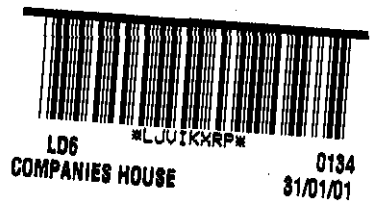


Internet Network Services Limited

Directors' report and financial
statements

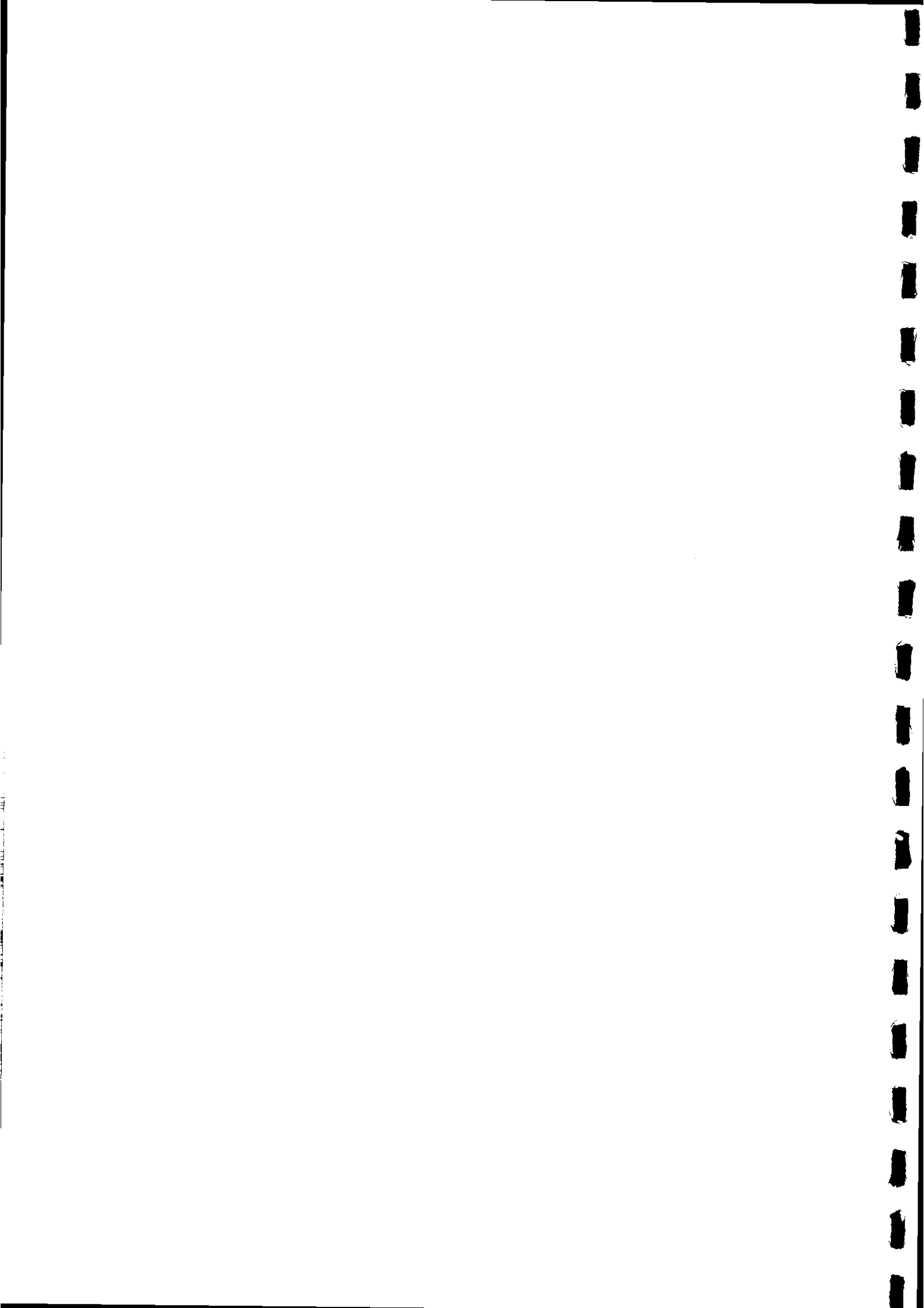
Registered number 3047165

31 March 2000



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Directors' report

The directors submit the Annual Report together with the audited accounts of Internet Network Services Limited ('the Company') for the eighteen months ended 31 March 2000.

Principal activities and business review

At 31 March 2000 the company carried on the business of providing leased line Internet connections, virtual private network services, co-location facilities, and some international private circuit services. The markets addressed with these services were principally composed of corporate end-users, although a significant volume of business is also with ISP's.

During the period to June 1999, the parent company Internet Network Services (Holdings) Limited, received further investment funding of which £3,650,000 was invested in the ordinary share capital of this company.

On 2 July 1999 Cable & Wireless plc acquired the entire share capital of Internet Network Services (Holdings) Limited at that date, together with its interest in Internet Network Services Limited and its wholly owned subsidiary The Education Exchange Limited.

Investment in the company has continued since that time with planned increases in network capacity, sales force and technical resource being accelerated. Additional offices in Manchester, Edinburgh and Bristol were opened in the period and integration with the Cable & Wireless worldwide backbone is moving ahead quickly.

