

**CABLE AND WIRELESS (AMERICAS) LIMITED**

**Report and Financial Statements**

**31 March 2006**

**Registered Office:**

**7<sup>th</sup> Floor, The Point  
37 North Wharf Road  
London  
W2 1LA**



## **CABLE AND WIRELESS (AMERICAS) LIMITED**

### **To the Company's Ordinary Shareholders**

#### **Elective Regime**

On 8 June 1998 the Company passed elective resolutions in accordance with Section 379A of the Companies Act 1985 as amended ("the Act") to dispense with the formalities of:

- the laying of accounts before the Company in general meeting (Section 252 of the Act);
- the holding of annual general meetings (Section 366A of the Act); and
- the obligation to appoint auditors annually (Section 386 of the Act).

Section 253(2) gives members the right to require the laying of accounts before the Company in general meeting. To exercise such right, a member must give notice in writing to that effect deposited at the registered office of the Company within 28 days of the day on which the report and financial statements are sent out in accordance with Section 238(1) of the Act.

# **CABLE AND WIRELESS (AMERICAS) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2006**

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# CABLE AND WIRELESS (AMERICAS) LIMITED

## DIRECTORS' REPORT

The Directors present their annual report and the financial statements for the year ended 31 March 2006.

### ACTIVITIES

The principal activity of the Company is to act as an investment holding company. The Company was dormant within the meaning of Section 249AA of the Companies Act 1985 throughout the year. Accordingly, no profit and loss account has been produced and no auditors have been appointed.

### FUTURE DEVELOPMENTS

No change in the Company's activities is envisaged in the foreseeable future.

### DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year, and subsequent to the year end were:

H M Hanscomb	(appointed 28 February 2005, resigned 12 July 2005)
L DeBarros	(appointed 7 April 2005, resigned 14 October 2005)
B M James	(appointed 12 July 2005, resigned 1 September 2006)
R L Kimsey	(appointed 14 October 2005, resigned 27 February 2006)
J P M Jankovich-Besan	(appointed 1 September 2006)
I Muir	(appointed 15 January 2007)

The Directors have no interest in the shares of the Company nor any disclosable interests in any contracts or arrangements with the Company either subsisting at the end of the financial year or entered into since the end of the previous financial year. The Directors who held office at the end of the financial year had the following beneficial interests in the shares of Cable and Wireless plc:

	At 1 April 2005 (or later date of appointment)	Shares acquired/options granted	Shares disposed/ options exercised or elapsed	At 31 March 2006
B M James	35,735	-	-	35,735 (a)
	-	13,807	-	13,807 (b)

All interests are in fully paid Ordinary Shares, unless marked (a) which are options to purchase Ordinary Shares under the discretionary share option schemes or (b) which are restricted shares granted under the Restricted Share Plan ('RSP') of which 50% will vest on 25 August 2006 and 50% will vest on 25 August 2008.

Full details of the RSP are included in the financial statements of the ultimate parent company, Cable and Wireless plc.

By order of the Board of Directors.



**H M HANSCOMB**

Secretary

Date:

## **CABLE AND WIRELESS (AMERICAS) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

Under applicable law the Directors are also responsible for preparing a Directors' Report that complies with that law.

## **CABLE AND WIRELESS (AMERICAS) LIMITED**

### **PROFIT AND LOSS ACCOUNT** **Year ended 31 March 2006**

During the current or prior year the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor loss or any other recognised gains or losses in the current or prior year.

# CABLE AND WIRELESS (AMERICAS) LIMITED

## **BALANCE SHEET** **As at 31 March 2006**


	Note	2006 £000	2005 £000
<b>FIXED ASSETS</b>			
Investments	3	251,607	251,607
<b>CURRENT ASSETS</b>			
Debtors	4	-	227,216
<b>CREDITORS: amounts falling due within one year</b>	5	-	(227,216)
<b>NET ASSETS</b>		<u>251,607</u>	<u>251,607</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	1,004	1,004
Share premium account	7	250,603	250,603
<b>EQUITY SHAREHOLDER'S FUNDS</b>		<u>251,607</u>	<u>251,607</u>

The Directors confirm that for the year ended 31 March 2006:

- (a) the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985 from the requirement to have its accounts audited; and
- (b) members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for (a) ensuring the Company keeps accounting records which comply with section 221 of the Companies Act 1985; and (b) preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

The financial statements on pages 4 to 7 were approved by the Board of Directors on 31 January 2007 and signed on their behalf by:

  
**JP JANKOVICH**  
Director

# CABLE AND WIRELESS (AMERICAS) LIMITED

## NOTES TO THE ACCOUNTS

**Year ended 31 March 2006**

### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements are prepared in accordance with applicable accounting standards and on the historical cost basis.

The Company has taken advantage of the exemption to prepare consolidated financial statements under Section 228 of the Companies Act 1985, on the grounds that it is a wholly-owned subsidiary undertaking of Cable and Wireless plc, a company registered within the European Union. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on the going concern basis. The Directors have reviewed the financial position of the Company, including the arrangements with group undertakings, and believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

#### **Fixed asset investments**

Fixed asset investments are stated at cost less amounts written off in respect of any impairments.

### 2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The Company had no employees during the year (2005: nil). The Directors did not receive any emoluments from the Company (2005: £nil).

### 3. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiaries £000
At 1 April 2005 and 31 March 2006	251,607

#### **Interests in subsidiaries:**

Name	Country of incorporation	Type and percentage holding	Nature of business
Cable and Wireless (West Indies) Limited	England	100% Ordinary shares	Telecommunications

### 4. DEBTORS

	2006 £000	2005 £000
Interest free loan to subsidiary undertaking	-	227,216



# CABLE AND WIRELESS (AMERICAS) LIMITED

## NOTES TO THE ACCOUNTS (Cont.)

Year ended 31 March 2006

### 5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £000	2005 £000
Interest free loan from parent undertaking	-	227,216

### 6. CALLED UP SHARE CAPITAL

	2006 £000	2005 £000
Authorised 2,000,000 ordinary shares of £1 each	2,000	2,000
Allotted, called up and fully paid 1,003,543 ordinary shares of £1 each	1,004	1,004

### 7. MOVEMENT ON RESERVES

	£000
Share premium at 1 April 2005 and 31 March 2006	250,603

### 8. 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.

### 9. CASH FLOW STATEMENT

Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A cash flow statement is included in the financial statements of Cable and Wireless plc.

### 10. ULTIMATE PARENT COMPANY

The Directors consider that the Company's ultimate parent undertaking and controlling party is Cable and Wireless plc, registered in England and Wales. A copy of Cable and Wireless plc's published consolidated financial statements can be obtained from The Secretary, Cable and Wireless plc, 7th Floor, The Point, 37 North Wharf Road, London W2 1LA. No other group accounts include the results of the Company.

### 11. SUBSEQUENT EVENTS

On the 20<sup>th</sup> December 2006 the Company received a dividend from its subsidiary Cable and Wireless (West Indies) Limited amounting to £450,079,717.50 in total in respect of the year ending 31 March 2005.

On the 17th January 2007 the Company received a dividend from its subsidiary Cable and Wireless (West Indies) Limited amounting to £134,023,738.10 in respect of the year ending 31 March 2006.