



A PREPAID CARD (UK)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

Registered No 3744721



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REPORT OF THE DIRECTORS

for the year ended 31 December 2008

The Directors submit their report and financial statements of A Prepaid Card (UK) ("the Company") for the year ended 31 December 2008.

Principal activities

The Company did not trade during 2008 or 2007.

Review of the business and future developments

The profit and loss account for the year is set out on page 3.

The company is expected to remain dormant.

Financial Risk Management

Management considers financial risk management as part of its overall strategy for the Company. Given the dormant status of the Company during the year, financial risk is considered to be low, and management have complied with the global financial risk management policies applicable to all companies within the AT&T Inc. group

Dividends

The Company did not pay a dividend in the year (2007: £nil).

Directors

The Directors of the Company who served throughout the year unless otherwise stated are:

Richard Hirst
Philip Bater

Charitable and political donations

The Company did not make any charitable or political donations during either the current or prior financial year.

A PREPAID CARD (UK)
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2008

		2008	2007
		Discontinued	Discontinued
		£	£
	<u>Notes</u>		
Administrative expenses	3	-	(5)
Loss on ordinary activities before taxation	3	-	(5)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year	10	-	(5)

There are no gains or losses in either period other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 5 to 8 form part of these financial statements.

A PREPAID CARD (UK)**BALANCE SHEET****at 31 December 2008**

	<u>Notes</u>	2008 £	2007 £
Current assets			
Debtors	7	1	1
Net current assets/Net Assets		<u>1</u>	<u>1</u>
Capital and reserves			
Share capital	8	1	1
Profit and loss account	9	-	-
Total shareholders' funds	10	<u>1</u>	<u>1</u>

For the year ended 31 December 2008, the directors are satisfied that the company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985, and that no member or members have requested the company to obtain an audit pursuant to section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.

The Directors acknowledge their responsibilities for preparing accounts which give a true and fair view of the company and of its result for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements on pages 2 to 8 were approved by the Board of Directors on and were signed on its behalf by:


Philip S Bater
Director

The notes on pages 5 to 8 form part of these financial statements.

A PREPAID CARD (UK)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

1. Principal accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below.

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 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 company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods 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 tax is measured on a non-discounted basis.

A net deferred tax asset is regarded as recoverable and therefore recognised 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 difference can be deducted

Bank charges

Bank charges are charged to administrative expenses, within the profit and loss account, as incurred.

2. Cash flow statement and related parties

The Company is a wholly owned subsidiary of AT&T Inc. and its results are included in the consolidated financial statements of AT&T Inc, which are publicly available. Consequently the Company takes advantage of the exemption from producing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996). It has also taken advantage of the exemption conferred by Financial Reporting Standard 8, and has not disclosed details of transactions with other undertakings in the AT&T Inc. group.

A PREPAID CARD (UK)**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended 31 December 2008****3. Loss on ordinary activities before taxation**

Operating loss is stated after charging:

	2008	2007
	£	£
Bank charges	-	5
Auditors remuneration	-	-

No auditors' remuneration was due in 2008 as a result of audit exemption under Section 249A(1) of the Companies Act 1985. In 2007 the auditors' remuneration was borne by a fellow subsidiary of AT&T group for which no recharges was payable.

4. Directors' emoluments

The Directors receive £nil (2007:£nil) emoluments for their services as a director of the Company. The Directors are remunerated by another AT&T Inc. group company for their services to the AT&T group as a whole and receive no specific remuneration in respect of A Prepaid Card (UK). No charges or recharges are payable by the Company in respect of directors' services.

5. Employee information

The Company did not have any employees in the current or prior financial year.

6. Taxation on loss on ordinary activities

	2008	2007
	£	£
a) Analysis of charge in the period		
Total current Tax	-	-
b) Tax on the loss for the year		
Loss on ordinary activities before tax	-	(5)
Tax on ordinary activities at standard CT rate of 30%	-	2
Effects of:		
Loss generated for the year	-	(2)
Current tax charge for the period	-	-

The UK current tax rate is 28% effective from 1 April 2008 (2007: 30%). There will be no impact on these financial statements arising from the change in tax rate.

A PREPAID CARD (UK)**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended 31 December 2008****7. Debtors**

Debtors represents an intercompany debtor owing in relation to an issued, allotted, called up, nil paid share capital of £1.

	2008	2007
	£	£
AT&T Global Services	1	1
	<u>1</u>	<u>1</u>

8. Called up share capital

	2008	2007
	£	£
Authorised		
At 31 December	<u>1,300,000</u>	<u>1,300,000</u>
Allotted, called up and fully paid		
At 31 December	<u>-</u>	<u>-</u>
Allotted, called up, nil paid		
At 31 December	<u>1</u>	<u>1</u>

There have been no changes in share capital during the year. On 5 February 2007, A Prepaid Card (UK) paid £301,251 to AT&T Global Services as repayment of 1,278,460 shares offset by accumulated losses at that date, of £977,209. 1,278,459 shares were subsequently cancelled.

A PREPAID CARD (UK)**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended 31 December 2008****9. Profit and Loss account**

	2008	2007
	£	£
At 1 January	-	(977,204)
Loss for the financial year	-	(5)
Capital restructuring (note 8)	-	977,209
At 31 December	-	-

10. Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Loss for the financial year (note 9)	-	(5)
Issued (nil paid) capital (note 8)	-	1
Return of capital (note 8)	-	(301,251)
Net reduction in shareholders' funds	-	(301,255)
Opening shareholders' funds	1	301,256
Closing shareholders' funds	1	1

11. Capital and financial commitments

The Company did not have any capital or financial commitments that were not provided for at 31 December 2008 (2007: £nil).

12. Immediate and ultimate parent company

The immediate parent undertaking is AT&T Global Services, a company incorporated in the UK. AT&T Global Services consolidates the results of A Prepaid Card (UK) in its accounts.

The ultimate parent undertaking and controlling party is AT&T Inc. (incorporated in the USA) in which the results of the company are consolidated. Copies of the consolidated financial statements of AT&T Inc. are available from 175 E. Houston St, P. O. Box 2933, San Antonio, TX 78299-2933