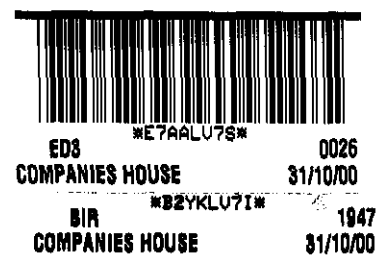


WEST MIDLANDS CREDIT LIMITED

Directors' Report and Financial Statements

31 December 1999



DIRECTORS' REPORT AND FINANCIAL STATEMENTS 1999

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DIRECTORS' REPORT AND FINANCIAL STATEMENTS 1999

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

C J Burdick (USA)
S S Cook
F R Webb

COMPANY SECRETARY

J M Laver (resigned 1 August 2000)
C Burns (appointed 1 August 2000)

REGISTERED OFFICE

Genesis Business Park
Albert Drive
Woking
Surrey
GU21 5RW

AUDITOR

KPMG Audit plc
Chartered Accountants
Registered Auditor
2 Cornwall Street
Birmingham
B3 2DL

DIRECTORS' REPORT

The directors present the annual report and the financial statements for the year ended 31 December 1999.

ACTIVITIES

The company has not traded during the year and consequently a profit and loss account has not been prepared.

The company's sole activity is the collection of cash on behalf of a fellow subsidiary company.

DIRECTORS AND DIRECTOR'S INTERESTS

The directors who served during the year and appointed since the year end were:

F R Webb

C J Burdick (USA, appointed 16 February 1999)

S S Cook (appointed 18 August 2000)

J W Darkin (resigned 12 March 1999)

D J Smith (resigned 12 March 1999)

A K Illsley (appointed 16 February 1999, resigned 19 April 2000)

V M Hull (appointed 16 February 1999, resigned 18 August 2000)

No director had a direct interest in the shares of the company during the year. At 31 December 1999, CJ Burdick, VM Hull and AK Illsley were directors of Telewest Communications plc, their pension arrangements and interest in the ordinary share capital of Telewest Communications plc at 31 December 1999 and the beginning of the year or date of appointment are disclosed in the directors' report attached to the financial statements of that company.

DIRECTORS' REPORT (CONTINUED)

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 as at the end of the financial year and of the profit or loss of the company for that year. 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; 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 which 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and detect fraud and other irregularities.

AUDITOR

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditor of the company will be proposed at the forthcoming annual general meeting.

Approved by the board of directors on 27 October 2000 and signed on its behalf by:



C Burns
Secretary

REPORT OF THE AUDITOR, KPMG AUDIT PLC, TO THE MEMBERS OF WEST MIDLANDS CREDIT LIMITED

We have audited the financial statements on pages 5 to 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, 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 audit 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 result 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

2 Cornwall Street
Birmingham
B3 2DL

27 October 2000

BALANCE SHEET
AS AT 31 December 1999

	Note	1999 £	1998 £
CURRENT ASSETS			
Amounts owed by parent company		<u>2</u>	<u>2</u>
CAPITAL			
Called up equity share capital	3	<u>2</u>	<u>2</u>

The company was dormant throughout the year.

This balance sheet was approved by the Board of Directors on 27 October 2000.
Signed on behalf of the board



C J Burdick

Director

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 December 1999****1 ACCOUNTING POLICIES**

The principal accounting policies which have been applied consistently throughout the year in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. They have been prepared on a going concern basis since the ultimate parent undertaking has agreed to provide or procure financial support for the foreseeable future.

Related party transactions

The company is a wholly owned subsidiary, and has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Transactions" not to disclose transactions with other companies in the Telewest Group.

Cash flow statement

The company is exempt from the requirements of Financial Reporting Standard 1 (Revised), to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Telewest Communications plc, and its cash flows are included within the cash flow statement of that company.

2 PROFIT AND LOSS ACCOUNT

During the financial year and the preceeding year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company neither made a profit nor a loss.

3 CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
Allotted and fully paid		
2 Ordinary shares of £1 each	2	2

4 CONTINGENT LIABILITIES

The company, along with fellow subsidiary undertakings, is party to a senior unsecured credit facility with a syndicate of banks. Borrowings under the facility are secured by the assets of the group including those of the company.

5 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Telewest Communications plc, which is registered in England and Wales.

A copy of Telewest Communications plc's group financial statements can be obtained from The Company Secretary, Telewest Communications plc, Genesis Business Park, Albert Drive, Woking, Surrey, GU21 5RW.