

CableTel West Glamorgan Limited

Report and Accounts

31 December 1998



DIRECTORS' REPORT

DIRECTORS

L Wood (Chairman)
R M Mackenzie
D W Kelham

SECRETARY

R M Mackenzie

AUDITORS

Ernst & Young
Becket House
1 Lambeth Palace Road
London SE1 7EU

REGISTERED OFFICE

NTL House
Bartley Wood Business Park
Hook
Hampshire RG27 9XA

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 1998.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £nil (1997 - profit of £105,988). The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company did not trade in the year ended 31 December 1998.

DIRECTORS AND THEIR INTERESTS

The directors during the year and thereafter were as follows:

J B Knapp	(resigned 30 June 1998)
R M Mackenzie	
T M Ryan	(resigned 30 June 1998)
H Heidary	(resigned 30 June 1998)
R A McKellar	(appointed 30 June 1998, resigned 30 September 1999)
L Wood	(appointed 30 June 1998)
D W Kelham	(appointed 30 September 1999)

No director had an interest in the share capital of the company.


ntl (UK) GROUP, INC.

For a more detailed review of the ntl group's business activities and future prospects, the report and accounts of ntl (UK) Group, Inc. for the year ended 31 December 1998, should be consulted. ntl (UK) Group, Inc. is the group parent undertaking of the company and is registered in England and Wales as a foreign company with number FC18124.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors.

By order of the board



R M Mackenzie
Secretary

06 JAN 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS
to the members of CableTel West Glamorgan Limited

We have audited the accounts on pages 6 to 9, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

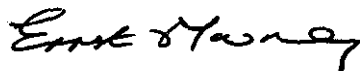
Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1998 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
London

07 JAN 2000

CableTel West Glamorgan Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1998

	Notes	1998 £	1997 £
Interest receivable	2	-	105,988
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	105,988
Tax on profit on ordinary activities	4	-	-
PROFIT FOR THE FINANCIAL YEAR	8	-	105,988

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the result for the year of £nil (1997 - profit of £105,988).

CableTel West Glamorgan Limited

BALANCE SHEET at 31 December 1998

	Notes	1998 £	1997 £
CURRENT ASSETS			
Debtors: due after more than one year	5	1,484,699	1,484,699
CREDITORS: amounts falling due within one year	6	1,250	1,250
NET CURRENT ASSETS		<u>1,483,449</u>	<u>1,483,449</u>
		<u>1,483,449</u>	<u>1,483,449</u>
CAPITAL AND RESERVES			
Called up share capital	7	852,825	852,825
Share premium account	8	947,977	947,977
Profit and loss account	8	(317,353)	(317,353)
EQUITY SHAREHOLDERS' FUNDS		<u>1,483,449</u>	<u>1,483,449</u>

ERNST & YOUNG



R M Mackenzie
Director

06 JAN 2000

CableTel West Glamorgan Limited

NOTES TO THE ACCOUNTS

at 31 December 1998

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Cash flow statement

The company has taken advantage of the exemption under FRS1 (revised) not to prepare a cash flow statement as it is a subsidiary undertaking which is at least 90% owned by the ultimate parent undertaking.

2. INTEREST RECEIVABLE

	1998	1997
	£	£
Interest receivable on loan notes from parent undertaking	-	105,988

3. OPERATING PROFIT

	1998	1997
	£	£
This is stated after charging:		
Directors' emoluments	-	-
Auditors' remuneration	-	-

Auditors' remuneration is paid by NTL Group Limited and disclosed in the accounts of NTL (UK) Group, Inc.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

No tax charge arises in the year owing to tax losses surrendered by other group undertakings for which no payment is made.

5. DEBTORS: due after more than one year

	1998	1997
	£	£
Notes receivable from parent undertaking	1,378,711	1,378,711
Interest receivable on loan notes	105,988	105,988
	1,484,699	1,484,699

6. CREDITORS: amounts falling due within one year

	1998	1997
	£	£
Accruals	1,250	1,250

CableTel West Glamorgan Limited

NOTES TO THE ACCOUNTS at 31 December 1998

7. SHARE CAPITAL

	1998 £	1997 £
<i>Authorised:</i>		
2,000,000 Ordinary shares of £1 each	2,000,000	2,000,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	852,825	852,825
	<u> </u>	<u> </u>

8. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 1997	852,825	947,977	(423,341)	1,377,461
Profit for the year	-	-	105,988	105,988
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1997	852,825	947,977	(317,353)	1,483,449
Result for the year	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1998	852,825	947,977	(317,353)	1,483,449
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is ntl South Wales Limited.

The company's results are included in the group accounts of ntl Communications Limited, copies of which are available from its registered office: NTL House, Bartley Wood Business Park, Hook, Hampshire RG27 9XA.

In the directors' opinion, the ultimate parent undertaking and controlling party is NTL Incorporated, a company incorporated in the State of Delaware, United States of America. Copies of its group accounts, which include the company, are available from the Secretary, NTL Incorporated, 110 East 59th Street, 26th Floor, New York, NY 10022, USA.

10. RELATED PARTIES

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with group undertakings as a subsidiary undertaking which is at least 90% controlled by the ultimate parent undertaking.