

**COMPANY REGISTRATION NUMBER 1785381**

**Imminus Limited**  
**Financial Statements**  
**31 December 2006**

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# **Imminus Limited**

## **Financial Statements**

**Year ended 31 December 2006**

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# **Imminus Limited**

## **Company Information**

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<b>The board of directors</b>	Virgin Media Secretaries Limited Virgin Media Directors Limited
<b>Company secretary</b>	Virgin Media Secretaries Limited
<b>Registered office</b>	160 Great Portland Street London W1W 5QA
<b>Auditor</b>	Ernst & Young LLP 1 More London Place London SE1 2AF

# Imminus Limited

## The Directors' Report *(continued)*

### Year ended 31 December 2006

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The directors present their report and the financial statements of the company for the year ended 31 December 2006

#### **Principal activities and business review**

The principal activity of the company is, and will continue to be, the marketing and sale of data telecommunications services and systems

Following the merger of the NTL and Telewest groups on 3 March 2006, the company is now a wholly owned subsidiary undertaking of Virgin Media Inc, which changed its name from NTL Incorporated on 6 February 2007. The Virgin Media group is an innovative and pioneering UK entertainment and communications business and is the first company in the United Kingdom to offer a quad-play package of television, broadband, telephone and mobile. The group is one of the UK's most popular residential broadband and pay-as-you-go mobile providers and the second largest provider in the UK of pay television and fixed line telephone services.

Turnover has increased by 41.7% to £41.7 million for the year ended 31 December 2006 from £31.8 million in 2005. The company offers a wide portfolio of data services, such as managed data networks and applications. The company's product strategy is focused on delivering managed services, such as customer contact solutions, national Ethernet and internet protocol virtual private networks, or IP VPN, products which as a result, have experienced strong growth since 2005.

Administrative expenses decreased by 23.7% in 2006 over 2005 mainly due to a reduction of depreciation charges. Operating profit has increased from £13.4 million in 2005 to £23.7 million in 2006 predominantly due to the reasons above.

The company's operations are largely integrated within the operations of the Virgin Media group and as such detailed Key Performance Indicators are not generally monitored at an entity level. However, the performance of the group to which the company belongs is monitored and its Key Performance Indicators are available in the group accounts of Virgin Media Finance PLC.

#### **Results and dividends**

The profit for the year amounted to £23,606,000. The directors have not recommended a dividend.

#### **Financial risk management objectives and policies**

The company's operations expose it to a variety of financial risks that include interest rate, credit, foreign exchange and liquidity risks.

#### ***Liquidity risk***

The Virgin Media group manages its financial risk via secure, long-dated and cost-effective funding for the group's operations in order to minimise the adverse effects of fluctuations in the financial markets on the value of its financial assets and liabilities, profitability and cash flows.

The Virgin Media group's external debt is used to satisfy the funding requirements of group undertakings via inter-company loans on terms which generally match those of the external debt. In addition, working capital is managed centrally within the Virgin Media group creating further inter-company trading balances, on terms which are generally interest free.

#### ***Interest rate and foreign exchange rate risk***

The company is subject to financial risks where interest rates are not fixed or where the debt is denominated in foreign currency. The group's policy is to manage its interest cost using a mix of fixed and variable rate financial instruments denominated in sterling and foreign currencies, and to hedge all or part of the exposure to interest rate or foreign currency risk. However the group's policy is not to hedge against interest rate or foreign currency risk in respect of inter-company debt.

The company's financial instruments comprise interest free inter-company debt. The company had no foreign currency denominated financial instruments during the reporting period or prior year.

