

## Notes to the Company financial statements (continued)

**2. Fixed assets****Accounting policies**

Shares in Group undertakings are stated at cost less any provision for impairment and capital related to share-based payments. Contributions in respect of share-based payments are recognised in line with the policy set out in note 7 "Share-based payments".

The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount. If the recoverable amount of the cash-generating unit is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in the income statement.

**Shares in Group undertakings**

	2019 €m	2018 €m
<b>Cost:</b>		
1 April	91,905	91,902
Capital contributions arising from share-based payments	137	130
Contributions received in relation to share-based payments	(92)	(127)
<b>31 March</b>	<b>91,950</b>	<b>91,905</b>
<b>Amounts provided for:</b>		
1 April	8,177	7,911
Impairment losses	—	266
<b>31 March</b>	<b>8,177</b>	<b>8,177</b>
<b>Net book value:</b>		
<b>31 March</b>	<b>83,773</b>	<b>83,728</b>

At 31 March 2019 the Company had the following principal subsidiary:

Name	Principal activity	Country of incorporation	Percentage shareholding
Vodafone European Investments	Holding Company	England	100

Details of direct and indirect related undertakings are set out in note 32 "Related undertakings" to the consolidated financial statements.

**3. Debtors****Accounting policies**

Amounts owed to subsidiaries are classified and recorded at amortised cost (2018: classified as loans and receivables) and reduced by allowances for expected credit losses. Estimate future credit losses are first recorded on initial recognition of a receivable and are based on estimated probability of default. Individual balances are written off when management deems them not to be collectible. Derivative financial instruments are measured at fair value through profit and loss.

	2019 €m	2018 €m
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiaries <sup>1</sup>	242,976	220,871
Taxation recoverable	233	—
Other debtors	32	199
Derivative financial instruments	183	163
	<b>243,424</b>	<b>221,233</b>
<b>Amounts falling due after more than one year:</b>		
Derivative financial instruments	3,439	2,449
Deferred tax	—	31
	<b>3,439</b>	<b>2,480</b>

Note:

<sup>1</sup> Amounts owed by subsidiaries are unsecured, have no fixed date of repayment and are repayable on demand with sufficient liquidity in the group to flow funds if required. Therefore expected credit losses are considered to be immaterial.