Following the period end it was decided to fully integrate the business into that of Cable and Wireless. It is anticipated that this will happen over the course of the next financial year.

There was no disruption caused to the business as a result of the Year 2000 date change.

Results and dividends

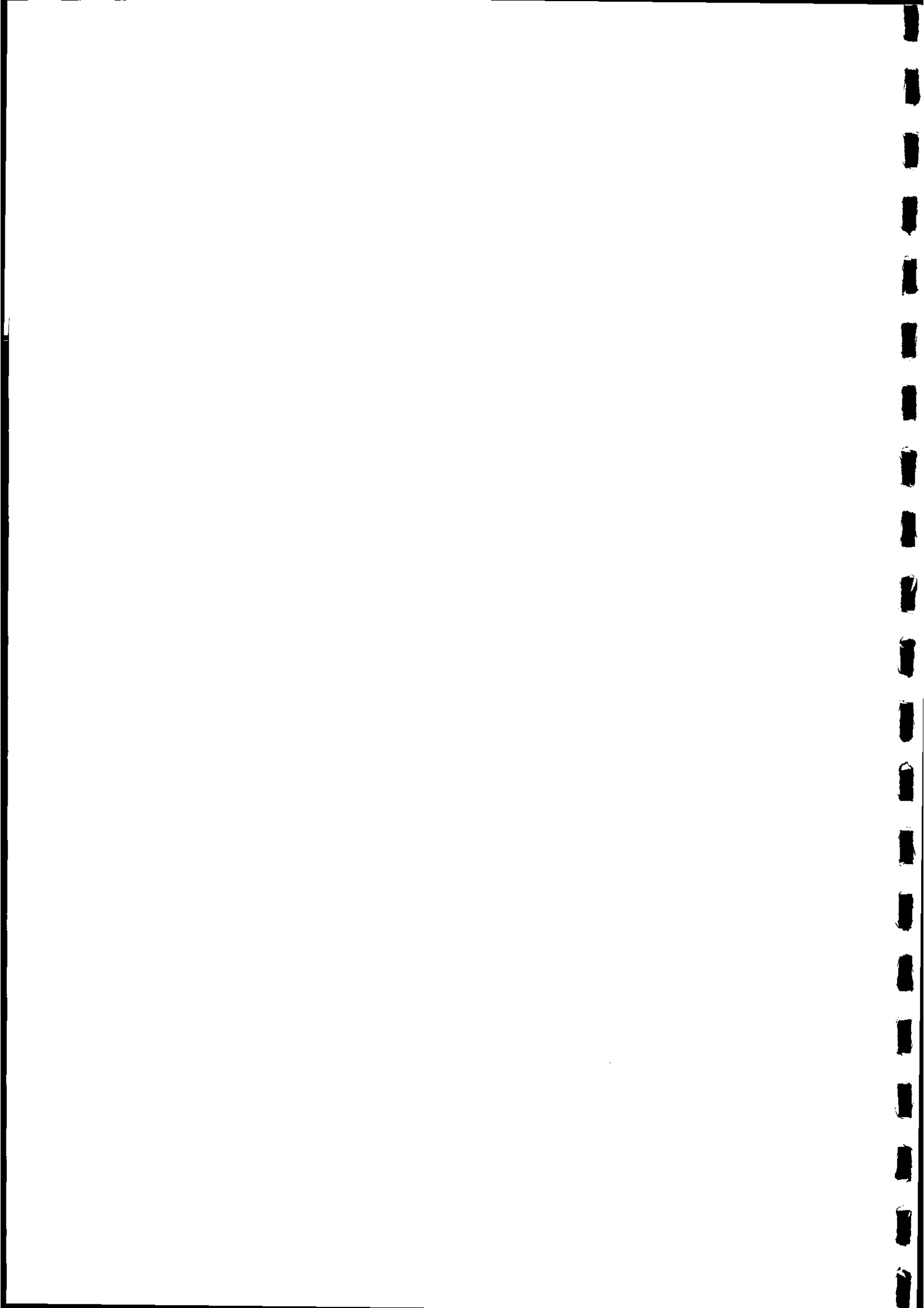
The loss for the period after taxation, amounting to £22,274,000 (1998: £3,258,000) has been dealt with as shown in the attached accounts financial statements.

In view of the adverse profit and loss account the Directors are unable to recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the period were as follows:

JM Bolton	(appointed 22 November 1999 as alternate to KK Claydon)
KK Claydon	(appointed 2 July 1999)
JD Fitz	(appointed 2 July 1999)
RE Lerwill	(appointed 2 July 1999)
R Almeida	(resigned 2 July 1999)
TW Challenor	(resigned 2 July 1999)
SJ Coles	(resigned 2 July 1999)
Sir RT MacPherson	(resigned 2 July 1999)
NKO McGhee	(resigned 2 July 1999)
WP Collatos	(resigned 2 July 1999)
TM Tehranian	(resigned 2 July 1999)