# Imminus Limited

## The Directors' Report *(continued)*

Year ended 31 December 2006

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### Financial risk management *(continued)*

The directors will revisit the appropriateness of these policies should the company's operations change in size or nature

### Directors

The directors who served the company during the year and thereafter were as follows

Virgin Media Secretaries Limited	(Appointed 12 September 2006)
Virgin Media Directors Limited	(Appointed 12 September 2006)
N R Smith	(Resigned 12 September 2006)
A W P Stenham	(Resigned 12 September 2006)
S S Cook	(Resigned 3 March 2006)

On 16 February 2007, the names of ntl Directors Limited and ntl Secretaries Limited were changed to Virgin Media Directors Limited and Virgin Media Secretaries Limited respectively

The directors had no interest in the share capital of the company requiring disclosure under the Companies Act 1985. The company seeks exemption under The Companies (Disclosure of Directors Interests) (Exceptions) Regulations 1985, not to disclose the directors' interests in the common stock of Virgin Media Inc, a company registered in the state of Delaware, United States of America, and the ultimate parent undertaking of the company

Virgin Media Inc has indemnified the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision is in force as at the date of approving the directors' report

### Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditor

KPMG Audit Plc resigned as auditors on 22 August 2006, Ernst & Young LLP was appointed on 24 August 2006, and will be re-appointed as the company's auditor in accordance with the elective resolution passed by the company under Section 386 of the Companies Act 1985

Signed on behalf of the directors



R M Mackenzie

For and on behalf of Virgin Media Secretaries Limited

Approved by the directors on 17 March 2008

# **Imminus Limited**

## **Statement of Directors' Responsibilities**

**Year ended 31 December 2006**

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The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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,

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 disclose with reasonable accuracy at any time the financial position of the company and 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.

# **Imminus Limited**

## **Independent Auditor's Report to the Member of Imminus Limited**

**Year ended 31 December 2006**

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We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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).

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 also 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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **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 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.

# Imminus Limited

## Independent Auditor's Report to the Member of Imminus Limited *(continued)*

Year ended 31 December 2006

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### 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 company's affairs as at 31 December 2006 and of its profit 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

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
London

*19 March 2008*



# Imminus Limited

## Profit and Loss Account

Year ended 31 December 2006

	Note	2006 £000	2005 £000
Turnover		41,651	31,877
Cost of sales		(9,163)	(6,932)
Gross profit		32,488	24,945
Administrative expenses		(8,783)	(11,514)
Operating profit	2	23,705	13,431
Interest payable and similar charges	4	(99)	(89)
Profit on ordinary activities before taxation		23,606	13,342
Tax on profit on ordinary activities	5	—	—
Profit for the financial year		23,606	13,342

All of the activities of the company are classed as continuing

### Statement of Total Recognised Gains and Losses

There are no recognised gains or losses other than the profit of £23,606,000 attributable to the shareholder for the year ended 31 December 2006 (2005 - profit of £13,342,000)

The notes on pages 9 to 15 form part of these financial statements.

# Imminus Limited

## Balance Sheet

31 December 2006

	Note	2006 £000	2005 £000
<b>Fixed assets</b>			
Tangible assets	6	5,248	7,811
Investments	7	—	—
		<u>5,248</u>	<u>7,811</u>
<b>Current assets</b>			
Debtors	8	186,374	124,133
Cash at bank		666	844
		<u>187,040</u>	<u>124,977</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(140,688)</u>	<u>(104,794)</u>
<b>Net current assets</b>		46,352	20,183
<b>Total assets less current liabilities</b>		<u>51,600</u>	<u>27,994</u>
<b>Capital and reserves</b>			
Called-up equity share capital	13	1	1
Profit and loss account	14	51,599	27,993
<b>Shareholder's funds</b>	14	<u>51,600</u>	<u>27,994</u>

These financial statements were approved by the directors on 17 March 2008 and are signed on their behalf by



R C Gale

For and on behalf of Virgin Media Directors Limited

The notes on pages 9 to 15 form part of these financial statements.

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

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### 1. Accounting policies

#### *Accounting convention*

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

#### *Group accounts*

The company has taken advantage of the exemption from preparing group accounts afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of another company incorporated in Great Britain which prepares group accounts (see note 15). These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### *Investments*

Investments are recorded at cost, less any provision for impairment.

#### *Cash flow statement*

The company has taken advantage of the exemption under FRS 1 (revised) not to prepare a cash flow statement as it is a subsidiary which is at least 90% controlled by the ultimate parent undertaking (see note 15).

