Registered number: 5861215

ALERT COMMUNICATIONS GROUP HOLDINGS LIMITED

Annual report and Financial Statements

for the year ended 31 March 2008

ALERT COMMUNICATIONS GROUP HOLDINGS LIMITED

Annual report and financial statements for the year ended 31 March 2008

Directors' report for the year ended 31 March 2008

The director's present their report on the affairs of the group, together with the financial statements and auditors' report, for the year ended 31 March 2008.

Principal activity

The principal activities of the group are to finance, design, build, operate and maintain a Received Signal Service Communications Link as a Private Finance Initiative project with the Ministry of Defence.

Review of business and further developments

The Directors expect the Company and Group to continue to fulfil its contractual obligations and to operate in line with the project model. It is expected that this will continue for the foreseeable future and to the end of the contract

The Group enters into interest rate swaps, the purpose of which is to manage the interest rate risk arising from the Group's borrowings.

Key performance indicators

The directors believe that the analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the performance or position of the Company.

Results and dividends

The Group's profit and loss account for the year is disclosed on page 5. The directors do not recommend a dividend for the year ended 31 March 2008 (2007: £nil)

Directors

The directors and alternate directors who served during the year and up to the date of this report were as follows:

Alan Jones	Resigned	22 May 2007
John McDonagh		
Michael Ryan		
Douglas Umbers		
Neal Misell		

None of the directors held any interest in the shares of the company at any time during the year ended 31 March 2008.

Directors' responsibilities statement

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 group as at the end of the financial year and of the profit or loss of the group 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;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors and disclosure of information to auditors

Each director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their re-appointment will be proposed at the next Annual General Meeting of the Company.

On behalf of the board

Director

28 October 2008

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALERT COMMUNICATIONS GROUP HOLDINGS LIMITED

We have audited the group and parent company financial statements (the 'financial statements') of Alert Communications Group Holdings Limited for the year ended 31 March 2008 which comprise the group profit and loss account, the group and company balance sheets, the group cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 March 2008 and of the group's loss and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Edinburgh
30 October 2008

Consolidated profit and loss account for the year ended 31 March 2008

	Notes	**2008**	29 June 2006 to 31 March 2007
		£	£
Turnover	2	**7,411,418**	491,133
Cost of sales		**(2,555,668)**	(425,463)
Gross profit		**4,855,750**	65,670
Administration expenses		**(2,548,044)**	(2,045,154)
Operating profit/(loss)		**2,307,706**	(1,979,484)
Finance charges (net)	5	**(4,545,885)**	(2,096,015)
Loss on ordinary activities before taxation	3	**(2,238,179)**	(4,075,499)
Tax on loss on ordinary activities	6	**211,967**	643,656
Loss for the financial year	15	**(2,026,212)**	(3,431,843)

The above results relate to continuing activities.

There are no recognised gains or losses other than the loss for the year as stated above.

Consolidated and Company balance sheets as at 31 March 2008

	Notes	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
Fixed assets					
Tangible assets	7	55,966,726	-	58,445,663	-
Investments	8	-	6,785,000	-	6,785,000
		55,966,726	6,785,000	58,445,663	6,785,000
Current assets					
Debtors: amounts falling due after more than one year	9	2,652,442	4,521,389	2,440,475	4,660,000
Debtors: amounts falling within one year	9	629,940	466,651	618,725	338,468
Cash at bank and in hand		421,883	-	615,735	-
		3,704,265	4,988,040	3,674,935	4,998,468
Creditors: amounts falling due within one year	10	(1,317,621)	(5,577,647)	(1,135,293)	(5,125,638)
Net current assets/(liabilities)		2,386,644	(589,607)	2,539,642	(127,170)
Total assets less current liabilities		58,353,370	6,195,393	60,985,305	6,657,830
Creditors: amounts falling due after more than one year	11	(61,639,067)	(4,521,389)	(62,244,790)	(4,660,000)
Net (liabilities)/assets		(3,285,697)	1,674,004	(1,259,485)	1,997,830
Capital and reserves					
Called-up share capital	14	10	10	10	10
Capital contribution	15	80,485	-	80,485	-
Profit and loss account	15	(3,366,192)	1,673,994	(1,339,980)	1,997,820
Equity shareholders' (deficit)/funds	16	(3,285,697)	1,674,004	(1,259,485)	1,997,830