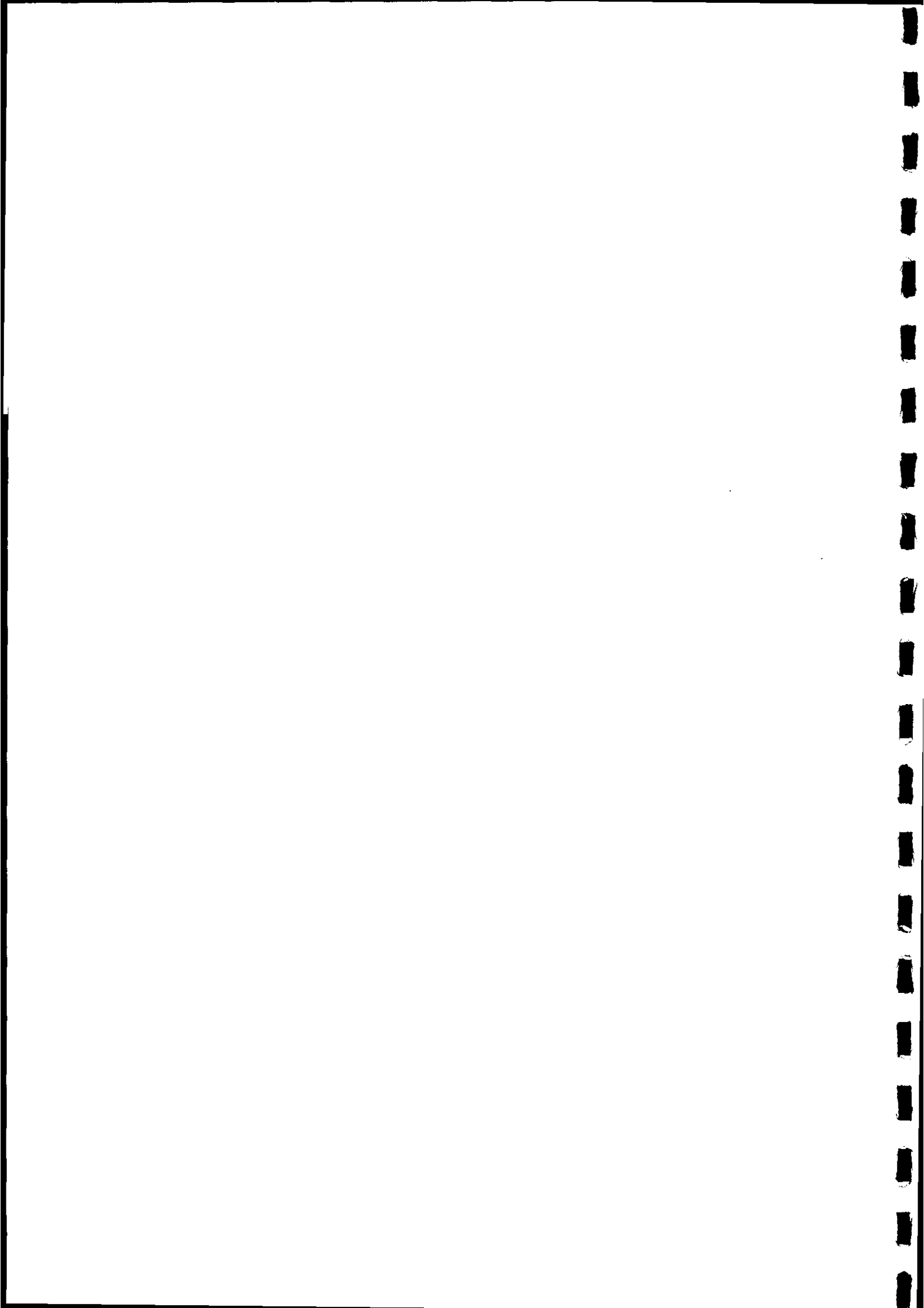
Directors' report *(continued)*

Directors and directors' interests *(continued)*

The directors who held office at the end of the financial period had the following interests in the ordinary shares of Cable and Wireless plc;

	At 1 October 1998 (or date of appointment if later)	Shares acquired/options granted	Shares disposed/options exercised	Closing balance as at 31 March 2000
KK Claydon	8,915	22	(7,000)	1,937
	5,337			5,337 (a)
	29,372			29,372 (b)
	35,250			35,250 (b)
	9,674			9,674 (c)
	6,553			6,553 (d)
	10,782			10,782 (e)
JD Fitz	-	1,209		1,209
	1,828		(1,209)	619 (a)
	32,780			32,780 (b)
	19,400			19,400 (b)
	4,008			4,008 (c)
	12,033			12,033 (e)
RE Lerwill	34,632	120,000	(132,000)	22,632
	1,977	1,472		3,449 (a)
	6,350		(6,350)	- (b)
	309,653		(113,650)	196,003 (b)
	33,605			33,605 (c)
	25,651			25,651 (d)
	42,998			42,998 (e)
J Bolton	538	703		1,241 (a)
	2,650			2,650 (b)

All interests are in fully paid ordinary shares, unless marked (a) which are options to purchase ordinary shares under the savings related option scheme for employees, (b) which are options to purchase ordinary shares under the discretionary share option scheme, (c) which are C&W 1997 Long Term Incentive Plan (LTIP) (notional) (d) which are C&W Long Term Incentive Plan (LTIP) (notional) (e) which are C&W Performance Share Plan. Full details of the LTIPs99 and the Performance Share plan are included in the financial statements of the ultimate parent company.



Directors' report *(continued)*

Political and charitable contributions

The company made no political or charitable contributions during the period.

Auditors

In accordance with Section 386 of the Companies Act 1985, an Elective Resolution was passed in November 1999 dispensing with the obligation to annually appoint KPMG Audit Plc as auditors of the company.

