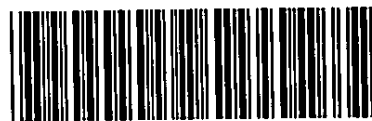


ntl CableComms Cheshire
Financial Statements
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ntl CableComms Cheshire

Financial Statements

Year ended 31 December 2009

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ntl CableComms Cheshire

Company Information

The board of directors	R C Gale R M Mackenzie
Company secretary	G E James
Registered office	160 Great Portland Street London W1W 5QA
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

ntl CableComms Cheshire

The Directors' Report

Year ended 31 December 2009

The directors present their report and the financial statements of the company for the year ended 31 December 2009

Principal activities and business review

The principal activity of the company during the year was, and will continue to be, the provision of cable television, fixed line telephony, broadband internet and other telecommunication services and to run certain of the telecommunication systems over which they are provided

The company is a wholly owned subsidiary undertaking of Virgin Media Inc. The Virgin Media group is a leading provider of entertainment and communications services in the UK, offering "quad-play" television, broadband internet, fixed line telephony and mobile telephony services

As at 31 December 2009, the Virgin Media group provided services to approximately 4.8 million residential cable customers on its network. The group is also one of the UK's largest mobile virtual network operators by number of customers and at 31 December 2009 provided mobile telephone services to approximately 2.2 million prepay mobile customers and approximately 950,000 contract mobile customers over third party networks. As of 31 December 2009, approximately 60.5% of residential customers on the group's cable network were "triple play" customers, receiving broadband internet, television and fixed line telephone services from the group and approximately 10.7% were "quad play" customers, also receiving the group's mobile telephone services.

The Virgin Media group believes that its advanced, deep fibre access network enables it to offer faster and higher quality broadband services than its digital subscriber line, or DSL, competitors. As a result it provides its customers with a leading next generation broadband service and one of the most advanced TV on-demand services available in the UK market.

Through Virgin Media Business, the Virgin Media group provides a complete portfolio of voice, data and internet solutions to leading businesses, public sector organisations and service providers in the UK.

During the year the Virgin Media group also provided a broad range of television programming through Virgin Media Television (VMtv), which operated wholly owned television channels, such as Virgin1, Living and Bravo. The Virgin Media group sold its VMtv operations on 12 July 2010.

The Virgin Media group continues to provide television programming through UKTV, its joint ventures with BBC Worldwide.

ntl CableComms Cheshire

The Directors' Report *(continued)*

Year ended 31 December 2009

Principal activities and business review *(continued)*

Turnover has decreased by 2.3% to £21,683,000 for the year ended 31 December 2009 from £22,204,000 in 2008. The decrease was primarily due to a reduction in telephony usage and higher price discounting to stimulate customer activity and retention in light of competitive factors in the marketplace, partially offset by an increase in revenue from selective telephony, broadband and television price increases and from additional customers subscribing to television and broadband services.

Gross profit margins increased to 73.5% for the year ended 31 December 2009 from 71.7% in 2008. The increase was predominantly due to an increase in the number of customers subscribing to the higher margin broadband product, the selective price increases described above and lower telephony costs resulting from lower telephony usage. The increase was partially offset by the higher price discounting measures described above and the increased cost of wireless routers introduced during 2008.

Selected statistics for residential cable customers served by the company at 31 December 2009 and 31 December 2008 are shown in the table below.

	2009	2008
Products		
Television	34,100	33,100
Fixed line telephone	38,300	38,300
Broadband	35,200	34,400
Total	107,600	105,800
Total customers	42,700	45,400

Each television, telephone and broadband internet subscriber directly connected to the company's network counts as one product. Accordingly, a subscriber who receives both telephone and television services counts as two products. Products may include subscribers receiving some services for free or at a reduced rate in connection with promotional offers.

Administrative expenses decreased by 33.2% in 2009 over 2008 mainly due to favourable foreign exchange movements on amounts borrowed from group undertakings which are denominated in US dollars, a fall in the depreciation charge for the year and a release of the provision against amounts due from group undertakings.

Operating profit has increased from £2,339,000 in 2008 to £6,878,000 in 2009 predominantly due to the reasons stated above.

