

The Eastern Leasing Company Limited

Company No: 01672832

Annual Report and Financial Statements

For the Year Ended 31 March 2020

Registered office Vodafone House
The Connection
Newbury
Berkshire
RG14 2FN



The Eastern Leasing Company Limited

Company No: 01672832

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The Eastern Leasing Company Limited

Company No: 01672832

Company Information

Directors	Gregory Mook Neil Andrew Wright Vodafone Enterprise Corporate Secretaries Limited
Company secretary	Vodafone Enterprise Corporate Secretaries Limited
Registration number	01672832
Registered office	Vodafone House The Connection Newbury Berkshire RG14 2FN United Kingdom

The Eastern Leasing Company Limited

Company No: 01672832

Directors' Report for the Year Ended 31 March 2020

The Directors present their report and the financial statements for the year ended 31 March 2020.

Incorporation

The Company was incorporated as a private company limited by shares on 20 October 1982 and registered in England and Wales.

Principal activities

The principal activity of the Company is to act as an investment holding company.

The Company has taken advantage of the exemption in the Companies Act 2006 to not present a Strategic Report.

Review of the business and future development

The Directors do not anticipate that the business of the Company will change in the foreseeable future. There have been no subsequent events that would suggest future changes.

Results and Dividends

The income statement is set out on page 6 of the financial statements. For the year ended 31 March 2020, there was a loss on ordinary activities after taxation of £121,000 (2019: loss of £122,000). The loss for the year is mainly due to interest payable to group undertakings.

The Directors do not recommend the payment of a dividend for the year ended 31 March 2020 (2019: £nil).

Directors of the Company

The directors, who held office during the year, were as follows:

Gregory Mook

Neil Andrew Wright

Vodafone Enterprise Corporate Secretaries Limited

Registered office

The registered office of the Company is Vodafone House, The Connection, Newbury, Berkshire, United Kingdom, RG14 2FN.

Political and charitable donations

No charitable donations, political donations or contributions to political parties under the Companies Act 2006 have been made by the Company during the financial year (2019: £nil). The Company follows Vodafone Group policy in that no political donations be made or political expenditure incurred.

The Eastern Leasing Company Limited

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Directors' Report for the Year Ended 31 March 2020 (continued)

Principal risks and uncertainties

The financial risks the Directors consider relevant to the Company include currency risk, credit risk and liquidity risk. The Company follows the board approved policies of its parent Vodafone Group Plc, to manage these principal financial risks. The Company uses financial instruments taken out with other Group companies to hedge against certain currency movements where the transactions are significant (in excess of €5 million).

The treasury function of the Vodafone Group provides a centralised treasury service to the Company, and follows a framework of policies and guidelines authorised and reviewed annually by the Vodafone Group Plc Board.

The Directors also consider transfer pricing risk is relevant to the Company. The Company has a recharge mechanism in place for allocating out the services charges for companies with the Group which is based on a governance framework in line with the OECD guidelines designed by the Group's tax function. The Group tax function also monitors the implementation and also review the design of recharge mechanism and update where necessary.

The Group's internal auditors review the internal control environment regularly. There has been no significant change during the financial year to the types of financial risks faced by the Company, or the Company's approach to the management of those risks. Further details of the Group's policies on financial risk management can be found in the annual report and financial statements of Vodafone Group Plc for the year ended 31 March 2020.

The COVID-19 pandemic has brought significant disruption to the staff, suppliers and customers of the Vodafone Group. It is likely to change the global economic, social, political and business landscape for the foreseeable future. The Vodafone Group Annual report contains full details of the strategy and five-point plan, which the Group have adopted to identify new opportunities which, may arise or risks which, may change materially.

The Directors have considered the impact of Covid-19 and would not envisage any consequential impact on the Company.

Financial Position and Liquidity

The Directors consider that the Company has sufficient funding to meet its financial needs as they fall due. Accordingly, the Directors have prepared the financial statements on a going concern basis.

The Directors have reviewed the financial position of the Company, including the arrangements with Vodafone Group Plc undertakings. The Directors have also considered the financial position of the Company's ultimate parent Vodafone Group Plc, including centralised treasury arrangements and the availability of a credit facility.