By order of the board



JM Bolton
Secretary

25/01/01

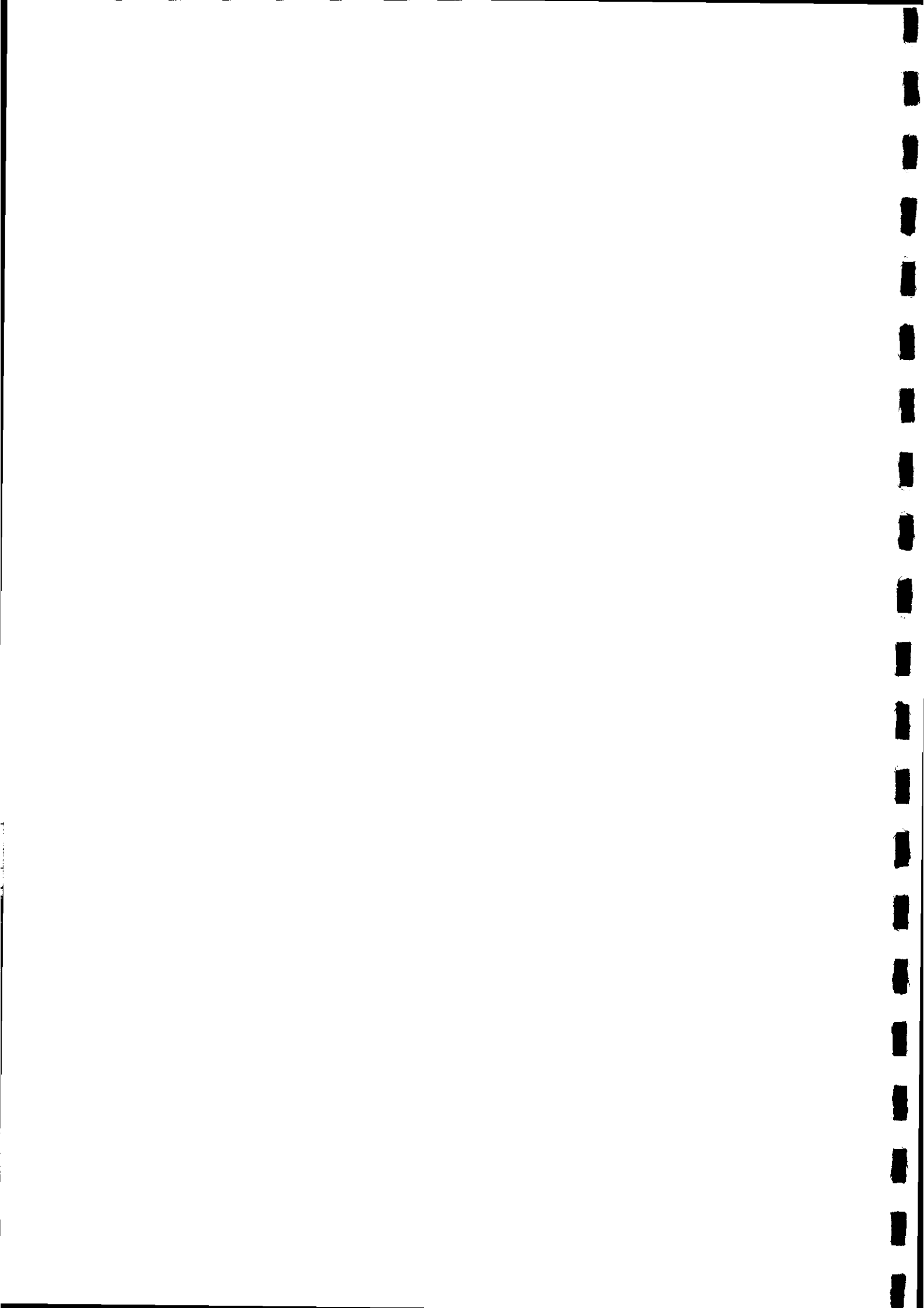
124 Theobalds Road
London
WC1X 8RX

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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.





KPMG Audit Plc

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

Report of the auditors to the members of Internet Network Services Limited

We have audited the financial statements on pages 6 to 22.

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 and group affairs as at 31 March 2000 and of its loss for the 18 month period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

31 January 2001

Consolidated profit and loss account

for the 18 month period ending 31 March 2000

	Note	18 months ending 31 March 2000 £000	12 months ending 30 September 1998 £000
Turnover	1,2	22,385	4,578
Cost of sales		(17,430)	(3,244)
Gross profit		4,955	1,334
Administrative expenses		(26,420)	(4,512)
Operating loss		(21,465)	(3,178)
Other interest receivable and similar income	6	43	65
Interest payable and similar charges	7	(852)	(145)
Loss on ordinary activities before and after taxation	3	(22,274)	(3,258)

All disclosures relate only to continuing operations.

There are no recognised gains and losses other than the loss for the period.