The company reported an increase in both net current assets and net assets for the year ended 31 December 2009 as a result of normal operations. During the year, no new external finance was arranged and there was no movement in the called up equity share capital of the company. Operations were financed through the company's own working capital and inter-company balances with fellow group undertakings.

ntl CableComms Cheshire

The Directors' Report (*continued*)

Year ended 31 December 2009

Future developments

During 2009 the Virgin Media group completed significant upgrades to its network, resulting in improvements in upstream and downstream data transmission speeds. Following these upgrades, in July 2009, the group became the first provider in the UK to offer download speeds of up to 50 Mbps, making the service available to over 12 million homes. The group is planning to roll out a 100 Mbps service and is trialling download speeds of up to 200 Mbps and upload speeds of 20 Mbps within limited geographical areas.

The Virgin Media group is expecting to grow the amount of available high definition (HD) content in 2010. In March 2010 the group launched an HD ready set top box, the V HD Box, which is available for no extra monthly fee. The V+ HD digital video recorder (DVR) subscriber base is expected to grow and the group continues to work with TiVo to develop a new converged TV and Broadband interactive platform.

During 2009 the Virgin Media group increased its network footprint by over 100,000 new homes and plans to reach a total of 500,000 additional homes by the end of 2012.

Results and dividends

The profit for the financial year amounted to £5,518,000 (2008 - profit of £637,000). The directors have not recommended an ordinary dividend (2008 - £nil).

Financial risk management

The company's operations expose it to a variety of financial risks that include liquidity, interest rate, currency and credit 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, including the repayment date and interest rate, 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 risk

The group's policy is to manage its interest cost using a mix of fixed and variable rate financial instruments and to hedge all or part of the exposure to increased interest rates. The group's policy is not to hedge against interest rate risk in respect of inter-company debt. However, the company may reduce all or part of the risk by loaning funds to other group undertakings and charging interest at the same rate as the original borrowing.

The company's financial instruments mainly comprise interest bearing inter-company debt and as a result it is subject to the risk that interest rates will be increased.

Currency risk

Foreign currency risk arises when the company has financial instruments denominated in a currency that is not the functional currency. The group's policy is to manage currency risk in relation to third party borrowings through the use of external hedging instruments. The group's policy is not to hedge against inter-company debt held in foreign currencies. However, the company may reduce all or part of the risk by loaning funds to other group undertakings in the same currency as the original borrowing.

ntl CableComms Cheshire

The Directors' Report *(continued)*

Year ended 31 December 2009

Financial risk management *(continued)*

Credit risk

Credit risk is the risk that one party to a transaction will cause a financial loss for the other party by failing to discharge an obligation. The company's policies are aimed at minimising such losses, by generally requiring that customers satisfy credit worthiness criteria.

The company's financial instruments comprise the liability for the payment of dividends to the preference shareholder. The cumulative dividend will be paid when the company has sufficient distributable reserves.

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:

R M Mackenzie (appointed 30 April 2010)

R C Gale (appointed 30 April 2010)

Virgin Media Directors Limited (resigned 30 April 2010)

Virgin Media Secretaries Limited (resigned 30 April 2010)

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 2006. 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

Ernst & Young LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



R M Mackenzie
Director

Approved by the directors on 7 October 2010

ntl CableComms Cheshire

Statement of Directors' Responsibilities

Year ended 31 December 2009

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 or loss of the company for that period. In preparing those 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 adequate 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 the financial statements comply with the Companies Act 2006. 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.

ntl CableComms Cheshire

Independent Auditor's Report to the Members of ntl CableComms Cheshire

Year ended 31 December 2009

We have audited the financial statements of ntl CableComms Cheshire for the year ended 31 December 2009 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

ntl CableComms Cheshire

Independent Auditor's Report to the Members of ntl CableComms Cheshire (continued)

Year ended 31 December 2009

Opinion on financial statements

In our opinion the financial statements

give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or

the financial statements are not in agreement with the accounting records and returns, or

certain disclosures of directors' remuneration specified by law are not made, or

we have not received all the information and explanations we require for our audit

Ernst & Young LLP

Michael Rudberg (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

8 October 2010

ntl CableComms Cheshire

Profit and Loss Account

Year ended 31 December 2009

	Note	2009 £000	2008 £000
Turnover		21,683	22,204
Cost of sales		<u>(5,741)</u>	<u>(6,293)</u>
Gross profit		15,942	15,911
Administrative expenses		<u>(9,064)</u>	<u>(13,572)</u>
Operating profit	2	6,878	2,339
Attributable to			
Operating profit before exceptional items		5,801	3,752
Exceptional items	2	<u>1,077</u>	<u>(1,413)</u>
		6,878	2,339
Interest payable and similar charges	4	<u>(1,360)</u>	<u>(1,702)</u>
Profit on ordinary activities before taxation		5,518	637
Tax on profit on ordinary activities	5	—	—
Profit for the financial year		<u>5,518</u>	<u>637</u>