The financial statements on pages 5 to19 were approved by the board of directors on 28 OCTOBER 2008 and were signed on its behalf by:

J McDonagh - Director

D Umbers - Director

Consolidated cash flow statement for the year ended 31 March 2008

	Notes	2008	29 June 2006 to 31 March 2007
		£	£
Net cash outflow from continuing operations	18	**4,834,311**	(2,211,750)
Returns on investments and servicing of finance			
Dividend paid		-	(4,693,137)
Interest received		-	6,626
Interest paid		**(4,548,658)**	(1,046,962)
		(4,548,658)	(5,733,473)
Net cash outflow before financing		**285,653**	(7,945,223)
Financing			
Capital contribution		-	80,485
Issue of share capital		-	(10)
Repayment of term loan facility		-	(52,489,090)
Drawdown of new term loan facility		-	58,137,200
Capital repayment of new term loan		**(479,505)**	(73,422)
Repayment of subordinated secured loan notes 2030		-	(400,000)
		(479,505)	5,255,163
Decrease in cash in the year	19	**(193,852)**	(2,690,060)
Cash balances acquired		-	3,305,795
Net cash at 1 April 2007		**615,735**	-
Net cash at 31 March 2008	20	**421,883**	615,735

Notes to the financial statements for the year ended 31 March 2008

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The accounts have been prepared under the historical cost convention.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2008.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. The financial statements have been prepared on a going concern basis as the financial projections indicate that sufficient funds will be generated to allow ongoing obligations to be met as they fall due.

Tangible fixed assets

Tangible fixed assets include all directly attributable costs, including those incurred during the commissioning year, of construction together with directly attributable finance costs. Directly attributable costs are capitalised until substantially all the activities necessary to get the asset ready for use are complete. To the extent that the group is liable to decommissioning costs a provision at the balance sheet date is set up for the net present cost. A corresponding tangible fixed asset is recognised in respect of the decommissioning costs, based on price levels at the balance sheet date.

Depreciation is provided to write off the cost, less estimated residual value, of all tangible fixed assets evenly over their expected useful economic lives. Depreciation, for leasehold property and plant and equipment, is charged over 27 years. This represents the life of the project the assets are to be used within.

Finance cost

Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Debt

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the amount of finance cost amortised in respect of the accounting period and reduced by payments made in the year.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation

Deferred taxation 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 the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the year in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred taxation is discounted using post tax yields to maturity that could be obtained at the balance sheet date on government bonds with maturity dates similar to those of the deferred taxation assets and liabilities.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is more likely than not that there will be adequate future taxable profits against which to recover carried forward tax losses.

Derivative financial instruments

The group uses hedging agreements in the form of Sterling interest rate swaps to limit its exposure to interest rate fluctuations. Alert Communications Limited has hedged the majority of its borrowings against LIBOR. The effect of the hedge is to fix the borrowing rate at 6.4% for the term loan until 31 March 2027.

Parent undertaking profit and loss account

As permitted by section 230 of the Companies Act 1985, the parent company's profit and loss account has not been included in these financial statements. The parent company's loss for the financial year was £323,826

Investments

Investments are carried at cost less provisions for impairment. Investments are tested for impairment when an event that might affect asset values has occurred. An impairment loss is recognised to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future cash flows from the investment..

2. Turnover

Turnover represents the value of services provided during the year. All turnover excludes Value Added Tax and is solely derived from the United Kingdom.

Income is recognised at the point at which the service is provided.

3. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	2008	29 June 2006 to 31 March 2007
	£	£
Depreciation of tangible fixed assets	**2,478,937**	704,197
Auditors' remuneration - audit services	**15,000**	14,000
- non-audit services	**-**	450,000

The auditors' remuneration for audit services are borne by VT Communications Limited and recharged to the company via the operation and maintenance fee.

The company had no employees during the year (2007: nil).