Consolidated balance sheet
at 31 March 2000

	<i>Note</i>	18 months ended 31 March 2000	12 months ended 30 September 1998
		£000	£000
Fixed assets			
Intangible assets	9	28	473
Tangible assets	10	6,518	8,268
		<hr/>	<hr/>
		6,546	8,741
Current assets			
Stocks	12	182	237
Debtors	13	6,520	2,081
Cash at bank and in hand		1,271	1,733
		<hr/>	<hr/>
		7,973	4,051
Creditors: amounts falling due within one year	14	(27,346)	(6,056)
		<hr/>	<hr/>
Net current (liabilities)/assets		(19,373)	(2,005)
		<hr/>	<hr/>
Total assets less current liabilities		(12,827)	6,736
Creditors: amounts falling due after more Than one year	15	(4,667)	(5,606)
		<hr/>	<hr/>
Net (liabilities)/assets		(17,494)	1,130
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	16	9,225	5,575
Profit and loss account	17	(26,719)	(4,445)
		<hr/>	<hr/>
Equity shareholders' (deficit)/funds		(17,494)	1,130
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 25/01/01 and were signed on its behalf by:



RE Lerwill
Director
25/01/01

Balance sheet

at 31 March 2000

	Note	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Fixed assets			
Intangible assets	9	28	473
Tangible assets	10	6,283	8,235
		<u>6,311</u>	<u>8,708</u>
Current assets			
Stocks	12	176	35
Debtors	13	7,378	1,745
Cash at bank and in hand		989	1,687
		<u>8,543</u>	<u>3,467</u>
Creditors: amounts falling due within one year	14	<u>(26,086)</u>	<u>(5,044)</u>
Net current liabilities		<u>(17,543)</u>	<u>(1,577)</u>
Total assets less current (liabilities)/assets		<u>(11,232)</u>	<u>7,131</u>
Creditors: amounts falling due after more than one year	15	<u>(4,667)</u>	<u>(5,606)</u>
		<u>(15,899)</u>	<u>1,525</u>
Capital and reserves			
Called up share capital	16	9,225	5,575
Profit and loss account	17	(25,124)	(4,050)
Equity shareholders' (deficit)/funds		<u>(15,899)</u>	<u>1,525</u>

These financial statements were approved by the board of directors on 25/01/01 and were signed on its behalf by:



KK Claydon
 Director

Reconciliation of movements in shareholders' funds
for the 18 month period ended 31 March 2000

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Loss for the period	(22,274)	(3,257)	(21,074)	(3,087)
Shares issued during the period	3,650	4,050	3,650	4,050
	<hr/>	<hr/>	<hr/>	<hr/>
Opening equity shareholders funds	(18,624) 1,130	793 337	(17,424) 1,525	963 562
	<hr/>	<hr/>	<hr/>	<hr/>
Closing equity shareholders' (deficit)/funds	(17,494)	1,130	(15,899)	1,525
	<hr/>	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

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 the historical cost accounting rules.

Going concern basis

Cable & Wireless Plc, the company's ultimate parent company, has indicated its intention to procure sufficient financial support to allow the group to continue to trade. The directors consider it appropriate to prepare the accounts on a going concern basis. Should this support cease the company would not be able to continue to trade.

It is anticipated that the business of Internet Network Services Limited will be integrated into the Cable & Wireless business in the next financial year.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 March 2000. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 230(4) of the Companies Act 1985 the company is exempt from the requirement to present its own profit and loss account.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions since 1 January 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life. The remaining balance was written off in the period under review.

In the company's financial statements, investments in subsidiary undertakings are stated at cost.

Intangible fixed assets and amortisation

Expenditure in respect of acquiring telecoms licences is carried forward and amortised over ten years.

Notes (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost [or valuation] less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements	-	life of lease (to the first break point)
Fixtures and fittings	-	20% on cost
Computer equipment	-	33 1/3% on cost
Software	-	33 1/3% on cost
Telco infrastructure	-	8% on cost

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post retirement benefits

The group operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. Subscriptions are apportioned over time on a straight line basis.

Notes (continued)

2 Segmental information

	18 months ending 31 March 2000 £000	12 months ending 30 September 1998 £000
Turnover		
United Kingdom	19,306	4,511
Other Europe	1,806	61
United States of America	1,273	6
	<u>22,385</u>	<u>4,578</u>

3 Loss on ordinary activities before taxation

	18 months ending 31 March 2000 £	12 months ending 30 September 1998 £
<i>Loss on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration	30	20
Depreciation and other amounts written off tangible fixed assets	2,353	615
Amortisation of intangible fixed assets	161	4
Rentals payable under operating leases	1,285	287
<i>Exceptional items</i>		
Impairment charge (note 10)	4,444	-
Goodwill write off (note 9)	284	-
<i>after crediting</i>		
Exchange gains	(396)	(140)

Notes (continued)

4 Remuneration of directors

	18 months ending 31 March 2000 £	12 months ending 30 September 1998 £
Directors' emoluments	175	196
Amounts receivable under long term incentive schemes	-	-
	<hr/>	<hr/>
Company contributions to money purchase pension schemes	25	15
Compensation for loss of office	-	8
	<hr/>	<hr/>
	200	219
	<hr/>	<hr/>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £96,000 (1998:£106,000), and company pension contributions of £21,000 (1998:£11,000) were made to a money purchase scheme on his behalf.

