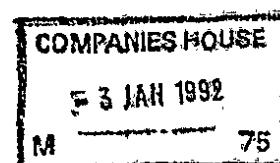


244080

TELEPHONE RENTALS PLC
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1991
REGISTERED NUMBER: 244080



TELEPHONE RENTALS PLC

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 March 1991.

PRINCIPAL ACTIVITIES

The Company's primary source of income is from the rental of its properties. Other income arises from its investment interest in subsidiary companies.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

With effect from 1 April 1990, the assets of the company other than interests in freehold and leasehold properties were transferred to Cable and Wireless plc. All employees have now become employees of Mercury Communications Limited ("Mercury") and the trading operations of the company are now handled by Mercury so that Mercury can supply a comprehensive communications service to its customers. The company continues to hold an investment interest in certain subsidiary companies in the UK and overseas. There are no plans for the company to trade again under its own name.

FINANCIAL RESULTS

The loss for the year, before taxation, was £354,000 as compared with a loss of £5,296,000 for the year ended 31 March 1990.

After providing for corporation tax on ordinary activities of £360,000 (1990 - £6,215,000) and a loss on extraordinary items of £6,327,000 (1990 - £Nil), a loss for the year of £7,041,000 resulted compared to a loss of £11,511,000 for the year ended 31 March 1990.

The position at the end of the year is set out in the balance sheet on page 6.

The amount to be carried forward on the company's profit and loss account is £11,677,000 as compared with £11,567,000, brought forward from 1990.

DIVIDEND

The directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS' INTERESTS

The persons named below were directors of the company during the year ended 31 March 1991.

G M W Owen (resigned 27 March 1991)
C J Everest (resigned 31 January 1991)
B B Hannam (resigned 28 February 1991)
P D Hoole (resigned 28 February 1991)
C D Marsterson (resigned 31 January 1991)
D B McArthur (resigned 27 March 1991)
G R N Gellatly (resigned 31 July 1990)
P Howell-Davies (appointed 28 February 1991)
J E Thornber (appointed 28 February 1991)

TELEPHONE RENTALS PLC

DIRECTORS' REPORT (continued)

DIRECTORS AND DIRECTORS' INTERESTS (continued)

The directors' interests in the shares of Telephone Rentals plc as at 31 March 1991 are as follows:

P Howell-Davies	Telephone Rentals Plc	400 Ordinary shares of 25p (non-beneficial)
J E Thornber	Telephone Rentals Plc	400 Ordinary shares of 25p (non-beneficial)

The following Directors have interests in Group Companies as set out below:

Cable and Wireless Plc Ordinary Shares of 50p each:

	<u>At 31 March 1991</u>		<u>At 31 March 1990</u>	
	<u>P Howell-Davies</u>	<u>J E Thornber</u>	<u>P Howell-Davies</u>	<u>J E Thornber</u>
Shares held personally on main register	44,151	-	13,497	514
Options to purchase ordinary shares under the Savings Related Share Option Scheme	-	2,971	3,860	-
Options to purchase ordinary shares under the Senior Employees' Share Option Scheme	83,689	74,736	99,294	59,642

FIXED ASSETS

The freehold and leasehold properties included in fixed assets consist almost entirely of office premises and stores occupied by members of the Cable and Wireless Group for business purposes.

CHARITABLE AND POLITICAL DONATIONS

During the year the company made no (1990: £6,783) contributions to United Kingdom charitable organisations. £Nil (1990: £Nil) was paid by way of political donations.

TELEPHONE RENTALS PLC

DIRECTORS' REPORT (continued)

INCOME AND CORPORATION TAXES ACT 1988

The directors are of the opinion that the company is not a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

Coopers & Lybrand, Deloitte resigned as auditors, due to a conflict of interest, on 1st February 1991. KPMG Peat Marwick were appointed in their stead on 1st February 1991 and have expressed their willingness to continue in office. A resolution proposing the re-appointment of KPMG Peat Marwick will be put to the Annual General Meeting.

