

Eurobell (IDA) Limited

Directors' report and financial statements

31 December 2004

Registered number 3373001



Eurobell (IDA) Limited

Directors' report and financial statements

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Eurobell (IDA) Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activity and review of business

The Company has not traded in the year. In the prior year up to July, the principal activity of the Company was the provision of indirect access telephone services on a telecommunications network. In July 2003, the Company sold the indirect access telephony business for £1,671,000, realising a profit of £1,602,000.

In July 2004 the Company's ultimate parent, Titan Cable plc (formerly Telewest Communications plc), successfully completed its financial restructuring and Telewest Global, Inc. became the Company's ultimate holding company. Further details are set out in note 1, basis of preparation.

Results and dividends

The results for the year ended 31 December 2004 and the financial position of the Company are shown in the financial statements. The directors recommend that no dividend be paid (2003: nil).

Directors and their interests

The directors who served during the year, and subsequently, were as follows:

| | |
|-------------|------------------------|
| SS Cook | |
| NR Smith | (appointed 18/02/2004) |
| AWP Stenham | (appointed 18/02/2004) |
| CJ Burdick | (resigned 18/02/2004) |

The Company is a wholly - owned subsidiary of Telewest Global, Inc., its ultimate parent company, which is incorporated in Delaware, USA. Therefore under the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985 directors of the Company are exempt from the obligation otherwise imposed by s324 of the Companies Act 1985 to notify the Company of their interests in shares in, or debentures of, Telewest Global, Inc.

None of the directors who held office at the end of the financial year had any interest in the share capital of the Company or any other UK based group company.

During the financial year, no rights to subscribe for shares in the Company or any other UK group company were granted to or exercised by any director who held office at the end of the financial year and to the date of this report or by any member of his immediate family.

Eurobell (IDA) Limited

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 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; 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 maintaining 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.

Auditors

Pursuant to a shareholder's resolution, the Company is not obliged to reappoint its auditors annually.

On behalf of the board



C Burns
Secretary

Export House
Cawsey Way
Woking, Surrey
GU21 6QX

19 July 2005

Eurobell (IDA) Limited

Report of the independent auditors, KPMG Audit Plc, to the members of Eurobell (IDA) Limited

We have audited the financial statements on pages 5 to 11.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 1985. 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 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor

2 Cornwall Street
Birmingham
B3 2DL

19 July 2005

Eurobell (IDA) Limited

Profit and loss account

For the year ended 31 December 2004

| | Note | 2004 £'000 | 2003 £'000 |
|--|------|---------------|---------------|
| Turnover | | - | 5,706 |
| Cost of sales | | - | (1,529) |
| Gross profit | | - | 4,177 |
| Administration expenses | | - | (1,729) |
| Operating profit | 2 | - | 2,448 |
| Profit on disposal of Operation | 5 | - | 1,602 |
| Interest payable and similar charges | 6 | - | (2,573) |
| Profit on ordinary activities before taxation | | - | 1,477 |
| Tax on ordinary activities | 7 | - | - |
| Profit for the financial year | | - | 1,477 |
| Retained loss brought forward | | (28,952) | (30,429) |
| Retained loss carried forward | | (28,952) | (28,952) |

All figures relate to discontinued operations and there is no difference between the result reported in the profit and loss account and the result on an historical cost basis.

The Company had no recognised gains and losses other than those reflected in its profit and loss account.

Eurobell (IDA) Limited

Balance sheet

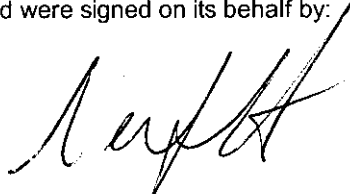
At 31 December 2004

| | Note | 2004 £'000 | 2003 £'000 |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Investments | 9 | - | - |
| | | <u>-</u> | <u>-</u> |
| Creditors: amounts falling due within one year | 10 | (28,952) | (28,952) |
| Net current liabilities | | <u>(28,952)</u> | <u>(28,952)</u> |
| Total assets less current liabilities | | <u>(28,952)</u> | <u>(28,952)</u> |
| Net liabilities | | <u>(28,952)</u> | <u>(28,952)</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | - | - |
| Profit and loss account | 12 | (28,952) | (28,952) |
| Equity shareholders' deficit | | <u>(28,952)</u> | <u>(28,952)</u> |

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

19 May

2005



NR Smith
Director

Eurobell (IDA) Limited

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.

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate as the Company relies on support from Telewest UK Limited, an intermediate holding company.

In July 2004, Titan Cable plc (formerly Telewest Communications plc) successfully completed its financial restructuring. This resulted in the reorganisation of the business and operations of Titan Cable plc (formerly Telewest Communications plc) and its subsidiaries ('the Group') under Telewest Global, Inc., incorporated in Delaware, USA, which became the new ultimate holding company. The directors believe that the restructuring has left Telewest Global, Inc. and its subsidiaries ('the new Group') with sufficient liquidity to meet the new Group's funding needs and enable it to provide continued support to subsidiary companies.

Cash flow exemption

Under Financial Reporting Standard (FRS) 1, the Company is exempt from producing a cash flow statement on the grounds that the Company's ultimate parent company, Telewest Global, Inc., includes it in its own published consolidated financial statements.

