

Registered in England and Wales Number: 1989846

RACAL EXECUTIVE TRUSTEE LIMITED

Report and Financial Statements

For the Year ended 31 December 2002



RACAL EXECUTIVE TRUSTEE LIMITED

DIRECTORS' REPORT

The Directors submit their annual report and financial statements for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as a trustee, but without remuneration.

REVIEW OF THE COMPANY'S BUSINESS

The Company has not traded during the current or preceding year and made neither a profit nor a loss. No change in the company's activities is envisaged.

DIVIDENDS

The directors do not recommend payment of a dividend (31 December 2000: £Nil).

DIRECTORS

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

	Date Appointed	Date Resigned
J. E. Handley	20 th November 2002	
D. R. G. Horne	20 th November 2002	
B. Bouquot		20 th November 2002
N. Topazio		31 st October 2002
M Seabrook		
Lord Roger.N. Freeman		
R.J. Preston		
M. Slade		

DIRECTORS' SHARE INTERESTS

According to the register of directors' interests, no director had any beneficial interests in the shares of the company or held the right to subscribe for shares during the period.

The company has taken advantage of SI 1985/802 not to disclose directors interests in the overseas parent.

RACAL EXECUTIVE TRUSTEE LIMITED

DIRECTORS'REPORT (Continued)

BASIS OF PREPARATION

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'M.W.P. Seabrook', with a large, sweeping flourish extending from the bottom right.

M.W.P. SEABROOK
Secretary

Date: 19th March 2003

2, Dashwood Lang Road
The Bourne Business Park
Addlestone
Surrey
KT15 2NX

RACAL EXECUTIVE TRUSTEE LIMITED**BALANCE SHEET**
At 31 December 2002

	Note	£	2002 £	£	2001 £
CURRENT ASSETS					
Debtors	4	<u>2</u>		<u>2</u>	
NET CURRENT ASSETS			<u>2</u>		<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2</u>		<u>2</u>
CAPITAL AND RESERVES					
Called up share capital	5		<u>2</u>		<u>2</u>
EQUITY SHAREHOLDERS' FUNDS			<u>2</u>		<u>2</u>

Note: The Company has not traded and has made neither profit nor loss in the financial year and the preceding year. There have been no movements on shareholders' funds nor have there been any recognised gains or losses in the financial year and the preceding year. Any expenses have been borne by the parent company.

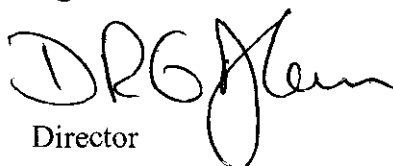
For the year ended 31 December 2002, the company was entitled to exemption from the requirement to have an audit under the provisions of section 249AA(1) of the Companies Act 1985. No notice has been deposited with the company under section 249B(2) of the Act requiring an audit to be carried out.

The directors acknowledge their responsibility for

- ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial period and of its profit/loss for that financial period in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of the Act relating to accounts as far as they are applicable to the company

The accounts were approved by the Board of Directors on 19th March 2003.

Signed on behalf of the Board of Directors


Director

RACAL EXECUTIVE TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policy adopted is described below.

Accounting convention

The accounts are prepared under the historical cost convention.

2. EMPLOYEES' AND DIRECTORS' EMOLUMENTS

The directors received no remuneration for their services in respect of the company in either the current or preceding year. The company had no employees other than the directors.

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Amounts owed by group undertakings	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

4. CALLED UP SHARE CAPITAL

	2002	2001
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and nil paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

RACAL EXECUTIVE TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Thales SA, a company incorporated in France. This is also both the largest and smallest group which includes the company and for which consolidated financial statements are prepared. Copies of the group financial statements of Thales SA are available from 173 Boulevard Haussmann, 75415 Paris Cedex 08, France.

6. RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard No.8 "Related Party Disclosures," transactions with other undertakings within, and investee related parties of, Thales group have not been disclosed in these financial statements.