	Number of directors	
	18 months ending 31 March 2000	12 months ending 30 September 1998
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	2	2
	<hr/>	<hr/>

Notes (continued)

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	18 months ending 31 March 2000	12 months ending 30 September 1998
Technical	45	22
Administration	20	12
Sales	86	20
	<hr/>	<hr/>
	151	54
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	18 months ending 31 March 2000 £000	12 months ending 30 September 1998 £000
Wages and salaries	8,669	1,542
Social security costs	781	139
Other pension costs	176	27
	<hr/>	<hr/>
	9,626	1,708
	<hr/>	<hr/>

6 Other interest receivable and similar income - Group

	18 months ending 31 March 2000 £000	12 months ending 30 September 1998 £000
Bank deposit interest receivable	43	65
	<hr/>	<hr/>

Notes (continued)

7 Interest payable and similar charges

	18 months ending 31 March 2000 £000	12 months ending 30 September 1998 £000
Interest payable - other	14	-
Amounts owed to group undertakings	261	30
Finance charges payable in respect of finance leases and hire purchase contracts	577	115
	<u>852</u>	<u>145</u>

8 Tax on loss on ordinary activities

There is no liability to UK corporation tax for the period due to the losses incurred. (1998:nil). The group has trading losses of approximately £16,700,000 (1998:£2,700,000) available to be carried forward and set off against future trading profits.

9 Intangible fixed assets

	Licences £000	Goodwill £000	Total £000
Group and company			
<i>Cost</i>			
At beginning and end of period	37	440	477
	<u> </u>	<u> </u>	<u> </u>
<i>Amortisation</i>			
At beginning of period	4	-	4
Charged in period	5	156	161
Goodwill write off	-	284	284
	<u> </u>	<u> </u>	<u> </u>
At end of period	9	440	449
	<u> </u>	<u> </u>	<u> </u>
<i>Net book value</i>			
At 31 March 2000	28	-	28
	<u> </u>	<u> </u>	<u> </u>
At 30 September 1998	33	440	473
	<u> </u>	<u> </u>	<u> </u>

Notes (continued)

10 Tangible fixed assets

Group	Leasehold improvements	Fixtures and fittings	Computer equipment and software	Telco infrastructure	Total
	£000	£000	£000	£000	£000
<i>Cost</i>					
At beginning of period	130	106	2,178	6,742	9,156
Additions	22	141	4,932	-	5,095
Disposals	(27)	(22)	-	-	(49)
At end of period	125	225	7,110	6,742	14,202
<i>Depreciation</i>					
At beginning of period	20	18	670	180	888
Charge for period	14	30	1,791	517	2,352
Impairment losses	-	-	-	4,444	4,444
At end of period	34	48	2,461	5,141	7,684
<i>Net book value</i>					
At 31 March 2000	91	177	4,649	1,601	6,518
At 30 September 1998	110	88	1,508	6,562	8,268

Included in the above are assets held under finance leases and hire purchase contracts:

	Net book value.		Depreciation	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Computer equipment and software	527	305	369	17
Telco infrastructure	1,601	6,562	4,961	180
	2,128	6,867	5,330	197

The impairment loss has been recognised to reduce the value of indefeasible rights of use of telco infrastructure to fair value.

Notes (continued)

10 Tangible fixed assets (continued)

Company	Leasehold improvements	Fixtures and fittings	Computer equipment and software	Telco infrastructure	Total
	£000	£000	£000	£000	£000
<i>Cost</i>					
At beginning of period	130	106	2,118	6,742	9,096
Additions	22	141	4,660	-	4,823
Disposal	(27)	(22)	-	-	(49)
At end of period	125	225	6,778	6,742	13,870
<i>Depreciation</i>					
At beginning of period	20	18	643	180	861
Charge for period	14	30	1,721	517	2,282
Impairment losses	-	-	-	4,444	4,444
At end of period	34	48	2,364	5,141	7,587
<i>Net book value</i>					
At 31 March 2000	91	177	4,414	1,601	6,283
At 30 September 1998	110	88	1,475	6,562	8,235

Included in the above are assets held under finance leases and hire purchase contracts:

	Net book value		Depreciation	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Computer equipment and software	527	305	369	17
Telco infrastructure	1,601	6,562	4,961	180
	2,128	6,867	5,330	197

Notes (continued)

11 Fixed asset investments

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

	Principal activity	Class and percentage of shares held	
		Group	Company
<i>Subsidiary undertakings</i>			
The Education Exchange Limited	Internet & Intranet services	100%	100%
Wisper Limited	Dormant	100%	100%
Wisper Bandwidth Limited	Dormant	100%	100%

12 Stocks

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Goods for resale	182	237	176	35

13 Debtors

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Trade debtors	4,695	1,615	3,711	1,318
Amounts owed by group undertakings	-	-	1,970	-
Other debtors	206	39	108	21
Prepayments and accrued income	1,619	427	1,589	406
	<u>6,520</u>	<u>2,081</u>	<u>7,378</u>	<u>1,745</u>

Notes (continued)

14 Creditors: amounts falling due within one year

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Trade creditors	5,624	580	5,609	561
Amounts owed to group undertakings	9,739	473	10,283	574
Obligations under finance leases and hire purchase contracts	1,577	660	1,570	660
Other creditors including tax and social security	182	229	175	201
Accruals	5,743	1,662	5,637	1,561
Deferred income	4,481	2,452	2,812	1,487
	<u>27,346</u>	<u>6,056</u>	<u>26,086</u>	<u>5,044</u>