On the basis of their assessment of the Company's financial position, the factors likely to affect its future development and performance, and the enquiries made of the directors of Vodafone Group Plc, the Company's Directors have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Company to continue as a going concern. Accordingly, they expect that the Company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Research and development

The Company does not perform any research or development activities.

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Directors' Report for the Year Ended 31 March 2020 (continued)

Going concern

The potential impact of COVID-19 on the Company has been considered as part of the Company's going concern assessment. In reaching its conclusion, the Directors also considered the findings of the work performed by Group to support the statement on the long-term viability of the Group. This included key changes to the principal risks relevant to the sustainability of the Group's operations in light of the COVID-19 pandemic, sensitivity analysis, scenario assessments, and combinations thereof, including that of a longer-term global recession with likely impacts beyond 2020.

The Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements notwithstanding net current liabilities position of £18,957,000 (2019: £18,836,000).

The Directors have reviewed the financial position of the Company, including the arrangements with Vodafone Group Plc undertakings. The Directors have also considered the financial position of the Company's ultimate parent, Vodafone Group Plc, including centralised treasury arrangements and the availability of a credit facility.

On the basis of their assessment of the Company's financial position and of the enquiries made of the Directors of Vodafone Group Plc, the Directors of the Company have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Vodafone Group Plc to continue as a going concern. Accordingly, they expect that the Company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of Directors' Responsibilities

The Directors are responsible for preparing directors' report and the financial statements in accordance with applicable law and regulations.

Company law of England and Wales requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these 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;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable UK Accounting Standards, including FRS 101 have been followed subject to any material departures disclosed and explained in the financial statements; 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 that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of internal control, for safeguarding the assets of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Directors' Report for the Year Ended 31 March 2020 (continued)

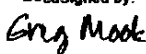
Indemnification of directors

In accordance with the Company's articles of association and to the extent permitted by law, the Directors may be granted an indemnity from the Company in respect of liabilities incurred as a result of their office. In respect of those matters for which the Directors may not be indemnified, Vodafone Group Plc maintained a directors and officers' liability insurance policy throughout the financial year. This policy is renewed annually in August. Neither the Company's indemnity nor the insurance provides cover in the event that the Director is proven to have acted dishonestly or fraudulently.

Events after the reporting period

The Company will continue to monitor the implications for Vodafone's operations in light of the new trading relationship between the UK and the EU, which has yet to be negotiated. The Group established a cross-functional steering committee that has identified the impact of the UK and EU failing to reach a free trade agreement on the Group's operations and has produced a comprehensive mitigation plan. The lack of an agreed free trade deal between the UK and EU could lead to a fall in consumer and business confidence. Such a fall in confidence could, in turn, reduce consumer and business spend on Group products and services, but we would not envisage this would directly impact the Company.

Approved by the Board on16.11. 2020 and signed on its behalf by:

DocuSigned by:

FA7F5806796F437:.....
Gregory Mook
Director

The Eastern Leasing Company Limited

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Income Statement for the Year Ended 31 March 2020

	Note	2020 £ 000	2019 £ 000
Operating profit/(loss)		-	-
Finance costs net	5	<u>(149)</u>	<u>(150)</u>
Loss before taxation		(149)	(150)
Income tax credit	6	<u>28</u>	<u>28</u>
Loss for the financial year		<u><u>(121)</u></u>	<u><u>(122)</u></u>

The above results were derived from continuing operations.

The notes on pages 10 to 21 form an integral part of these financial statements.

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Statement of Comprehensive Income for the Year Ended 31 March 2020

The Company has not recognised any other comprehensive income / (expense) and therefore no separate statement of comprehensive income has been prepared in respect of either year.

The notes on pages 10 to 21 form an integral part of these financial statements.