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 £5,518,000 attributable to the shareholders for the year ended 31 December 2009 (2008 - profit of £637,000)

The notes on pages 11 to 18 form part of these financial statements.

ntl CableComms Cheshire**Balance Sheet****31 December 2009**

	Note	2009 £000	2008 £000
Fixed assets			
Tangible assets	6	<u>24,152</u>	<u>24,499</u>
Current assets			
Debtors due within one year	7	30,448	24,162
Creditors: Amounts falling due within one year	8	<u>(437)</u>	<u>(400)</u>
Net current assets		<u>30,011</u>	<u>23,762</u>
Total assets less current liabilities		<u>54,163</u>	<u>48,261</u>
Creditors: Amounts falling due after more than one year	9	<u>(25,373)</u>	<u>(24,989)</u>
		<u>28,790</u>	<u>23,272</u>
Capital and reserves			
Called-up equity share capital	12	124,615	124,615
Profit and loss account	13	<u>(95,825)</u>	<u>(101,343)</u>
Shareholders' funds	13	<u>28,790</u>	<u>23,272</u>

These financial statements were approved by the directors on 7 October 2010 and are signed on their behalf by



R C Gale
Director

The notes on pages 11 to 18 form part of these financial statements.

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

1. Accounting policies

Accounting convention

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

Classification of shares as debt or equity

The company has financial instruments in the form of preference shares. As a condition of the shares there is a contractual obligation to accrue for dividends, regardless of performance. As this condition is potentially unfavourable the preference shares have been classified in the Balance Sheet as financial liabilities, rather than equity, in accordance with FRS 25 'Financial Instruments: Disclosure and Presentation'.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

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 14).

Turnover

Turnover represents the value of services provided, stated net of Value Added Tax, and is attributable to continuing activities, being the provision of cable television, telephony, internet and other telecommunication services and to run certain of the telecommunication systems over which they are provided, 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 provided on all tangible fixed assets, other than land, so as to write off the cost of a tangible fixed asset, less its estimated residual value, on a straight line basis over the expected useful economic life of that asset as follows:

Network assets	3 - 30 years
Other fixed assets	
- Freehold property	30 years
- Leasehold property	period of lease
- Other	3 - 12 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.

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

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

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are taken to the Profit and Loss Account

Trade and other debtors

Trade and other debtors are stated at their 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)

	2009	2008
	£000	£000
Depreciation of owned fixed assets	2,584	2,982
Auditor's remuneration		
- as auditor	2	1
Net (profit)/loss on foreign currency translation	(342)	322
(Release of)/increase in provision against amounts due from group undertakings	(1,311)	1,228
Reorganisation costs	234	185

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

2. Operating profit *(continued)*

The company had corporate directors throughout the year, which received no remuneration

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 disclosed represents costs allocated to the company by the fellow group undertakings that pay all auditor's remuneration on behalf of the Virgin Media group. Following guidance from Statutory Instrument 2008/489(6)(2)-(3), the company is not required to disclose amounts in respect of non-audit services, as it is a subsidiary of Virgin Media Finance PLC and the group accounts of Virgin Media Finance PLC are required to disclose this information on a consolidated basis.

During 2008 the Virgin Media group commenced the implementation of a restructuring plan aimed at driving further improvements in operational performance and eliminating inefficiencies in order to create a fully-integrated, customer focused organisation. Reorganisation costs for the year ended 31 December 2009 related primarily to the company's share of redundancy and lease exit costs in connection with this restructuring plan. The reorganisation costs incurred for the year ended 31 December 2008 related primarily to the company's share of contract and lease exit costs in connection with the same restructuring plan.

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 2009, there was a release of provision of £1,311,000 (2008 - increase in provision of £1,228,000). The primary driver for the change in the provision was an increase in the estimated value of the underlying assets of the Virgin Media group as at 31 December 2009.

The company owes amounts to group undertakings which are denominated in US dollars (see note 9). Favourable movements in foreign exchange rates resulted in a net gain on foreign currency translation of £342,000 (2008 - net loss of £322,000).

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 are disclosed in the group accounts of Virgin Media Finance PLC.

