

**Group balance sheet**  
at 31 December 2008

	<b>31 December 2008 £m</b>	31 December 2007 £m	31 March 2008 £m
<b>Non current assets</b>			
Intangible assets	4,190	3,124	3,355
Property, plant and equipment	15,609	15,278	15,307
Derivative financial instruments	2,730	66	310
Investments	54	29	31
Associates and joint ventures	123	75	85
Trade and other receivables	996	732	854
Retirement benefit assets of the BT Pension Scheme	-	942	2,887
Deferred tax assets	675	27	-
	<b>24,377</b>	<b>20,273</b>	<b>22,829</b>
<b>Current assets</b>			
Inventories	141	143	122
Trade and other receivables	5,087	4,721	4,449
Derivative financial instruments	470	102	77
Investments	837	724	440
Cash and cash equivalents	792	948	1,435
	<b>7,327</b>	<b>6,638</b>	<b>6,523</b>
<b>Total assets</b>	<b>31,704</b>	<b>26,911</b>	<b>29,352</b>
<b>Current liabilities</b>			
Loans and other borrowings	2,564	2,223	1,524
Derivative financial instruments	373	266	267
Trade and other payables	7,112	6,513	7,591
Current tax liabilities	367	404	241
Provisions	66	65	81
	<b>10,482</b>	<b>9,471</b>	<b>9,704</b>
<b>Total assets less current liabilities</b>	<b>21,222</b>	<b>17,440</b>	<b>19,648</b>
<b>Non current liabilities</b>			
Loans and other borrowings	12,510	9,388	9,818
Derivative financial instruments	491	920	805
Other payables	782	646	707
Deferred tax liabilities	1,948	1,800	2,513
Retirement benefit obligations	2,413	96	108
Provisions	298	214	265
	<b>18,442</b>	<b>13,064</b>	<b>14,216</b>
<b>Capital and reserves</b>			
Called up share capital	408	432	420
Reserves	2,337	3,915	4,989
<b>Total equity shareholders' funds</b>	<b>2,745</b>	<b>4,347</b>	<b>5,409</b>
Minority interests	35	29	23
<b>Total equity</b>	<b>2,780</b>	<b>4,376</b>	<b>5,432</b>
	<b>21,222</b>	<b>17,440</b>	<b>19,648</b>