4. Directors' emoluments

	2008	29 June 2006 to 31 March 2007
	£	£
Sums paid to third parties for directors' services	**49,595**	47,044

5. Finance charges (net)

	2008	29 June 2006 to 31 March 2007
	£	£
Investment income		
Other interest receivable and similar income	-	6,626
	-	6,626
Interest payable and similar charges		
Bank loans and overdrafts	**4,542,669**	1,238,361
Amortisation of issue costs on bank loans	**3,216**	864,279
	4,545,885	2,102,640
Finance charges (net)	**4,545,885**	2,096,014

6. Tax on loss on ordinary activities

The tax charge comprises:

	2008	29 June 2006 to 31 March 2007
	£	£
Current tax		
- UK corporation tax at 30%	-	-
Total current tax	-	-
Deferred taxation (Note 13)		
- Origination and reversal of timing differences	**144,501**	1,414,209
- Decrease/(Increase) in discount	**67,466**	(770,553)
Total deferred tax	**211,967**	643,656
Tax on loss on ordinary activities	**211,967**	643,656

Reconciliation of current tax charge

	31 March 2008	29 June 2006 to 31 March 2007
		£
Loss on ordinary activities before taxation	**(2,238,179)**	**(4,075,499)**
Tax on loss on ordinary activities at 30% (2006: 30%)	**(671,454)**	**(1,222,650)**
Capital allowances in excess of depreciation	**129,434**	**51,576**
Other timing differences	**133,331**	**(6,278)**
Losses utilised in the year	**-**	**(1,988)**
Unutilised losses recognised as a deferred tax asset	**408,689**	**1,179,340**
Current tax charge for the year	**-**	**-**

At 31 March 2008 the group had corporation tax losses of approximately £35,434,000 (2007: £34,007,000) available to be carried forward against future taxable profits.

7. Tangible fixed assets

Group	Leasehold property	Plant & equipment	Total
	£	£	£
Cost			
At 1 April 2007 and 31 March 2008	**4,660,615**	**54,489,245**	**59,149,860**
Depreciation			
At 1 April 2007	56,849	647,348	704,197
Charge for the year	194,022	2,284,915	2,478,937
At 31 March 2008	**250,871**	**2,932,263**	**3,183,134**
Net book value			
At 31 March 2008	**4,409,744**	**51,556,982**	**55,966,726**
At 31 March 2007	4,603,766	53,841,897	58,445,663

Cumulative interest capitalised and other finance costs included in the cost of tangible fixed assets amounts to £9,963,913 (2007: £9,963,913)

8. Investments

Company	Subsidiary undertaking
	£
Cost	
At 1 April 2007 and 31 March 2008	**6,785,,000**

The company owns the whole of the issued ordinary share capital of Alert Communications (Holdings) Limited, a company incorporated in the UK. The principal activity of Alert Communications (Holdings) Limited is that of a holding company.

9. Debtors

	Group 31 March 2008 £	Company 31 March 2008 £	Group 31 March 2007 £	Company 31 March 2007 £
Amounts falling due within one year:				
Amounts due from subsidiary undertaking	-	466,651	-	338,468
Prepayments and accrued revenue	629,940	-	618,725	-
	629,940	466,651	618,725	338,468
Amounts falling due after more than one year:				
Amounts due from subsidiary undertaking	-	4,521,389	-	4,660,000
Deferred taxation (Note 13)	2,652,442	-	2,440,475	-
	2,652,442	4,521,389	2,440,475	4,660,000

No interest is charged on amounts due from subsidiaries due within one year, and the amount payable on demand.

Interest on the amounts due from subsidiary undertakings, due after greater than one year, is charged at 14% per annum on the basis of a 365 day year, increasing annually by 0.16% of the annual rate of interest payable in the previous year, up to a maximum of 18% per annum.

10. Creditors: amounts falling due within one year

	Group 31 March 2008 £	Company 31 March 2008 £	Group 31 March 2007 £	Company 31 March 2007 £
Bank loans – secured (note 11)	470,328	-	479,505	-
Subordinated secured loan notes 2030 (note11)	138,611	138,611	-	-
Amounts due to subsidiary undertaking	-	5,111,006	-	4,787,180
Accruals and other creditors	708,682	328,030	655,788	338,458
	1,317,621	5,577,647	1,135,293	5,125,638

Interest is charged on amounts due from subsidiaries due within one year at 6.9%, the amount is payable on demand.