15 Creditors: amounts falling due after more than one year

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Trade creditors	-	61	-	61
Obligations under finance leases and hire purchase contracts	4,667	5,545	4,667	5,545
	<u>4,667</u>	<u>5,606</u>	<u>4,667</u>	<u>5,606</u>

Notes (continued)

15 Creditors: amounts falling due after more than one year (continued)

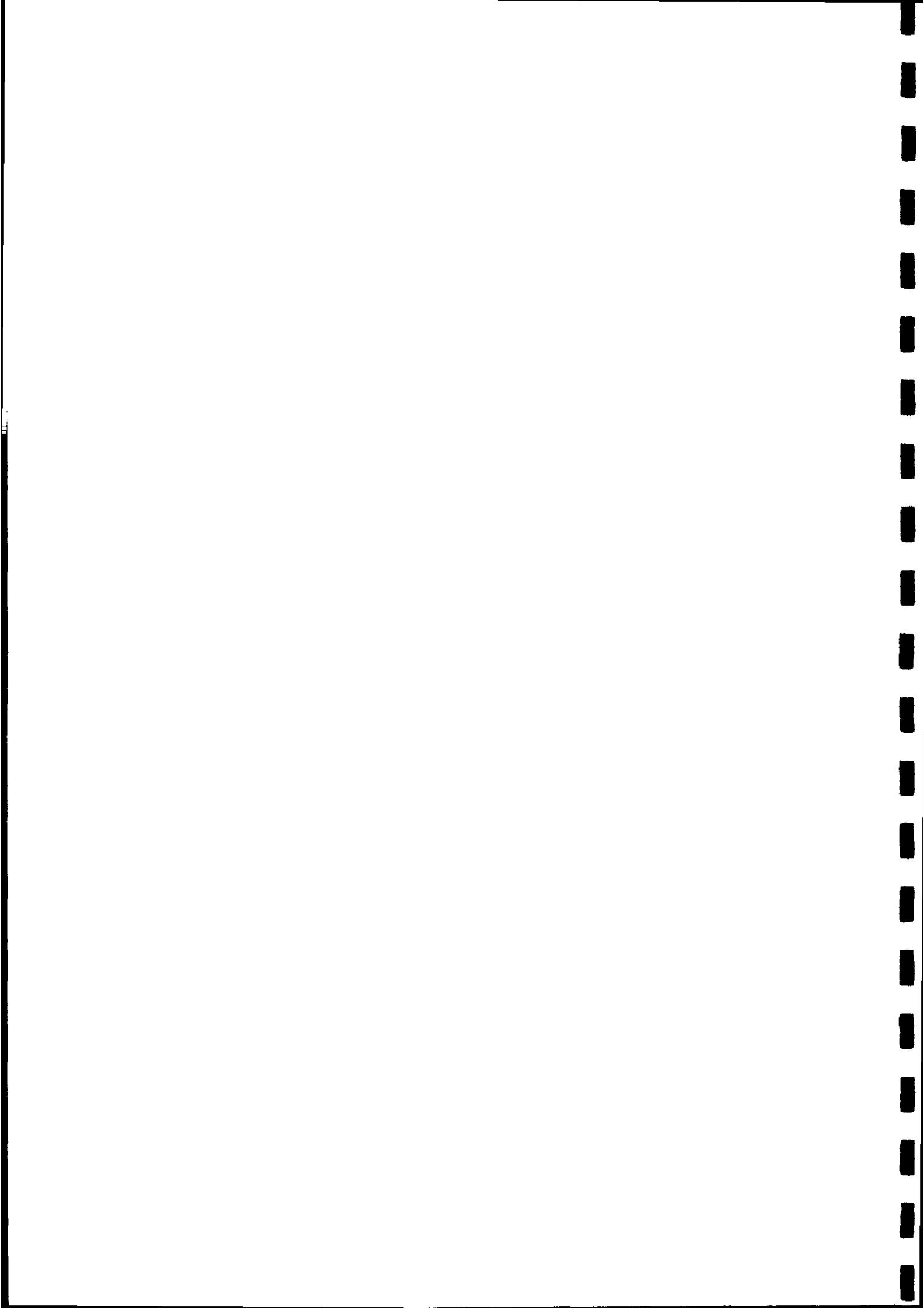
The maturity of obligations under finance leases and hire purchase contracts is as follows:

	Group		Company	
	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000	18 months ended 31 March 2000 £000	12 months ended 30 September 1998 £000
Within one year	1,847	984	1,841	984
In the second to fifth years	4,806	6,049	4,806	6,049
	<hr/>	<hr/>	<hr/>	<hr/>
	6,653	7,033	6,647	7,033
Less future finance charges	(409)	(828)	(409)	(828)
	<hr/>	<hr/>	<hr/>	<hr/>
	6,244	6,205	6,238	6,205
	<hr/>	<hr/>	<hr/>	<hr/>

16 Called up share capital

	18 months ended 31 March 2000 £	12 months ended 30 September 1998 £
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	10,000,000	8,000,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	9,225,000	5,575,000
	<hr/>	<hr/>

The authorised share capital of the company was increased on 19 January 1999. Increases in the allotted, called up and fully paid up ordinary share capital amounted to £3,650,000 in the year. All shares were allotted to the holding company Internet Network Services (Holdings) Ltd at par value, and were used for capital investment in our network and other working capital needs.