The Eastern Leasing Company Limited

Company No: 01672832

Statement of Financial Position as at 31 March 2020


	Note	2020 £ 000	2019 £ 000
Non current assets			
Investments in subsidiaries	7	64,690	64,690
Current assets			
Trade and other receivables	8	56	36
Creditors: Amounts falling due within one year	9	<u>(19,013)</u>	<u>(18,872)</u>
Net current liabilities		<u>(18,957)</u>	<u>(18,836)</u>
Total assets less current liabilities		<u>45,733</u>	<u>45,854</u>
Net assets		<u>45,733</u>	<u>45,854</u>
Equity			
Capital and reserves			
Called up share capital	10	1	1
Share premium account		687,497	687,497
Retained losses		<u>(641,765)</u>	<u>(641,644)</u>
Total Shareholders' funds		<u>45,733</u>	<u>45,854</u>

For the financial year ending 31 March 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the Board and authorised for issue on16.11.2020 and signed on its behalf by:

DocuSigned by:

EATF5838738F43Z.....
 Gregory Mook
 Director

The notes on pages 10 to 21 form an integral part of these financial statements.

The Eastern Leasing Company Limited

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Statement of Changes in Equity for the Year Ended 31 March 2020

	Called up share capital £ 000	Share premium account £ 000	Retained losses £ 000	Total £ 000
At 1 April 2018	1	687,497	(641,522)	45,976
Loss for the year	-	-	(122)	(122)
At 31 March 2019	<u>1</u>	<u>687,497</u>	<u>(641,644)</u>	<u>45,854</u>
At 1 April 2019	1	687,497	(641,644)	45,854
Loss for the year	-	-	(121)	(121)
At 31 March 2020	<u>1</u>	<u>687,497</u>	<u>(641,765)</u>	<u>45,733</u>

The notes on pages 10 to 21 form an integral part of these financial statements.

The Eastern Leasing Company Limited

Company No: 01672832

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The Eastern Leasing Company Limited ('the Company') acts as an investment holding company.

The Company is a private company limited by shares, incorporated and domiciled in England and Wales.

The address of its registered office is:

Vodafone House

The Connection

Newbury

Berkshire

RG14 2FN

United Kingdom

Registration number: 01672832

These financial statements were authorised for issue by the Board on16.11.2020.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statement have been prepared under the historical cost convention as modified by derivative financial assets and liabilities measured at fair value through profit or loss and in accordance with the Companies Act 2006, as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed on page 16.

The Company has applied FRS 101 as issued in March 2018, which reflects the amendments made as part of the Triennial Review 2017. The Triennial Review amendments have had no material impact on the financial statements of the Company.

The Company's functional and presentational currency is Pound Sterling.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of paragraph 38 of IAS 1 *Presentation of Financial Statements* comparative information requirements in respect of:

- (i) paragraph 79(a)(iv) of IAS 1;

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

- The requirements of following paragraphs of IAS 1 *Presentation of Financial Statements*:
 - 10(d), (statement of cash flows);
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 40A-D (requirements for a third statement of financial position);
 - 111 (cash flow statement information);
 - 134-136 (capital management disclosures);
- The requirements of IAS 7 *Statement of Cash Flows*;
- The requirements of paragraph 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- The requirements of paragraph 17 and 18A of IAS 24 *Related Party Disclosures*;
- The requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 *Impairment of Assets*, because equivalent disclosures are included in the Vodafone Group Plc Annual Report in which the entity is consolidated;
- The requirements of IFRS 7 *Financial Instruments: Disclosures*, because equivalent disclosures are included in the Vodafone Group Plc Annual Report in which the entity is consolidated;
- The requirements of paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*, because equivalent disclosures are included in the Vodafone Group Plc Annual Report in which the entity is consolidated;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 *Revenue from Contracts with Customers*;

2.1.1 Going concern

The financial statements have been prepared on a going concern basis. The Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' report on page 2.

The Directors have reviewed the financial position of the Company. Accordingly, they expect that the Company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.2 New standards, amendments and IFRIC interpretation

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2020, have had a material impact on the Company, including IFRS 16.

2.2 Exemption from preparing group accounts

The financial statements contain information about The Eastern Leasing Company Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of its ultimate parent, Vodafone Group Plc, a company incorporated in United Kingdom.

