

Notes to the consolidated financial statements continued

13. Investments in joint ventures

Principal joint ventures

At 31 March 2011 the Company had the following joint ventures carrying on businesses which affect the profits and assets of the Group. Unless otherwise stated the Company's principal joint ventures all have share capital consisting solely of ordinary shares, which are indirectly held, and the country of incorporation or registration is also their principal place of operation.

Name	Principal activity	Country of incorporation or registration	Percentage ⁽¹⁾ shareholdings
Indus Towers Limited	Network infrastructure	India	25.2 ⁽²⁾
Polkomtel S.A. ⁽³⁾	Network operator	Poland	24.4
Vodafone Hutchison Australia Pty Limited ⁽³⁾	Network operator	Australia	50.0
Vodafone Fiji Limited	Network operator	Fiji	49.0 ⁽⁴⁾
Vodafone Omnitel N.V. ⁽⁵⁾	Network operator	Netherlands	76.9 ⁽⁶⁾

Notes:

(1) Rounded to nearest tenth of one percent.

(2) Vodafone Essar Limited, in which the Group has a 59.9% equity interest, owns 42.0% of Indus Towers Limited.

(3) Polkomtel S.A. and Vodafone Hutchinson Australia Pty Limited have a year end of 31 December.

(4) The Group holds substantive participating rights which provide it with a veto over the significant financial and operating policies of Vodafone Fiji Limited and which ensure it is able to exercise joint control over Vodafone Fiji Limited with the majority shareholder.

(5) The principal place of operation of Vodafone Omnitel N.V. is Italy.

(6) The Group considered the existence of substantive participating rights held by the non-controlling shareholder provide that shareholder with a veto right over the significant financial and operating policies of Vodafone Omnitel N.V., and determined that, as a result of these rights, the Group does not have control over the financial and operating policies of Vodafone Omnitel N.V., despite the Group's 76.9% ownership interest.

Effect of proportionate consolidation of joint ventures

The following table presents, on a condensed basis, the effect on the consolidated financial statements of including joint ventures using proportionate consolidation. The results of Vodacom Group Limited are included until 18 May 2009 when it became a subsidiary and the results of Safaricom Limited ('Safaricom') are included until 28 May 2008, at which time its consolidation status changed from joint venture to associate. The results of Australia are included from 9 June 2009 following its merger with Hutchison 3G Australia and results from the 4.8% stake in Polkomtel acquired during the 2009 financial year are included from 18 December 2008.

	2011 £m	2010 £m	2009 £m
Revenue	7,849	7,896	7,737
Cost of sales	(4,200)	(4,216)	(4,076)
Gross profit	3,649	3,680	3,661
Selling, distribution and administrative expenses	(1,624)	(1,369)	(1,447)
Impairment losses	(1,050)	—	—
Operating income and expense	—	(12)	—
Operating profit	975	2,299	2,214
Net financing costs	(146)	(152)	(170)
Profit before tax	829	2,147	2,044
Income tax expense	(608)	(655)	(564)
Profit for the financial year	221	1,492	1,480

	2011 £m	2010 £m
Non-current assets	19,043	20,787
Current assets	1,908	763
Total assets	20,951	21,550
Total shareholders' funds and total equity	16,389	17,407
Non-current liabilities	1,887	833
Current liabilities	2,675	3,310
Total liabilities	4,562	4,143
Total equity and liabilities	20,951	21,550