

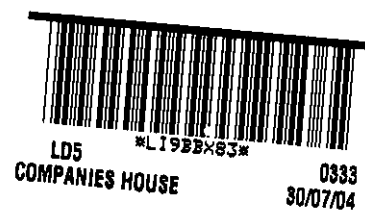
Company registration no: 4540211

Singlepoint Payment Services Limited

Report and Financial Statements

Period from the date of incorporation on 19 September

2002 to 30 September 2003



SINGLEPOINT PAYMENT SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS 30 September 2003

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SINGLEPOINT PAYMENT SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS 30 September 2003

DIRECTORS

Craig Bennett (Appointed 18 October 2002. Resigned 22 September 2003)
John Caudwell (Appointed 18 October 2002. Resigned 22 September 2003)
Tim Whiting (Appointed 18 October 2002. Resigned 22 September 2003)
Thomas Phillips (Appointed 18 October 2002)
Colin Wright (Appointed 22 September 2003)
Andrew Davies (Appointed 22 September 2003)
Edward Langston (Appointed 22 September 2003)
Gavin Darby (Appointed 22 September 2003. Resigned 01 April 2004)
Helen Keays (Appointed 22 September 2003)
Nicholas Read (Appointed 22 September 2003)
John Raymond Townsend (Appointed 15 December 2003)
William Thomas Morrow (Appointed 1 February 2004)
Nigel Brocklehurst (Appointed 22 September 2003)

SECRETARY

Craig Bennett (Resigned 22 September 2003)
Philip Howie (Appointed 22 September 2003)

REGISTERED OFFICE

Vodafone House
The Connection
Newbury
Berks
RG14 2FN

BANKERS

Barclays Bank PLC
PO Box 202
36 Town Road
Hanley
Stoke on Trent
Staffordshire
ST1 2PJ

SOLICITORS

Knight & Sons
The Brampton
Newcastle
Staffs

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

SINGLEPOINT PAYMENT SERVICES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period from the date of incorporation on 19 September 2002 to 30 September 2003.

PRINCIPAL ACTIVITIES

The company was incorporated on 19 September 2002 and started trading on 1 May 2003. The company's principal activity during the period was the provision of financial services to Singlepoint (4U) Limited. The business underwent a change in ownership on 22 September 2003 becoming a wholly owned subsidiary of Vodafone Group Plc.

REVIEW OF BUSINESS

The profit and loss account for the year is set out on page 6.

Both the level of business and the year-end financial position remain satisfactory, and the directors expect that the present level of activity will be maintained for the foreseeable future.

DIVIDENDS

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors of the company, all of whom have been directors for the whole of the period except where otherwise stated, are listed below:

Craig Bennett	(Appointed 18 October 2002. Resigned 22 September 2003)
John Caudwell	(Appointed 18 October 2002. Resigned 22 September 2003)
Tim Whiting	(Appointed 18 October 2002. Resigned 22 September 2003)
Thomas Phillips	(Appointed 18 October 2002)
Colin Wright	(Appointed 22 September 2003)
Andrew Davies	(Appointed 22 September 2003)
Edward Langston	(Appointed 22 September 2003)
Gavin Darby	(Appointed 22 September 2003. Resigned 01 April 2004)
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John Raymond Townsend	(Appointed 15 December 2003)
William Thomas Morrow	(Appointed 1 February 2004)
Nicholas Read	(Appointed 22 September 2003)
Nigel Brocklehurst	(Appointed 22 September 2003)

DIRECTORS' SHARE INTERESTS

The interests of Edward Langston, Helen Keyes, Nicholas Read and Nigel Brocklehurst in shares and share options in Vodafone Group Plc are disclosed in the Vodafone UK Limited Annual Report & Accounts and for the year ended 31 March 2003.

None of the directors held beneficial interests in the shares of Singlepoint Payment Services Limited or in the shares of any other Group company, other than disclosed above, in the current or preceding financial year. All directors are also directors of the parent company, Singlepoint (4U) Limited.

EMPLOYMENT OF DISABLED PERSONS

The company is an equal opportunity employer and accordingly has a policy of giving full and fair consideration to applications for employment from registered disabled people. In cases where disablement occurs whilst in service, company policy is, wherever practicable, to continue employment and to arrange for any necessary re-training. Opportunities for training, career development and promotion apply equally across the group to disabled and non-disabled employees alike.