Notes (continued)

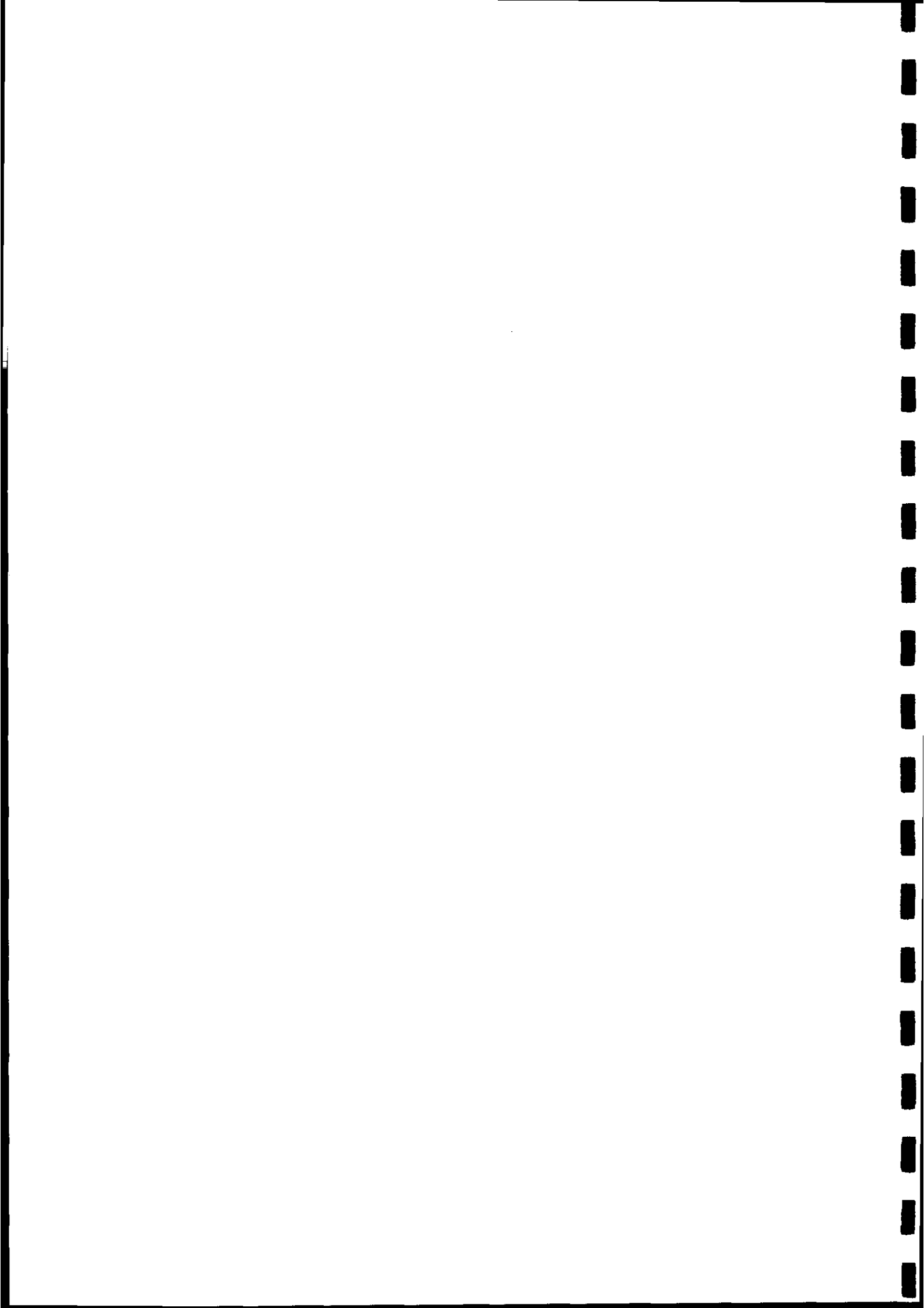
17 Profit and loss account

	Group Profit and loss account £000	Company Profit and loss account £000
At beginning of period	(4,445)	(4,050)
Retained loss for the period	(22,274)	(21,074)
At end of period	(26,719)	(25,124)

Cumulative goodwill previously written off against reserves is £194,249 (1998:£194,249).

18 Commitments

	18 months ended 31 March 2000		12 months ended 30 September 1998	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Group and company				
Operating leases which expire:				
Within one year	2,009	258	155	-
In the second to fifth years inclusive	1,284	154	-	137
Over five years	-	-	146	-
	3,293	412	301	137



Notes (continued)

19 Pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the group to the fund and amounted to £176,309 (1998: £27,215).

Contributions amounting to £176,309 (1998: £27,215) were payable to the fund and are included in creditors.

20 Cash flow statement

Under Financial Reporting Standard (revised), the company is exempt from the requirement to prepare a cash flow statement on the ground that it is a wholly-owned subsidiary undertaking. A cash flow statement is included in the financial statements of Cable and Wireless plc.

21 Related party transactions

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with entities that are part of the Cable & Wireless group, or investees of the group qualifying as related parties as all of the company's voting rights are controlled within that group. There are no material transactions with any other related parties.

22 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Internet Network Services (Holdings) Limited incorporated in British Virgin Islands.

The largest group in which the results of the company are consolidated is that headed by Cable and Wireless plc, incorporated in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from The Secretary, Cable and Wireless plc, 124 Theobalds Road, London WC1X 8RX.

