

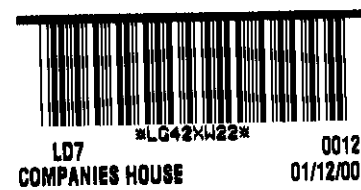
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**REPORT AND ACCOUNTS**

**FILEGALE LIMITED**

**31 December 1999**

**Registered Number: 2804553**



**DIRECTORS**

C J Burdick  
S S Cook

**SECRETARY**

C Burns

**AUDITORS**

KPMG Audit Plc  
8 Salisbury Square  
London EC4Y 8BB

**REGISTERED OFFICE**

Beechcroft  
Southgate Park  
Bakewell Road  
Orton Southgate  
Peterborough  
PE2 6YS

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## **DIRECTORS' REPORT**

The directors submit their report and the financial statements for the year ended 31 December 1999.

## **RESULTS AND DIVIDENDS**

The loss for the period attributable to shareholders amount to £52 (1998: loss of £67). The directors do not recommend the payment of a final dividend.

## **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The company is engaged as an investment company.

## **DIRECTORS AND DIRECTORS' INTERESTS**

The directors of the company who have served during the year are:-

D R Van Valkenburg	(resigned 16.03.1999)
C J Burdick	
V M Hull	(resigned 18.08.2000)
A K Illsley	(resigned 19.04.2000)
S S Cook	(appointed 18.08.2000)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

At 31 December 1999, A K Illsley, C J Burdick and V M Hull were directors of Telewest Communications plc and their interest in the ordinary share capital of Telewest Communications plc is disclosed in the Directors' Report attached to the financial statements of that company.

## **AUDITORS**

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

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## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss 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, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board

27 October 2000



*C Burns*  
Secretary



**KPMG Audit Plc**

*PO Box 695  
8 Salisbury Square  
London EC4Y 8BB  
United Kingdom*

**Report of the auditors to the members of Filegale Limited**

We have audited the financial statements on pages 6 to 10.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you 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.

**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 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 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
*Chartered Accountants  
Registered Auditor*

*30 November 2000*

**PROFIT AND LOSS ACCOUNT**

For the year ended 31 December 1999

	<i>1999</i> £	<i>1998</i> £
Administrative costs	52	67
<b>OPERATING LOSS AND LOSS FOR THE FINANCIAL YEAR</b>	<u>(52)</u>	<u>(67)</u>
<b>RETAINED PROFIT BROUGHT FORWARD</b>	<u>1,200,491</u>	<u>1,200,558</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>	<u><u>1,200,439</u></u>	<u><u>1,200,491</u></u>

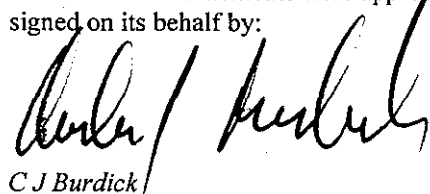
The company has no recognised gains and losses other than those reflected in its profit and loss account. All income and expenditures of the Company arose from continuing operations.

A note of historical cost profits and losses has not been provided on the basis that there is no difference when compared to the reported result in the profit and loss account.

**BALANCE SHEET**  
At 31 December 1999

	<i>Notes</i>	<i>1999</i> <i>£</i>	<i>1998</i> <i>£</i>
<b>FIXED ASSETS</b>			
Investments	2	<u>3,100,000</u>	<u>3,100,000</u>
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		<u>3,332</u>	<u>3,384</u>
<b>CREDITORS: Amounts falling due within one year</b>	3	<u>(2,893)</u>	<u>(2,893)</u>
<b>NET CURRENT ASSETS</b>		<u>439</u>	<u>491</u>
<b>NET ASSETS</b>		<u><u>3,100,439</u></u>	<u><u>3,100,491</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	51,189	51,189
Share Premium account	4	287,811	287,811
Capital redemption reserve	5	1,561,000	1,561,000
Profit and loss account	5	<u>1,200,439</u>	<u>1,200,491</u>
<b>TOTAL EQUITY SHAREHOLDERS FUNDS</b>		<u><u>3,100,439</u></u>	<u><u>3,100,491</u></u>

These financial statements were approved by the board of directors on 27 October 2000 and were signed on its behalf by:

  
C J Burdick  
Director

The notes on page 8 to 10 form part of these financial statements.

## NOTES TO THE ACCOUNTS

At 31 December 1999

### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Telewest Communications plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Telewest Communications plc, within which this company is included, can be obtained from Genesis Business Park, Albert Drive, Woking, Surrey, GU21 5RW.

#### 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 retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

### 2. INVESTMENTS

	1999 £	1998 £
Investment in subsidiary undertaking - at cost	3,100,000	3,100,000

The companies in which the company's interest at year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class of shares	Percentage of holding
Subsidiary undertakings:				
Imminus Limited	England & Wales	Data Tele-communications	£1 Ordinary shares	100%



**3. CREDITORS**

	1999 £	1998 £
Amounts owed to group undertakings	<u>2,893</u>	<u>2,893</u>

**4. CALLED UP SHARE CAPITAL**

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>		<i>Allotted, called up and fully paid</i>	
	1999 £'000	1998 £'000	1999 No. (000)	1998 No. (000)	1999 £	1998 £
10% cumulative redeemable preference shares of £1 each	2,523	2,523	-	-	-	-
Ordinary shares of 10p each	3	3	-	-	-	-
'A' Ordinary shares of 10p each	410	410	173	173	17,289	17,289
'B' Ordinary shares of 10p each	166	166	166	166	16,611	16,611
'C' Ordinary shares of 10p each	173	173	173	173	17,289	17,289
	<u>3,275</u>	<u>3,275</u>	<u>512</u>	<u>512</u>	<u>51,189</u>	<u>51,189</u>

On winding up of the company, the 'A' ordinary shareholders have a right to receive 10p per share plus any arrears of dividend and any interest thereon in priority payments to ordinary shareholders. In all respects other than this, the 'A' ordinary shares rank equally with ordinary shares.

The 'A' and 'B' ordinary shares are entitled to dividends at the discretion of the directors and rank *pari passu*. The 'C' shares are not entitled to the payment of any dividend or other distribution.

The 'C' shares are entitled to any surplus arising on the event of a winding up in priority to the 'A' and 'B' ordinary shares up to a maximum payment of their nominal value plus a premium of 0.5p per share. After settlement of the 'C' shares, the 'A' ordinary shares have priority over the 'B' ordinary shares for payments up to their respective nominal values. The 'A' and 'B' ordinary shares then rank *pari passu* for any residual amounts remaining.

The 'A' and 'B' ordinary shares carry one vote per share. The 'C' shares carry no voting rights.

**5. RECONCILIATION OF SHAREHOLDERS FUNDS AND MOVEMENT ON RESERVES**

	<i>Share Capital £</i>	<i>Share Premium £</i>	<i>Capital redemption reserve £</i>	<i>Profit and loss account</i>	<i>Total £</i>
At 31 December 1998	51,189	287,811	1,561,000	1,200,491	3,100,491
Loss for year	-	-	-	(52)	(52)
At 31 December 1999	<u>51,189</u>	<u>287,811</u>	<u>1,561,000</u>	<u>1,200,439</u>	<u>3,100,439</u>

**6. ULTIMATE PARENT COMPANY**

The directors regard Telewest Communications plc as the ultimate parent company and controlling party. According to the register kept by the company, Telewest Communications plc has a 100% interest in the equity capital of the company at 31 December 1999. Copies of the parent's consolidated financial statements may be obtained from Genesis Business Park, Albert Drive, Woking, Surrey, GU21 5RW.