2.3 Investments in subsidiaries

Investments in subsidiaries held as fixed assets are stated at cost less provision for any permanent diminution in value.

At each balance sheet date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

There are very few circumstances where an impairment loss would be reduced or reversed. Where a reduction or reversal of impairment is considered appropriate the increased carrying amount must not exceed the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years. Any increase to the carrying value of the investment would need to be assessed and deemed permanent.

If the criteria are met for reversal of an impairment loss then the reversal is immediately recognised in the income statement.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Significant accounting policies (continued)

2.4 Trade and other receivables

Trade receivables are amounts due from Vodafone Group Companies and third parties customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are disclosed as current assets, if not, they are presented as *non-current assets*.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled services and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Receivables are written off when management considers them to be irrecoverable.

2.5 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2.6 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Significant accounting policies (continued)

2.6 Current and deferred tax (continued)

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.7 Financial assets

Classification

The Company classifies its financial assets in the category of receivables. Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's receivables comprise amounts owed by group undertakings and other receivables, excluding prepayments, in the statement of financial position.

Recognition and measurement

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within interest income or expenses in the period in which they arise.

Impairment of financial assets

Assets are carried at amortised cost. The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Significant accounting policies (continued)

2.8 Financial liabilities

Classification

The Company classifies its financial liabilities in the category of creditors. Creditors are non-derivative financial liabilities. They are included in current liabilities, except where maturities greater than 12 months after the end of the reporting period. These are classified in non-current liabilities. The Company's payables comprise amounts owed to group undertakings and other payables, in the statement of financial position.

Recognition and measurement

Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method, except where they are identified as a hedged item in a designated hedge relationship.

Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

2.9 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities (or in the normal operating cycle of the business if longer), if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

3 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and judgements that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities during the reporting period are addressed below:

3.1 Impairment of investment in subsidiary

In making the judgement for impairment of investment in subsidiary, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the subsidiary.

3.2 Impairment of trade and other receivables

The Company applies the IFRS 9 approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. For this impairment assessment, management considers factors including aging profile of receivables, historical experience and the level of group support available to these Group entities.

4 Employees and Directors' remuneration

Employees

The Company had no employees during the year (2019: nil).

Directors

The Directors did not receive any emoluments from the Company in respect of their services during the year (2019: £nil).

The Company's Directors were remunerated by other Group companies.

5 Interest income and expense

	2020	2019
	£ 000	£ 000
Finance expense		
Interest payable to group undertakings	(149)	(150)
Total finance expense	<u>(149)</u>	<u>(150)</u>
Net finance costs	<u>(149)</u>	<u>(150)</u>

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

6 Income tax

	2020	2019
	£ 000	£ 000
United Kingdom corporation tax (expense)/credit:		
Current year tax credit	28	28
Total UK current tax credit	28	28
Total income tax credit in the income statement	28	28

The actual tax credit for the current and previous year is the same as the standard rate of corporation tax in the UK of 19% (2019: 19%).

The tax rate for the current year is 19%. A rate reduction in the UK corporation tax rate to 17% was substantively enacted in Finance Act 2016. In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020.

7 Investments

	2020
	£ 000
Shares in group undertakings	
Cost:	
As at 31 March 2019, 1 April 2019 and 31 March 2020	2,539,975
Provision:	
At 31 March 2019, 1 April 2019 and 31 March 2020	(2,475,285)
Net book value:	
As at 31 March 2019, 1 April 2019 and 31 March 2020	64,690

Refer to note 14 for details of subsidiaries undertaking.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

8 Trade and other receivables

	2020	2019
	£ 000	£ 000
Amounts owed by group undertakings	28	8
Group relief receivable	28	28
	56	36

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9 Creditors: amounts falling due within one year

	2020	2019
	£ 000	£ 000
Amounts owed to group undertakings	19,013	18,872
	19,013	18,872

Amounts owed by group undertakings are unsecured, interest bearing and repayable on demand.

Any interest accrued thereon become repayable in full on the last day of each borrowing period or immediately upon demand by the lender.