11. Creditors: amounts falling due after more than one year

	Group 31 March 2008 £	Company 31 March 2008 £	Group 31 March 2007 £	Company 31 March 2007 £
Subordinated secured loan notes 2030	4,521,389	4,521,389	4,660,000	4,660,000
Bank loans - secured	57,117,678	-	57,584,790	-
	61,639,067	4,521,389	62,244,790	4,660,000

Borrowings

	Group 31 March 2008 £	Company 31 March 2008 £	Group 31 March 2007 £	Company 31 March 2007 £
Subordinated secured loan notes 2030	4,660,000	4,660,000	4,660,000	4,660,000
Bank loans - secured	57,588,006	-	58,064,295	-
	62,248,006	4,660,000	62,724,295	4,660,000

Maturity of debt

	Group 31 March 2008 £	Company 31 March 2008 £	Group 31 March 2007 £	Company 31 March 2007 £
Within one year	608,939	138,611	479,505	-
Between one and two years	4,270,027	254,382	608,939	138,611
Between two and five years	8,073,226	566,257	10,564,376	763,147
After five years	49,295,814	3,700,750	51,071,475	3,758,242
	62,248,006	4,660,000	62,724,295	4,660,000

The bank loans and facilities are secured by way of a fixed and floating charge over the assets of Alert Communications Group Holdings Limited and by way of a floating charge over the assets and a fixed charge over the shares of Alert Communications Limited. Interest on the term loan is charged at LIBOR plus 1.05% per annum.

Bank loans are stated net of unamortised issue costs of £393,281. Issue costs of £397,013 were incurred as part of the refinancing and will be amortised over the life of the new loans.

The subordinated secured loan notes 2030 are secured by way of a floating charge over the assets of the company and by way of a floating charge over the assets and a fixed charge over the shares of Alert Communications Limited.

Interest on the secured loan notes is charged at 14% per annum on the basis of a 365 day year, increasing annually by 0.16% of the annual rate of interest payable in the previous year, up to a maximum of 18% per annum.

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

The secured loan notes will be redeemed at face value, with the first redemption falling due on 30 March 2009. Further redemption will occur every year after this on 30 March, up to 30 March 2030.

12. Fair values of financial assets and financial liabilities

A comparison by category of fair values and book values of the group's financial liabilities at 31 March was as follows:

	Book value 2008	**Fair value 2008**	Book value 2007	Fair value 2007
	£	**£**	£	£
Primary instrument held or issued to finance the group's operations:				
Long-term borrowing	**57,588,006**	**57,564,516**	58,064,295	59,342,260
Derivative financial instruments held to manage the interest rate profile				
Interest rate swap	-	**23,490**	-	(1,277,965)

The fair values of the fixed rate borrowing and the interest rate swap have been calculated by discounting the fixed cash flows at the prevailing interest rates at the year end.

13. Deferred tax

	Group 2008	**Company 2008**	Group 2007	Company 2007
	£	**£**	£	£
Tax losses carried forward	**9,921,491**	-	10,221,478	-
Advanced capital allowances	**(4,102,455)**	-	(4,329,577)	-
Other timing differences	**(2,350,744)**	-	(2,629,364)	-
Undiscounted provision for deferred tax	**3,468,292**	-	3,262,537	-
Discount	**(815,850)**	-	(822,062)	-
Discounted provision for deferred tax	**2,652,442**	-	2,440,475	-
Balance at 1 April	**2,440,475**	-	-	-
Deferred tax asset from acquisition in year	-	-	1,796,819	-
Deferred tax credit in the profit and loss account (Note 5)	**211,967**	-	643,656	-
Deferred tax asset at 31 March	**2,652,442**	-	2,440,475	-

14. Called-up share capital

Company	31 March 2008 £	31 March 2007 £
Authorised		
6,785,010 ordinary shares of £1 each	**6,785,010**	6,785,010
	6,785,010	6,785,010
Allotted, called-up and fully-paid		
10 ordinary shares of £1 each	**10**	10
	10	10