Related party transactions

As the Company was a wholly owned subsidiary of Telewest Global, Inc., the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities where 90% or more of the voting rights are controlled within the group. The consolidated financial statements of Telewest Global, Inc., within which this company is included, can be obtained from The Company Secretary, Telewest Broadband, Export House, Cawsey Way, Woking, Surrey, GU21 6QX.

Group financial statements

The Company is exempt by virtue of section 228 of the Companies Act 1985 from the requirements to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date, except as otherwise required by Financial Reporting Standard (FRS) 19 Deferred Tax. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in periods different to those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Eurobell (IDA) Limited

Notes (continued)

1 Accounting policies (continued)

Turnover

All turnover arises from sales in the United Kingdom. Revenues are recognised as network communications services are provided. Connection and activation fees relating to cable television, telephony and internet customers are recognised in the period of connection to the extent that such fees are less than direct selling costs. All other up-front fees are deferred and recognised over the estimated average period that the customers are expected to remain connected to the system.

2 Operating profit

Operating profit is stated after charging:

| | 2004 £'000 | 2003 £'000 |
|------------------------------------|---------------|---------------|
| Depreciation of owned fixed assets | - | 2 |

The auditors' remuneration for 2004 and 2003 was borne by Telewest Communications Group Limited

3 Directors' remuneration

No remuneration was paid to the directors during the year (2003: £nil).

4 Staff costs

In the prior year, the Company's activities were undertaken by employees of fellow group companies.

5 Profit on disposal of Operation

In July 2003, the Company sold the Indirect Access telephony business for £1,671,284, realising a profit of £1,602,328.

6 Interest payable and similar charges

| | 2004 £'000 | 2003 £'000 |
|--------------------------------------|---------------|---------------|
| On amounts due to group undertakings | - | 2,573 |

Eurobell (IDA) Limited

Notes (continued)

7 Tax on ordinary activities

Reconciliation of the Company's current tax to the UK statutory rate

| | 2004 £'000 | 2003 £'000 |
|---------------------------------------|---------------|---------------|
| Result/profit before taxation | - | 1,477 |
| Tax on pre tax result/profit at 30% | | 443 |
| Effects of: | | |
| Timing differences | | (3,309) |
| Creation of tax losses | | 2,866 |
| Current tax | - | - |
| UK Corporation tax at 30% (2003: 30%) | - | - |
| UK Deferred tax | - | - |
| Tax on ordinary activities | - | - |

8 Deferred tax

As at 31 December 2004, the Company estimates that it has, subject to Inland Revenue agreement, £Nil (2003: £nil), of tax losses available to relieve future profits. In addition the Company estimates that it has unclaimed capital allowances as at 31 December 2004 of £Nil (2003: £nil), subject to Inland Revenue agreement.

9 Fixed asset investments

| Cost | Shares in group undertakings £ |
|------------------------------|---|
| At beginning and end of year | 1 |

This investment is 100% of the ordinary share capital of EMS Investment Limited, a company registered in England and Wales. This company has not traded.

In the opinion of the directors, the aggregate value of the Company's investment in subsidiary undertakings is not less than the amount at which they are stated in the financial statements.

Eurobell (IDA) Limited

Notes (continued)

10 Creditors: amounts falling due within one year

| | 2004 £'000 | 2003 £'000 |
|-----------------------------------|---------------|---------------|
| Amounts due to group undertakings | 28,952 | 28,952 |

11 Share capital

| | 2004 £ | 2003 £ |
|---|-----------|-----------|
| Authorised: | | |
| 100 ordinary shares of £1 each | 100 | 100 |
| Allotted, issued and fully paid: | | |
| 1 ordinary share of £1 each | 1 | 1 |

12 Reconciliation of movements in shareholders' deficit and reserves

| | Share capital £'000 | Profit and loss account £'000 | Total £'000 |
|-----------------------------------|---------------------------|-------------------------------------|----------------|
| At 1 January and 31 December 2004 | - | (28,952) | (28,952) |

13 Contingent liabilities

The Company has joint and several liabilities under a group VAT registration.

In December 2004, the Company, together with other group companies, entered into 2 new facilities agreements pursuant to which it has given a guarantee and a fixed and floating charge over certain of its assets to secure borrowings of other group companies. The guaranteed borrowings of those companies were £1,800 million, of which £1,700 million was drawn down at the year end.

In 2003, pursuant to the terms of a then existing and terminated facility agreement, the Company, together with other group companies had given a guarantee and a fixed and floating charge over certain of its assets to secure borrowings of other group companies. The guaranteed borrowings of those companies were £2,250 million, of which £2,000 million was drawn down at the year end.

Eurobell (IDA) Limited

Notes *(continued)*

- 14 **Ultimate parent company and parent undertaking of larger group of which the company is a member**

At 31 December 2004, the ultimate parent company was Telewest Global, Inc., which is incorporated in Delaware, USA. Telewest Global, Inc. is the parent of the largest group for which group financial statements, including the Company, are drawn up. The smallest group in which the results of the Company are consolidated is that headed by Telewest UK Limited, incorporated in England and Wales. Copies of the group financial statements of Telewest Global, Inc. may be obtained from The Company Secretary, Telewest Broadband, Export House, Cawsey Way, Woking, Surrey, GU21 6QX. Telewest Global, Inc. became the ultimate parent of the Company on 14 July 2004.