#### *Turnover*

Turnover represents the value of services provided, stated net of Value Added Tax, and is attributable to continuing activities, being the sale of data telecommunications services and systems, all of which is derived from operations in the United Kingdom. The directors consider this to be a single class of business.

#### *Tangible fixed assets*

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, on a straight line basis over the useful economic life of that asset as follows:

Buildings	-	40 years
Other fixed assets	-	4-5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

#### *Operating leases*

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

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### 1. Accounting policies *(continued)*

#### *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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

- provision is made for deferred tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold, and
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### *Trade and other receivables*

Receivables are stated at recoverable amount. Provision is made when the amount receivable is not considered recoverable and the full amount is written off when the probability for recovery of a balance is assessed as being remote

### 2. Operating profit

Operating profit is stated after charging/(crediting)

	2006	2005
	£000	£000
Depreciation of owned fixed assets	2,576	6,147
Operating lease costs		
Other	153	475
Provision / (release) against amounts due from group undertakings	<u>787</u>	<u>(56)</u>

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

### 2. Operating profit (continued)

The directors' remuneration is paid by Virgin Media Limited (formerly ntl Group Limited) and disclosed in the group accounts of Virgin Media Finance PLC (formerly ntl Cable PLC)

Certain expenses are specifically attributable to the company. Where costs are incurred by other group companies on behalf of the company, expenses are allocated to the company on a basis that, in the opinion of the directors, is reasonable.

Auditor's remuneration of £4,000 (2005 - £56,000) represents costs attributed to the company by the fellow group undertakings that pay all auditor's remuneration on behalf of the Virgin Media group. Audit fees for the prior year are in respect of the company's previous auditor, KPMG Audit Plc. The company is exempt from disclosing additional information regarding non-audit services, as the disclosures required under Regulation 4 (1) (b) of Section 390B of Companies Act 1985, are made in the group accounts of Virgin Media Finance PLC on a consolidated basis.

The group's inter-company funding arrangements are managed centrally. Recoverability of inter-company receivables is assessed annually. The provision for non-recoverability may decrease or increase as a result of that review. For the year ended 31 December 2006, there was an increase in provision of £786,000 (2005 - provision decrease of £56,000).

### 3. Staff costs

The company does not have any directly employed staff but is charged an allocation of staff costs by the Virgin Media group. Details of staff numbers and staff costs of the group are disclosed in the group accounts of Virgin Media Finance PLC.

### 4. Interest payable and similar charges

	2006	2005
	£000	£000
Interest provided on lease dilapidations	99	89

### 5. Taxation on ordinary activities

#### (a) Analysis of charge in the year

The tax charge is made up as follows

	2006	2005
	£'000	£'000
<b>Current tax charge:</b>		
Current tax on profit for the year	-	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
<b>Total tax charge on profit on ordinary activities</b>	-	-

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

### 5. Taxation on ordinary activities *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2005 - 30%)

The difference between the effective statutory rate and the actual current tax charge is reconciled as follows

	2006 £000	2005 £000
Profit on ordinary activities before taxation	<u>23,606</u>	<u>13,342</u>
Profit on ordinary activities multiplied by the rate of tax	7,082	4,003
Expenses not deductible for tax purposes	236	(3)
Depreciation for period in excess of capital allowances	802	1,165
Utilisation of tax losses	<u>(8,120)</u>	<u>(5,165)</u>
Total current tax (note 5(a))	<u>-</u>	<u>-</u>

#### (c) Factors that may affect future tax charges

Deferred tax assets of £5.3 million (2005 - £4.5 million) in respect of depreciation in excess of capital allowances have not been recognised as there is insufficient certainty as to the availability of future taxable profits

### 6. Tangible fixed assets

	Freehold land & buildings £000	Other £000	Total £000
<b>Cost</b>			
At 1 January 2006	1,511	47,822	49,333
Additions	-	13	13
At 31 December 2006	<u>1,511</u>	<u>47,835</u>	<u>49,346</u>
<b>Depreciation</b>			
At 1 January 2006	1,019	40,503	41,522
Charge for the year	39	2,537	2,576
At 31 December 2006	<u>1,058</u>	<u>43,040</u>	<u>44,098</u>
<b>Net book value</b>			
At 31 December 2006	<u>453</u>	<u>4,795</u>	<u>5,248</u>
At 31 December 2005	<u>492</u>	<u>7,319</u>	<u>7,811</u>