15. Reserves

Group	Profit and loss account £	Capital Contribution £	Total £
At 1 April 2007	(1,339,980)	80,485	(1,259,495)
Loss for the financial year	(2,026,212)	-	(2,026,212)
At 31 March 2008	**(3,366,192)**	**80,485**	**(3,285,707)**

Company	Profit and loss account £
At 1 April 2007	1,997,820
Loss for the year	(323,826)
At 31 March 2008	**1,673,994**

16. Reconciliation of movements in shareholders' (deficit)/funds

	Group 31 March 2008	Company 31 March 2008	Group 31 March 2007	Company 31 March 2007
	£	£	£	£
Loss for the financial year	(2,026,212)	(323,826)	(3,431,843)	(94,043)
Issue of share capital	-	-	6,785,010	6,785,010
Capital contribution	-	-	80,485	-
Dividend paid	-	-	(4,693,137)	(4,693,137)
Net change in shareholders' (deficit)/funds	(2,026,212)	(323,826)	(1,259,485)	1,997,830
Shareholders' (deficit)/funds as at 1 April	(1,259,485)	1,997,830	-	-
Shareholders' (deficit)/funds 31 March	(3,285,697)	1,674,004	(1,259,485)	1,997,830

17. Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

Group	31 March 2008 Land and buildings	31 March 2007 Land and buildings
	£	£
Expiry date		
- after five years	2	2
	2	2

The group has primary and secondary site leases from the Secretary of State for Defence at £1 per annum per site until 31 December 2030.

18. Cash flow from operating activities

	31 March 2008	31 March 2007
	£	£
Operating profit/(loss)	2,307,706	(1,979,484)
Depreciation on tangible fixed assets	2,478,937	704,197
Decrease/(increase) in debtors	(11,215)	(316,218)
(Increase)/decrease in creditors	58,883	(620,245)
Net cash outflow/(inflow) from operating activities	4,834,311	(2,211,750)

19. Analysis of net debt

	At 1 April 2007 £	Acquisitions £	Cash flow £	Other non-cash changes £	**At 31 March 2008 £**
Cash at bank	615,735	-	(193,852)	-	**421,883**
	615,735	-	(193,852)	-	**421,883**
Debt due within 1 year	(479,505)	-	479,505	(608,939)	**(608,939)**
Debt due after 1 year	(62,244,790)	-	-	605,723	**(61,639,067)**
	(62,108,560)	-	285,653	(3,216)	**(61,826,123)**

20. Reconciliation of movement in net debt

	31 March 2008 £	31 March 2007 £
(Decrease)/Increase in cash in the year	**(193,852)**	615,735
Acquisition	-	(56,685,326)
Cash inflow from (decrease)/increase in debt	**479,505**	(5,174,688)
Other non-cash movements	**(3,216)**	(864,281)
Movement in net debt in the year	**282,437**	(62,108,560)
Opening net debt	**(62,108,560)**	-
Closing net debt	**(61,826,123)**	(62,108,560)

21. Related party transactions

VT Communications Limited:

The design, build, operation and maintenance of the project has been subcontracted to VT Communications Limited, (a wholly owned subsidiary of VT plc) which owns all of the share capital of Costpool Limited a holder of 20% of the share capital of Alert Communications Group Holdings Limited. During the year ended 31 March 2008 Alert Communications Limited was invoiced £2,555,668 (2007: £594,957) by VT Communications Limited in connection with operation and maintenance fees. The outstanding credit balance at the year end was £nil (2007: £nil).

Infrastructure Investors Limited:

Infrastructure Investors Limited holds 80% of the issued share capital of Alert Communications Group Holdings Limited as well as £4,660,000 of Subordinated Secured Loan Notes 2030. Interest of £328,031 (2007: £338,458) was accrued for to 31 March 2008 for these Loan Notes, all of which remains outstanding at the year end.

22. Ultimate controlling party

The directors regard Infrastructure Investors LP as the immediate parent undertaking with ownership of this entity shared between Investors in Infrastructure Limited (a wholly owned subsidiary of Barclays plc), Societe Generale, 3i Infrastructure plc and a limited liability partnership managed by Fleming Family & Partners Asset Management Limited. Accordingly, there is no overall parent company and no ultimate controlling party.