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	1,002	1,002	1,002	1,002

11 Related party transactions

The Company has taken advantage of the Related Party Disclosures exemption granted under paragraph 8 'FRS 101' reduced disclosure framework, not to disclose transactions with Vodafone Group Plc group companies.

The Eastern Leasing Company Limited

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

12 Controlling parties

The Company's immediate parent company is Cable & Wireless UK Holdings Limited, a company registered in England and Wales.

The Directors regard Vodafone Group Plc, a company registered in England and Wales, as the ultimate parent company and controlling party.

The smallest and largest group in which the results of the Company are consolidated is that of Vodafone Group Plc. The consolidated financial statements of Vodafone Group Plc may be obtained from the Company Secretary, Vodafone Group Plc, Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN from Vodafone Group's website <https://investors.vodafone.com>.

13 Events after the reporting period

The Company will continue to monitor the implications for Vodafone's operations in light of the new trading relationship between the UK and the EU, which has yet to be negotiated. The Group established a cross-functional steering committee that has identified the impact of the UK and EU failing to reach a free trade agreement on the Group's operations and has produced a comprehensive mitigation plan. The lack of an agreed free trade deal between the UK and EU could lead to a fall in consumer and business confidence. Such a fall in confidence could, in turn, reduce consumer and business spend on Group products and services, but we would not envisage this would directly impact the Company.

14 Related undertakings

Details of the direct and indirect (*) related undertakings as at 31 March 2020 are given below:

Subsidiary undertaking	Country of incorporation	Address	Class	Ownership
Cable & Wireless CIS Services Limited	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	99.99%
Cable & Wireless CIS Svyaz LLC *	Russian Federation	Build. 2, 14/10, Chayanova str. 125047, Moscow, Russian Federation	Ordinary	99.99%
Cable & Wireless Global Business Services Limited	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	100.00%
Cable & Wireless Global Holdings Limited	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	100.00%

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

14 Related undertakings (continued)

Subsidiary undertaking	Country of incorporation	Address	Class	Ownership
Cable & Wireless Global Telecommunication Services Limited	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	100.00%
Cable & Wireless GN Limited	Ireland	Mountainview, Leopardstown, Dublin 18, Ireland	Ordinary	100.00%
Vodafone Enterprise Australia Pty Limited	Australia	MILLS OAKLEY, Level 7, 151 Clarence Street, Sydney NSW 2000, Australia	Ordinary	100.00%
Vodafone Enterprise Equipment Limited	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	100.00%
Vodafone Enterprise Global Business S.a.r.l	Luxembourg	15 rue Edward Steichen, Luxembourg, 2540, Luxembourg	Ordinary	100.00%
Cable and Wireless (India) Limited *	England	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	Ordinary	100.00%
Vodafone Enterprise Global Limited	Ireland	Mountainview, Leopardstown, Dublin 18, Ireland	Ordinary	100.00%
Vodafone Enterprise Hong Kong Ltd	Hong Kong	Level 24, Dorset House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong	Ordinary	100.00%
Vodafone Enterprise Communication Technical Services (Shanghai) Co., Ltd. *	China	Unit 558-560, 5/F Standard Chartered Bank Tower, No.201 Century Avenue, Pudong District, Shanghai, 200120, China	Ordinary	100.00%
LLC Vodafone Enterprise Ukraine *	Ukraine	Bohdana Khmelnytskogo Str. 19-21, Kyiv, Ukraine	Ordinary	99.96%
Vodafone Global Network Limited	Ireland	Mountainview, Leopardstown, Dublin 18, Ireland	Ordinary	100.00%
Apollo Submarine Cable System Limited *	England	Vodafone House, The Connection, Newbury, Berkshire, United Kingdom, RG14 2FN	Ordinary	100.00%

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

14 Related undertakings (continued)

Subsidiary undertaking	Country of incorporation	Address	Class	Ownership
Cable & Wireless Americas Systems Inc. *	United States	United States of America, 560 Lexington Avenue, 9th Floor, New York, NY 10022	Ordinary	100.00%
Vodafone Global Network Limited Slovakia- Branch *	Slovakia	Zochova 6-8, Bratislava, 811 03, Slovakia	Ordinary	100.00%