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

### 7. Investments

	Investments
	£000
<b>Cost</b>	
At 1 January 2006 and 31 December 2006	<u>2</u>
<b>Value impaired</b>	
At 1 January 2006 and 31 December 2006	<u>2</u>
<b>Net book value</b>	
At 31 December 2006	<u>-</u>
At 31 December 2005	<u>-</u>

All of the material investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are dormant

The company has taken advantage of the exemption under Section 228 of the Companies Act 1985 not to disclose the aggregate amount of capital and reserves, and the result for the year for each of the subsidiary undertakings on the basis that their results are included in the group accounts statements of Virgin Media Finance PLC (see note 15)

The company has taken advantage of Section 231(5) of the Companies Act 1985 and disclosed only those investments whose results or financial position principally affected the figures shown in the company's annual financial statements

### 8. Debtors

	2006	2005
	£000	£000
Trade debtors	16,315	12,578
Amounts owed by group undertakings	143,147	101,272
Other debtors	6,433	1,876
Other prepayments and accrued income	20,479	8,407
	<u>186,374</u>	<u>124,133</u>

Amounts owed by group undertakings are interest free and stated after deducting an impairment provision of £1,382,000 (2005 - £595,000)

# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

### 9. Creditors: Amounts falling due within one year

	2006 £000	2005 £000
Trade creditors	9	15
Amounts owed to group undertakings	116,951	86,346
Taxation	940	826
Accruals and deferred income	22,788	17,607
	<u>140,688</u>	<u>104,794</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand

### 10 Commitments under operating leases

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as set out below

	Land & Buildings	
	2006 £000	2005 £000
Operating leases which expire Within 2 to 5 years	<u>204</u>	<u>200</u>

### 11. Contingent liabilities

The company, along with fellow group undertakings, is party to a senior secured credit facility with a syndicate of banks under which it has guaranteed the borrowings of certain Virgin Media group companies. At 31 December 2006, the maximum contingent liability represented by outstanding borrowings by these companies amounted to approximately £5,125 million (2005 - £1,780 million). Borrowings under the facility are secured against the assets of certain members of the group including those of the company.

The company has joint and several liabilities under a group VAT registration.

### 12. Related party transactions

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with group undertakings as it is a subsidiary undertaking which is at least 90% controlled by the ultimate parent undertaking.



# Imminus Limited

## Notes to the Financial Statements

Year ended 31 December 2006

### 13. Share capital

#### Authorised share capital:

	2006	2005
	£000	£000
1,000 Ordinary A shares of £1 each	<u>1</u>	<u>1</u>

#### Allotted, called up and fully paid:

	2006		2005	
	No	£000	No	£000
Ordinary A shares of £1 each	<u>1,000</u>	<u>1</u>	<u>1,000</u>	<u>1</u>

### 14. Reconciliation of shareholder's funds and movement on reserves

	Share capital	Profit and loss	Total share-
	£000	account	holders' funds
	£000	£000	£000
At 1 January 2005	1	14,651	14,652
Profit for the year	—	13,342	13,342
At 31 December 2005 and 1 January 2006	<u>1</u>	<u>27,993</u>	<u>27,994</u>
Profit for the year	—	23,606	23,606
At 31 December 2006	<u>1</u>	<u>51,599</u>	<u>51,600</u>

### 15. Parent undertaking and controlling party

The company's immediate parent undertaking is Filegale Limited

The company's results are included in the group accounts of Virgin Media Finance PLC

The company's ultimate parent undertaking and controlling party at 31 December 2006 was NTL Incorporated, a company incorporated in the state of Delaware, United States of America. NTL Incorporated changed its name to Virgin Media Inc on 6 February 2007.

Copies of all sets of group accounts, which include the results of the company, are available from the Secretary, Virgin Media, 160 Great Portland Street, London, W1W 5QA.