SINGLEPOINT PAYMENT SERVICES LIMITED

DIRECTORS' REPORT

(continued)

EMPLOYEE INVOLVEMENT AND PARTICIPATION

The company's policy is to consult and discuss with employees, matters likely to affect employees' interests. Information on matters of concern to employees is given through team briefings, internal publications and notice boards which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

SUPPLIERS PAYMENT POLICY

The company's policy, is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors of the company at 30 September 2003 were equivalent to 45 days' purchases, based on the average daily amount invoiced by suppliers during the year.

STATEMENT OF DIRECTORS RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

On 23 September 2003, Ernst & Young resigned as auditors of Singlepoint (4U) Limited. Deloitte & Touche LLP were subsequently appointed as auditors for Singlepoint (4U) Limited.

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



Philip Howie
Company Secretary

29 July 2004

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGLEPOINT PAYMENT SERVICES LIMITED

We have audited the financial statements of Singlepoint Payment Services Limited for the period from the date of incorporation on 19 September 2002 to 30 September 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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.

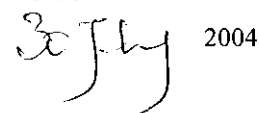
Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its profit for the period from the date of incorporation on 19 September 2002 to 30 September 2003 and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London



SINGLEPOINT PAYMENT SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

Period from 19 September 2002 to 30 September 2003

		Period from 19 September 2002 to 30 September 2003 £
	Note	
TURNOVER	2	5,615,613
Cost of sales		-
GROSS PROFIT		5,615,613
Net operating expenses		(1,481,099)
OPERATING PROFIT	3	4,134,514
Interest receivable	6	142,587
Interest payable	7	(1,682)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,275,419
Tax on profit on ordinary activities	8	(1,282,626)
RETAINED PROFIT FOR THE FINANCIAL PERIOD	12	2,992,793

All results are derived from continuing operations.

There is no difference between the (loss) / profit on ordinary activities before taxation and retained profit for the period stated above, and their historical cost equivalents.

There have been no gains and losses in the current period except as noted above and consequently no Statement of Total Recognised Gains and Losses has been presented.

SINGLEPOINT PAYMENT SERVICES LIMITED

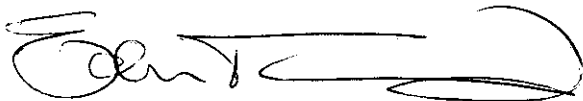
BALANCE SHEET

30 September 2003

	Note	30 September 2003 £
CURRENT ASSETS		
Debtors	9	3,727,489
Cash		368,481
		<hr/> 4,095,970
CREDITORS: amounts falling due within one year	10	(1,103,175)
		<hr/> 2,992,795
NET CURRENT ASSETS		
		<hr/> 2,992,795
TOTAL ASSETS LESS CURRENT LIABILITIES		
		<hr/> 2,992,795
		<hr/> <hr/> 2,992,795
CAPITAL AND RESERVES		
Called up share capital	11	2
Profit and loss account	12	2,992,793
		<hr/> 2,992,795
EQUITY SHAREHOLDERS' FUNDS	13	<hr/> <hr/> 2,992,795

These financial statements were approved by the Board of Directors on 29 July 2004.

Signed on behalf of the Board of Directors



John R Townsend

Director

SINGLEPOINT PAYMENT SERVICES LIMITED

NOTES TO THE ACCOUNTS

Period from 19 September 2002 to 30 September 2003

1. ACCOUNTING POLICIES

The accounts 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.

Basic of accounting

The financial statements are prepared in accordance with the historical cost convention and the going concern basis.

Cash flow

The company is a wholly owned subsidiary of Singlepoint (4U) Limited and its cash flows are included in the consolidated group cash flow statement of that company. Consequently, the company is exempt under the terms of FRS 1 (Revised) 'Cash Flow Statements' from publishing a cash flow statement.

Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those which are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leases

Rentals paid under operating leases are charged or credited to the profit and loss account on a straight line basis over the lease term.

Pension scheme

The company contributes to a defined contribution group pension scheme operated by Caudwell Subsidiary Holdings Limited. Contributions are based on pension costs across the group as a whole. Pension costs are accounted for on the basis of contributions payable during the year. The old scheme was transferred to a new scheme in the name of Singlepoint (4U) Limited on 30 October 2003.