BY ORDER OF THE BOARD



FEM Sullivan
Secretary

DATE: 10th Feb 1991

New Mercury House
26 Red Lion Square
London
WC1R 4HQ

REPORT OF THE AUDITORS, KPMG PEAT MARWICK, TO THE MEMBERS OF
TELEPHONE RENTALS PLC

We have audited the financial statements on pages 5 to 19 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1991 and of its loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditor
London

DATE: 10 June 1991

TELEPHONE RENTALS PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1991

	<u>Notes</u>	<u>1991</u> £'000	<u>1990</u> £'000
TURNOVER	2	1,250	88,197
Changes in stocks and work in progress		<u>-</u> 1,250	<u>1,717</u> 89,914
Less:			
Net operating expenses	3	(338)	(64,740)
Depreciation on rental installations		<u>-</u>	<u>(8,318)</u>
OPERATING PROFIT		912	16,856
Income from shares in group companies	6	96	225
Interest receivable and other income	7	96	253
Amounts written off investments	8	(1,458)	(22,589)
Interest payable and similar charges	7	<u>-</u>	<u>(41)</u>
LOSS BEFORE TAXATION		(354)	(5,296)
Taxation on profit on ordinary activities	9	(360)	(6,215)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(714)	(11,511)
Extraordinary items	10	(6,327)	-
RETAINED LOSS FOR THE YEAR		(7,041)	(11,511)
Retained profit at beginning of year as previously reported		11,567	45,544
Prior year adjustment on change of accounting policy		<u>-</u>	<u>(22,466)</u>
AS RESTATED		11,567	23,078
Retained loss for the year		(7,041)	(11,511)
Transfer from acquisition reserve		<u>7,151</u>	<u>-</u>
RETAINED PROFIT AT END OF YEAR		<u>11,677</u>	<u>11,567</u>

The notes on pages 9 to 19 form part of these financial statements.

TELEPHONE RENTALS PLC

BALANCE SHEET AS AT 31 MARCH 1991

	<u>Notes</u>	<u>1991</u> <u>£'000</u>	<u>1990</u> <u>£'000</u>
FIXED ASSETS			
Tangible assets	11	24,604	97,493
Investments	12	<u>14,128</u>	<u>22,766</u>
		38,732	120,259
CURRENT ASSETS			
Stocks	13	-	17,904
Debtors	14	38,385	18,563
Cash at bank and in hand		<u>5</u>	<u>63</u>
		38,390	36,530
CREDITORS: Amounts falling due within one year	15	<u>2,194</u>	<u>62,016</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>36,196</u>	<u>(25,486)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		74,928	1,773
CREDITORS: Amounts falling due after more than one year	16	<u>2,100</u>	<u>14,850</u>
		<u>72,828</u>	<u>79,923</u>
CAPITAL AND RESERVES			
Called up share capital	18	23,238	23,238
Share premium account	19	23,213	23,213
Revaluation reserve	19	14,700	14,754
Other reserves - acquisition	19	-	7,151
Profit and loss account	19	<u>11,677</u>	<u>11,567</u>
		<u>72,828</u>	<u>79,923</u>

The notes on pages 9 to 19 form part of these financial statements.

The financial statements on pages 5 to 19 were approved by the board of directors on 10 June 1991 and were signed on its behalf by:


 Directors

TELEPHONE RENTALS PLC

**STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31 MARCH 1991**

	<u>1991</u> £'000	<u>1990</u> £'000
RESULTS FROM OPERATIONS		
Loss before taxation	(354)	(5,296)
Extraordinary items	<u>(6,327)</u>	<u>-</u>
	(6,681)	(5,296)
Adjustments for items not involving the movement of funds:		
Depreciation	538	11,211
Profit on sale of fixed assets	(252)	(248)
Amounts written off fixed asset investments	1,458	22,589
Loss on sale of fixed asset investments	<u>6,327</u>	<u>(232)</u>
	<u>8,071</u>	<u>33,320</u>
TOTAL GENERATED FROM OPERATIONS	<u>1,390</u>	<u>28,024</u>
OTHER SOURCES OF FUNDS		
Issue of shares	-	209
Proceeds on disposal of fixed assets	72,708	4,031
Proceeds on disposal of fixed asset investments	<u>895</u>	<u>496</u>
	<u>73,603</u>	<u>4,736</u>
	74,993	32,760
APPLICATION OF FUNDS		
Purchase of fixed assets	159	24,016
Taxation paid	1,332	2,437
Purchase of fixed asset investments	42	3,755
Repayment of long term creditors	12,750	6,850
Loan to Parent Company	<u>42,278</u>	<u>-</u>
	<u>56,561</u>	<u>37,058</u>
	<u>18,432</u>	<u>(4,298)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stocks	(17,904)	1,717
Debtors	(17,180)	4,846
Creditors	<u>42,051</u>	<u>(3,356)</u>
	6,967	3,207
Increase/(decrease) in net liquid funds	<u>11,465</u>	<u>(7,505)</u>
	<u>18,432</u>	<u>(4,298)</u>

TELEPHONE RENTALS PLC

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31 MARCH 1991 (continued)

The effect of the transfer of assets to Cable & Wireless Plc on 1st April 1990 was:

Assets Transferred:

Fixed Assets	72,421
Stocks	17,904
Debtors	17,773
Creditors	(42,755)
Net Liquid Funds	(11,460)
	<u>53,883</u>

Consideration:

Repayment of long term creditor	12,750
Loan to parent company	<u>41,133</u>
	<u>53,883</u>

TELEPHONE RENTALS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1991**

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention as modified by the revaluation of certain fixed assets.

(b) Fixed assets

Depreciation on freehold and leasehold properties is provided on a straight line basis at an annual rate of 2.5% on cost.

(c) Fixed asset investments

Fixed asset investments are stated at cost less amounts written off.

(d) Deferred taxation

The company does not provide for deferred taxation unless there is a reasonable probability that a liability will arise in the foreseeable future. If deferred tax was provided it would be provided using the liability method.

(e) Pensions

The company operated its own pension scheme until 31 December 1989. From that date until 31 March 1990 the company participated in Group pension schemes operated by Cable & Wireless Plc. Contributions and pension costs were based on pension costs across the Group as a whole. The pension schemes were administered by trustees and were independent of the finances of the company and the Group. The schemes were valued by independent actuaries at frequent intervals, usually triannually.

With effect from April 1989 the provisions of Statement of Standard Accounting Practice No 24 "Accounting for Pension Costs" have been adapted. The expected cost of pension in respect of the defined benefit schemes is charged to Profit and Loss Account so as to spread the cost of pensions over the expected service lives of employees in the schemes.

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. TURNOVER

Turnover derived solely from transactions originating in the United Kingdom. In 1991 turnover comprised amounts receivable from the rental of property.

Turnover in 1990 comprised amounts receivable under rental contracts and amounts chargeable to customers for services and equipment supplied.

3. NET OPERATING EXPENSES

	<u>1991</u> £'000	<u>1990</u> £'000
Staff costs (note 4)	-	28,816
Material purchases	-	39,104
Depreciation on assets other than rental installations	538	2,893
Write off of amounts owed by subsidiaries	-	712
Auditors remuneration	2	59
Other operating charges	<u>50</u>	<u>12,523</u>
	590	84,107
Less:		
Work capitalised for rental installations	-	18,872
Other operating income (note 5)	<u>252</u>	<u>495</u>
	<u>338</u>	<u>64,740</u>

4. DIRECTORS AND EMPLOYEES

	<u>1991</u> £'000	<u>1990</u> £'000
Emoluments of the directors of Telephone Rentals plc were:		
Other emoluments	-	449
Pensions to former directors	<u>-</u>	<u>14</u>
	<u>-</u>	<u>463</u>

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. DIRECTORS AND EMPLOYEES (continued)

