. RESULTS AND DIVIDENDS

The Company made neither profit nor loss during the year (1995 - £nil). The Directors do not recommend the payment of a dividend (1995 - £nil).

### 3. DIRECTORS AND THEIR INTERESTS

(a) The membership of the Board during the year was:

Mr R K Miller (appointed 1 June 1995)  
Miss J C Polley  
Mr N C Porter

(b) 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.

(c) According to the Register kept by the Company under Section 325 of the Companies Act 1985, the interests of Directors holding office at the end of the year in the shares of the Company, the Company's ultimate holding company, The General Electric Company, p.l.c. or its subsidiaries were as follows:

The General Electric Company, p.l.c.

#### (i) The GEC Employee Savings-Related Share Option Schemes

Options to subscribe for the following number of ordinary 5p shares:

	<u>31 March 1996</u>	<u>Options granted during the year</u>	<u>1 April 1995</u>
J C Polley	8,112	1,374	6,738
N C Porter	10,579	1,374	9,205

The options are exercisable normally within 6 months of 1 April 1996, 1997, 2000 and 2001 at subscription prices between 138p and 251p per share.

No options were exercised by the Directors during the year under the GEC Employee Savings-Related Share Option Schemes.

(ii) The GEC Managers' 1984 Share Option Scheme

Options to subscribe for the following number of ordinary 5p shares:

	<u>31 March 1996</u>	<u>1 April 1995</u>
J C Polley	3,000	3,000
N C Porter	80,000	80,000

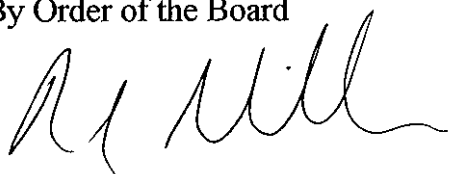
The options are exercisable normally in the years 1996 to 2002 at a subscription price of 226p per share.

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

4. AUDITORS

On 1 February 1996, the Company's auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report in their new name.

By Order of the Board



R K Miller  
Secretary

1 Stanhope Gate  
London W1A 1EH

Dated: 17th December 1996

# ARROW LIMITED

## ACCOUNTS

### BALANCE SHEET

31 March 1996

	Note	1996 £	1995 £
Fixed Assets			
Shares in subsidiary undertaking	1	150	150
		<u>150</u>	<u>150</u>
Current Assets:			
Debtors	2	1,009,721	1,009,721
		<u>1,009,721</u>	<u>1,009,721</u>
Creditors: amounts falling due within one year	3	494	494
		<u>494</u>	<u>494</u>
Net Current Assets		1,009,227	1,009,227
		<u>1,009,227</u>	<u>1,009,227</u>
Total Assets less Current Liabilities		<u>1,009,377</u>	<u>1,009,377</u>
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>959,377</u>	<u>959,377</u>
Equity shareholders' interest		<u>1,009,377</u>	<u>1,009,377</u>

There was no income or expenditure during the year or the prior year and, accordingly, no Profit and Loss Account has been prepared.

There were no recognised gains or losses or movements in shareholders' funds in the year or in the prior year. Accordingly, no Statement of Total Recognised Gains and Losses or Statement of Movements in Shareholders' Funds has been prepared.

These accounts were approved by the Board of Directors on 17th December 1996

Signed on behalf of the Board of Directors



Mr R K Miller

} Directors



Mr N C Porter

# ARROW LIMITED

## NOTES TO THE ACCOUNTS

### 1 SHARES IN SUBSIDIARY UNDERTAKING

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

		1996 £	1995 £
Ferranti Naval Systems Limited (formerly GEC Automotive Electronics Limited)			
Ordinary Shares			
At cost	225,100		
Amount written off	<u>224,950</u>	<b>150</b>	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

	1996 £	1995 £
Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	<b>533,942</b>	533,942
Amounts owed by ultimate parent company	<b>475,779</b>	475,779
	<u><b>1,009,721</b></u>	<u>1,009,721</u>

### 3 CREDITORS

	1996 £	1995 £
Amounts falling due within one year:		
Bank Overdraft	<b>148</b>	148
Amount owed to fellow subsidiary undertakings	<b>150</b>	150
Accruals	<b>196</b>	196
	<u><b>494</b></u>	<u>494</u>

**NOTES TO THE ACCOUNTS - continued**

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**4 DIRECTORS AND EMPLOYEES**

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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**

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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.

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**ACCOUNTING POLICIES**

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The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. See also note 1.

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**ARROW LIMITED**  
**AUDITORS' REPORT**

TO THE MEMBERS OF ARROW LIMITED

We have audited the financial statements on pages 3 to 5 which have been prepared under the accounting policies set out on page 5.

**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 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche*

DELOITTE & TOUCHE  
Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London EC4A 3TR

20 DEC 1996