2. TURNOVER

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. The company operates in its principal area of activity, that of the supply of financial services within the UK.

3. OPERATING PROFIT

All audit fees are borne by the parent entity Singlepoint (4U) Limited.

4. DIRECTORS' EMOLUMENTS

All directors are paid by Singlepoint (4U) Limited. No separate fees for qualifying services in respect of Singlepoint Payment Services Limited are received by the directors.

SINGLEPOINT PAYMENT SERVICES LIMITED

NOTES TO THE ACCOUNTS

Period from 19 September 2002 to 30 September 2003

5. STAFF COSTS

	Period from 19 September 2002 to 30 September 2003 £
Wages and salaries	337,235
Social security costs	29,557
Other pension costs	1,921
	<u>368,713</u>

All employees are paid by Singlepoint (4U) Ltd and the costs recharged to Singlepoint Payment Services Limited.

6. INTEREST RECEIVABLE

	Period from 19 September 2002 to 30 September 2003 £
Bank interest	142,587
	<u>142,587</u>

7. INTEREST PAYABLE

	Period from 19 September 2002 to 30 September 2003 £
Bank interest	(1,682)
	<u>(1,682)</u>

8. TAXATION

	Period from 19 September 2002 to 30 September 2003 £
Current tax: UK corporation tax on profit of the period at 30%	<u>(1,282,626)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 30%.

SINGLEPOINT PAYMENT SERVICES LIMITED

NOTES TO THE ACCOUNTS

Period from 19 September 2002 to 30 September 2003

9. DEBTORS

	30 September 2003 £
Amounts owed by group undertakings:	
Parent company and fellow subsidiary undertakings	2,172,414
Prepayments and accrued income	1,555,075
	<u>3,727,489</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2003 £
Amounts owed to group undertakings:	
Parent company and fellow subsidiary undertakings	(450,975)
Other taxes and social security costs	(652,200)
	<u>(1,103,175)</u>

The company is party to a cross guarantee in respect of the banking arrangements of the ultimate parent company and fellow UK subsidiaries.

11. SHARE CAPITAL

	30 September 2003 No.	30 September 2003 £
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
	30 September 2003 No.	30 September 2003 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

12. PROFIT AND LOSS ACCOUNT

	30 September 2003 £
At 19 September 2002	-
Retained profit for the period	2,992,793
	<u>2,992,793</u>
At 30 September 2003	<u>2,992,793</u>

SINGLEPOINT PAYMENT SERVICES LIMITED

NOTES TO THE ACCOUNTS

Period from 19 September 2002 to 30 September 2003

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	30 September 2003 £
At 19 September 2002	-
Shares issued in period	2
Profit for the financial period	2,992,793
	<hr/>
At 30 September 2003 (2002: 31 December 2002)	<u>2,992,795</u>

14. PENSION COSTS

All pension costs are paid by the parent Singlepoint (4U) Limited and cross charged to Singlepoint Payment Services Limited. Contributions of £1,921 for the period were made to a defined contribution pension scheme operated by Caudwell Subsidiary Holdings Limited, which was set up on 1 April 1996. The old scheme was transferred to a new scheme in the name of Singlepoint (4U) Limited on 30 October 2003.

15. CONTINGENT LIABILITIES

The company is party to multilateral guarantees in respect of the Vodafone Group Plc cashpool.

16. RELATED PARTY TRANSACTIONS

The company has applied the exemption granted under paragraph 3(c) of FRS 8 and not disclosed any transactions with other group companies.

17. ULTIMATE PARENT UNDERTAKING

The immediate parent company is Singlepoint (4U) Limited, a company registered in England and Wales. Copies of the parent's financial statements may be obtained from The Secretary, Singlepoint (4U) Limited, Vodafone House, The Connection, Newbury, Berkshire. RG14 2FN.

A change in ownership took place on 22 September 2003 when Singlepoint (4U) Limited became a wholly owned subsidiary of Vodafone Group Plc. Vodafone Group Plc is the ultimate holding company and the smallest and largest group which prepares consolidated financial statements and of which the Company forms a part is Vodafone Group Plc, a company incorporated in England. Vodafone UK Limited is the intermediate holding company.