	<u>1991</u> <u>£'000</u>	<u>1990</u> <u>£'000</u>
Emoluments (excluding pension contributions) were paid to directors as follows:		
Chairman	-	-
Highest paid director	-	<u>92</u>
	Number	Number
Other directors:		
£0 to £ 5,000	7	1
£30,001 to £35,000	-	1
£40,001 to £45,000	-	1
£50,001 to £55,000	-	1
£55,001 to £60,000	-	1
£60,001 to £65,000	-	2
The average number of persons employed by the company was:		
Engineers and storemen	-	906
Sales, administration and other	-	877
	<u>-</u>	<u>1,783</u>
	<u>£'000</u>	<u>£'000</u>
Staff costs amounted to:		
Wages and salaries	-	26,707
Social security costs	-	<u>2,109</u>
	<u>-</u>	<u>28,816</u>

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OTHER OPERATING INCOME

	<u>1991</u> £'000	<u>1990</u> £'000
Net profit on sale of assets other than rental installations	252	480
Discounts received	<u>-</u>	<u>15</u>
	<u>252</u>	<u>495</u>

6. INCOME FROM SHARES IN GROUP COMPANIES

	<u>1991</u> £'000	<u>1990</u> £'000
Income from subsidiaries	<u>96</u>	<u>225</u>

7. INTEREST

	<u>1991</u> £'000	<u>1990</u> £'000
Receivable:		
Bank deposits and sundry interest	<u>96</u>	<u>253</u>
Payable:		
Bank loans, overdrafts and other loans repayable within five years other than by instalments	<u>—</u>	<u>41</u>

8. AMOUNTS WRITTEN OFF INVESTMENTS

	<u>1991</u> £'000	<u>1990</u> £'000
Amounts written off fixed asset investments as a result of permanent diminution in value	<u>1,458</u>	<u>22,589</u>

In the year ended 31 March 1991 the company's investment in its associate company T.R. Services Pty Limited has been written down to reflect a diminution in the net assets of this company. The company's investment in Ferranti Creditphone has also been written down to reflect a permanent diminution in its value.

TELEPHONE RENTALS PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)

9. TAXATION

	<u>1991</u> £'000	<u>1990</u> £'000
United Kingdom corporation tax at 34% (1990: 35%) based on the loss for the year	447	6,574
Less: Double tax relief	<u>-</u> 447	<u>(214)</u> 6,360
Prior year adjustments	<u>(87)</u> 360	<u>(145)</u> 6,215

Had the company provided for the full amount of potential deferred taxation, the tax charge for the year would have been increased by the following amounts:

	<u>1991</u> £'000	<u>1990</u> £'000
Timing differences	-	<u>80</u>

10. EXTRAORDINARY ITEMS

	<u>1991</u> £'000	<u>1990</u> £'000
Loss on sale of subsidiary companies	<u>6,327</u>	<u>-</u>

The loss on sale of subsidiary companies relates to the sale of TR Services Incorporated, a company incorporated in the United States of America, and the Cass Group plc a company incorporated in the U.K., which was sold to the ultimate holding company Cable and Wireless plc.

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. TANGIBLE FIXED ASSETS

	<u>*Installations</u> £'000	<u>Land and buildings</u> £'000	<u>Furniture fittings, plant and equipment</u> £'000	<u>Vans and cars</u> £'000	<u>Total</u> £'000
COST OR VALUATION					
At 1 April 1990	91,607	25,616	8,986	6,608	132,817
Additions	-	159	-	-	159
Disposals	-	(91)	-	-	(91)
Intra group transfers	(91,607)	-	(8,986)	(6,608)	(107,201)
31 March 1991	<u>-</u>	<u>25,684</u>	<u>-</u>	<u>-</u>	<u>25,684</u>
DEPRECIATION					
At 1 April 1990	26,924	544	5,597	2,259	35,324
Charge for year	-	538	-	-	538
Disposals	-	(2)	-	-	(2)
Intra group transfers	(26,924)	-	(5,597)	(2,259)	(34,780)
At 31 March 1991	<u>-</u>	<u>1,080</u>	<u>-</u>	<u>-</u>	<u>1,080</u>
NET BOOK VALUE					
At 31 March 1991	<u>-</u>	<u>24,604</u>	<u>-</u>	<u>-</u>	<u>24,604</u>
At 31 March 1990	<u>64,683</u>	<u>25,072</u>	<u>3,389</u>	<u>4,349</u>	<u>97,493</u>

* Installations include assets in the course of construction which were separately disclosed in 1990.

