

Company Registration No. 00006338

The Eastern Telegraph Company Limited

**Directors' report and financial statements
For the year ended 31 March 2015**

Registered office:

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London
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Directors' report

The Directors present their annual report and the financial statements of The Eastern Telegraph Company Limited (the Company) for the year ended 31 March 2015.

Principal activities

The Company carried on telecommunications trading in the United Kingdom until 2001 when the trade was transferred to another company of the Cable & Wireless Communications Group (the Group) and the Company became dormant. There was no trading in the current year. The Company was entitled to an exemption from audit under section 480 of the Companies Act 2006 and consequently no auditors have been appointed by the Directors.

The profit for the year after taxation amounted to \$nil (2014 – \$5,927,000) and has been dealt with in the attached financial statements. The Directors do not recommend payment of a dividend (2014 - \$nil).

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

Business review

The Company has met the requirements in Companies Act 2006 to obtain an exemption provided from the presentation of an Enhanced Business Review.

Directors

The Directors who held office during the year and subsequent to the year-end were as follows:

N I Cooper (resigned 21 May 2015)

C Underwood

C Patel (resigned 27 February 2015)

E Martin (appointed 22 July 2014)

The Directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Political and charitable contributions

The Company made no political or charitable donations nor incurred any political expenditure during the year.

By order of the Board of Directors.



E MARTIN

Company Secretary

Date: 3 September 2015

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

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 and applicable Law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit and loss account 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 are sufficient to show and explain the Company's transactions and 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 2006. 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.

The Eastern Telegraph Company Limited
Directors' report and financial statements
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Profit and loss account

For the year ended 31 March 2015

	Note	2015 \$000	2014 \$000
Finance income	3	-	5,927
Profit on ordinary activities before taxation		-	5,927
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		-	5,927

The results for the year are derived entirely from continuing operations.

There are no material differences between the profit on ordinary activities before taxation and the retained loss for the financial year stated above and their historical cost equivalents.

The notes on pages 6 to 8 form an integral part of these financial statements.

Reconciliation of movements in shareholders' deficit

For the year ended 31 March 2015

	2015 \$'000	2014 \$'000
Opening shareholders' deficit	(4,488)	(10,415)
Profit for the year	-	5,927
Closing shareholders' deficit	(4,488)	(4,488)

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Balance sheet

As at 31 March 2015

	Note	2015 \$'000	2014 \$'000
Creditors: amounts falling due within one year	5	<u>(4,488)</u>	<u>(4,488)</u>
Net current liabilities		<u>(4,488)</u>	<u>(4,488)</u>
Capital and reserves			
Called up share capital	6	1,786	1,786
Profit and loss account	7	<u>(6,274)</u>	<u>(6,274)</u>
Shareholder's deficit		<u>(4,488)</u>	<u>(4,488)</u>

The accompanying notes from pages 6 to 8 form an integral part of the financial statements.

For the year ended 31 March 2015, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 8 were approved by the Board of Directors on 3 September 2015 and signed on its behalf by:



C UNDERWOOD

Director

The Eastern Telegraph Company Limited
Registered number: 00006338

Notes to the financial statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

Basis of preparation

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

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on a going concern basis, notwithstanding net liabilities of \$4,488,000 (2014: \$4,488,000). 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.

Cash flow statement

Under FRS1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Related parties

As a wholly owned subsidiary of Cable & Wireless Communications Plc, the Company has taken advantage of the exemption contained in FRS-8 and has therefore not disclosed transactions or balances with entities that form part of the group (or investees in the group qualifying as related parties). The consolidated financial statements of Cable & Wireless Communications Plc, within which this Company is included, can be obtained from the address given in note 8.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS-19.

2. Information regarding directors, employees and auditor

Directors' emoluments are borne by other Group companies in the current and prior year. The Company had no employees during the year (2014: nil).

In the current year the auditor's remuneration was \$nil (2014: \$3,000 for the audit of the 2014 financial statements, borne by another entity).

3. Finance income

	2015 \$'000	2014 \$'000
Amounts received from Group undertakings	-	5,927

Notes to the financial statements (continued)

4. Tax on profit on ordinary activities

<i>Analysis of charge in period:</i>	2015	2014
	\$'000	\$'000
Tax charge on profit on ordinary activities:		
United Kingdom corporation tax at 21% (2014 – 23%)		
Current year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current period

The current tax charge assessed for the period is the same as (2014: lower than) the standard rate of corporation tax in the UK 21% (2014: 23%). The differences are explained below:

<i>Current tax reconciliation</i>	2015	2014
	\$'000	\$'000
Profit before tax	-	5,927
Tax charge at 21% (2014: 23%)	-	1,363
Effects of:		
Non-taxable income	-	(1,363)
	<u>-</u>	<u>(1,363)</u>
Current tax charge	-	-
	<u>-</u>	<u>-</u>

Reductions in the UK corporation tax rate from 23% to 21% from 1 April 2014 and to 20% in April 2015 were substantively enacted on 2 July 2013.

5. Creditors: amounts falling due within one year

	2015	2014
	\$'000	\$'000
Amounts owed to group undertakings	4,488	4,488
	<u>4,488</u>	<u>4,488</u>

6. Called up share capital

	2015	2014
	\$'000	\$'000
Allotted, called up, and fully paid		
1,200,000 ordinary stock units of £1 each	1,786	1,786
	<u>1,786</u>	<u>1,786</u>

Notes to the financial statements (continued)

7. Capital and reserves

	Share capital	Profit and loss account \$'000	Total
At 31 March 2014	1,786	(6,274)	(4,488)
Profit for the year	-	-	-
At 31 March 2015	1,786	(6,274)	(4,488)

8. Ultimate parent company

The Company's immediate parent undertaking is Cable & Wireless DI Holdings Limited, a company registered in England and Wales.

The Directors regard Cable & Wireless Communications Plc, a company registered in England and Wales, as the ultimate parent company and controlling undertaking.

The smallest and largest group in which the results of the Company are consolidated is that of Cable & Wireless Communications Plc, the ultimate parent company. The consolidated financial statements of Cable & Wireless Communications Plc may be obtained from the Company Secretary, Cable & Wireless Communications Plc, 2nd Floor, 62 – 65 Chandos Place, London WC2N 4HG. No other group accounts include the results of the Company.

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