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. TANGIBLE FIXED ASSETS (continued)

Land and buildings at net book value comprise:

	<u>1991</u> <u>£'000</u>	<u>1990</u> <u>£'000</u>
Freehold	22,800	23,240
Long leasehold	1,790	1,386
Short leasehold	<u>14</u>	<u>446</u>
	<u>24,604</u>	<u>25,072</u>

Land and buildings were revalued in 1989. If land and buildings had not been revalued they would have been included at the following amounts:

	<u>1991</u> <u>£'000</u>	<u>1990</u> <u>£'000</u>
Cost	12,628	12,532
Aggregate depreciation	<u>(2,194)</u>	<u>(1,912)</u>
	<u>10,434</u>	<u>10,620</u>

12. FIXED ASSET INVESTMENTS

	<u>Subsidiary</u> <u>companies</u>		<u>Associated</u> <u>companies</u>	<u>J&W group</u> <u>company</u>	<u>Other</u> <u>Investments</u>	
	<u>Shares</u> <u>£'000</u>	<u>Loans</u> <u>£'000</u>	<u>Shares</u> <u>£'000</u>	<u>Loans</u> <u>£'000</u>	<u>Shares</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
COST						
At 1 April 1990	54,555	10,430	449	-	1,236	66,670
Additions	-	-	-	-	42	42
Disposals	(9,740)	-	-	-	-	(9,740)
Inter-group transfer	-	(250)	-	250	-	-
At 31 March 1991	<u>44,815</u>	<u>10,180</u>	<u>449</u>	<u>250</u>	<u>1,278</u>	<u>56,972</u>
AMOUNTS WRITTEN OFF						
At 1 April 1990	33,635	10,000	269	-	-	43,904
Amounts written off during the year	-	-	180	-	1,278	1,458
Disposals	(2,518)	-	-	-	-	(2,518)
At 31 March 1991	<u>31,117</u>	<u>10,000</u>	<u>449</u>	<u>-</u>	<u>1,278</u>	<u>42,844</u>
NET BOOK VALUE						
At 31 March 1991	<u>13,698</u>	<u>180</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>14,128</u>
At 31 March 1990	<u>20,920</u>	<u>430</u>	<u>180</u>	<u>-</u>	<u>1,236</u>	<u>22,766</u>

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. **FIXED ASSETS INVESTMENTS (continued)**

The following information is given in respect of the principal operating subsidiary companies, the holdings in which consist entirely of ordinary shares and are held by Telephone Rentals plc or subsidiary companies (*).

<u>Company and country of operation</u>	<u>Country of incorporation</u>	<u>%</u>
United Kingdom:		
Dictograph Telephones Limited	England	100
Atack Fire (Robots) Limited	England	100
TR Time Services Limited	England	100
TR Financial Communications plc	England	100
The Carphone Group plc	England	100
Republic of Ireland:		
Sound Systems plc	Ireland	100
Irish Times Systems Limited	Ireland *	100
Irish Telephone Rentals Limited	Scotland	100
Sound Productions Limited	Ireland *	100
France:		
Cable & Wireless (France) Holdings SA	France	100
Cable & Wireless (France) SA	France *	100
T.R. Services SA	France *	100
Canada:		
TR Services Limited	Canada	100

The associated company is T R Services Pty Limited. It is incorporated in and operates in Australia. Telephone Rentals plc holds 50% of its ordinary share capital of A\$2,000,000 as a long term investment.

As Telephone Rentals plc is a wholly owned subsidiary of Cable & Wireless plc, incorporated in England, group accounts are not submitted.

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STOCKS

	<u>1991</u> £'000	<u>1990</u> £'000
Raw materials and goods for resale	-	10,175
Work in progress	<u>-</u>	<u>7,729</u>
	<u>-</u>	<u>17,904</u>

14. DEBTORS

	<u>1991</u> £'000	<u>1990</u> £'000
Receivable within one year:		
Trade debtors	-	14,331
Amounts owed by subsidiaries	693	882
Amounts owed by other group companies	-	18
Other debtors	-	2,602
Amounts owed by holding company	37,692	-
Prepayments and accrued income	<u>-</u>	<u>699</u>
	<u>38,385</u>	<u>18,532</u>
Receivable in more than one year:		
Other debtors	<u>-</u>	<u>31</u>
Total debtors	<u>38,385</u>	<u>18,563</u>

TELEPHONE RENTALS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1991</u> £'000	<u>1990</u> £'000
Bank loans and overdrafts	-	11,523
Trade creditors	-	3,461
Amounts owed to holding company	-	5,276
Amounts owed to subsidiaries	72	132
Amounts owed to other group companies	-	10
Other creditors	15	1,137
Taxation		
- Corporation tax	2,107	3,079
- Social security	-	781
Accruals	-	1,892
Rentals received in advance	-	33,425
Payments received on account	-	1,274
	<u>2,194</u>	<u>62,016</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1991</u> £'000	<u>1990</u> £'000
Amounts owed to holding company	-	12,750
Amounts owed to subsidiaries	<u>2,100</u>	<u>2,100</u>
	<u>2,100</u>	<u>14,850</u>

17. DEFERRED TAXATION

	<u>1991</u>		<u>1990</u>	
	Total potential <u>liability</u> £'000	Provided in the <u>accounts</u> £'000	Total potential <u>liability</u> £'000	Provided in the <u>accounts</u> £'000
Timing differences on installations	-	-	11,876	-
Other timing differences	-	-	464	-
Capital gains rolled over	690	-	732	-
Capital gains on revaluation of fixed assets	<u>4050</u>	<u>-</u>	<u>4,579</u>	<u>-</u>
	<u>4740</u>	<u>-</u>	<u>17,651</u>	<u>-</u>

TELEPHONE RENTALS PLC
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. SHARE CAPITAL

	<u>1991</u> £'000	<u>1990</u> £'000
Authorised:		
120,000,000 Ordinary Shares of 25p each	<u>30,000</u>	<u>30,000</u>
Alotted and fully paid:		
92,953,261 Ordinary shares of 25p each	<u>23,238</u>	<u>23,238</u>

19. RESERVES

	Share premium <u>account</u> £'000	Revaluation <u>reserve</u> £'000	Acquisition <u>reserve</u> £'000	Profit and loss <u>account</u> £'000
At 1 April 1990	23,213	14,754	7,151	11,567
Arising on sale of properties	-	(54)	-	-
Arising on sale of subsidiary	-	-	(7,151)	7,151
Loss for the year retained	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,041)</u>
At 31 March 1991	<u>23,213</u>	<u>14,700</u>	<u>-</u>	<u>11,677</u>

20. CAPITAL COMMITMENTS

At 31 March 1991 there were no capital commitments (1990-£29,000) and no approved capital expenditure without commitments (1990-£137,150).

21. CONTINGENT LIABILITIES

The company has guaranteed overdraft, loan and other credit arrangements of certain of its subsidiaries up to a maximum of £ 6,917,512 (1990 - £24,015,158).

22. ULTIMATE HOLDING COMPANY

The company's immediate and ultimate holding company is Cable and Wireless plc registered in England. The group in which the results of the company are consolidated is that headed by Cable and Wireless plc. A copy of Cable and Wireless plc's published accounts can be obtained from Cable and Wireless plc, New Mercury House, 26 Red Lion Square, London WC1R 4UQ.