4. Interest payable and similar charges

	2009	2008
	£000	£000
Accrued dividend on shares classed as financial liabilities	494	494
Interest on loan notes due to group undertakings	866	1,208
	<u>1,360</u>	<u>1,702</u>

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

5. Taxation on ordinary activities

(a) Analysis of charge in the year

The tax charge is made up as follows

	2009 £000	2008 £000
Current tax charge:		
Current tax on profit for the year	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Total tax charge on profit on ordinary activities	<u>-</u>	<u>-</u>

(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 28% (2008 - 28.50%)

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

	2009 £000	2008 £000
Profit on ordinary activities before taxation	<u>5,518</u>	<u>637</u>
Profit on ordinary activities multiplied by the rate of tax	1,545	182
Expenses not deductible for tax purposes	142	507
Decelerated capital allowances	730	858
Utilisation of tax losses	(2,050)	(1,547)
Income not taxable	<u>(367)</u>	<u>-</u>
Total current tax (note 5(a))	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

Deferred tax assets in respect of the following amounts have not been recognised as there is currently insufficient evidence that there will be suitable taxable profits against which these timing differences will reverse

	2009 £000	2008 £000
Tax losses	6,143	8,189
Depreciation in excess of capital allowances	14,082	14,086
	<u>20,225</u>	<u>22,275</u>

(d) Change in tax rate

In the 2010 Emergency budget the UK government announced its intention to set out legislation for Parliament to reduce the UK corporate income tax rate from 28%. As at the balance sheet date the change in the tax rate was not substantively enacted

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

6. Tangible fixed assets

	Network £000	Other £000	Total £000
Cost			
At 1 January 2009	94,342	3,550	97,892
Additions	2,240	–	2,240
Disposals	(3,209)	(1,757)	(4,966)
At 31 December 2009	93,373	1,793	95,166
Depreciation			
At 1 January 2009	70,665	2,728	73,393
Charge for the year	2,496	88	2,584
On disposals	(3,209)	(1,754)	(4,963)
At 31 December 2009	69,952	1,062	71,014
Net book value			
At 31 December 2009	23,421	731	24,152
At 31 December 2008	23,677	822	24,499

Included in "Other" are the following net book values of land and buildings

	2009 £000	2008 £000
Freehold	303	309
Short leasehold improvements	408	466

7. Debtors

	2009 £000	2008 £000
Trade debtors	–	1,684
Amounts owed by group undertakings	30,448	22,478
	30,448	24,162

Amounts owed by group undertakings are interest free and stated after deducting an impairment provision of £7,258,000 (2008 - £8,569,000) Amounts owed by group undertakings are repayable on demand

8. Creditors: Amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	437	400

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

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

9. Creditors: Amounts falling due after more than one year

	2009	2008
	£000	£000
Preference share dividend payable	7,523	7,029
Amounts owed to group undertakings	17,850	17,960
300 Preference shares of £1 each	-	-
	<u>25,373</u>	<u>24,989</u>

Details of the preference shares are set out in note 12

Amounts owed to group undertakings are unsecured and repayable on demand but are not expected to be repaid in full within five years. The rates of interest on the amounts payable ranged from 0.51% to 7.58% (2008 - 5.15% to 7.99%). Included in amounts owed to group undertakings are loan notes denominated in US dollars totalling £4,226,000 (2008 - £1,514,000).

10. 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 amount outstanding, which as at 31 December 2009 amounted to approximately £3,213 million (2008 - £4,289 million). Borrowings under the facility are secured against the assets of certain members of the group including those of the company.

On 19 January 2010 Virgin Media Secured Finance PLC, a fellow group undertaking, issued \$1.0 billion aggregate principal amount of 6.50% senior secured notes due 2018 and £875 million aggregate principal amount of 7.00% senior secured notes due 2018. Subject to certain exceptions the senior secured notes due 2018 share in the same guarantees and security which have been granted in favour of the senior credit facility. The net proceeds from the issuance of the senior secured notes were used to repay £1,453 million of the group's obligations under its senior credit facility.

On 19 April 2010, the Virgin Media group drew down an aggregate principle amount of £1,675 million under its new senior credit facility dated 16 March 2010 and applied the proceeds towards the repayment of all amounts outstanding under its old senior credit facility and for general corporate purposes. The new senior credit facility comprises a term loan A facility in an aggregate principle amount of £1,000 million, a term loan B facility in an aggregate principle amount of £675 million and a revolving credit facility in aggregate principle amount of £250 million. The group also utilised £20.4 million of the new revolving credit facility for bank guarantees and standby letters of credit. The new senior credit facility dated 16 March 2010 shares substantially the same guarantees and security as the senior credit facility which was in place at the balance sheet date.

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

11. 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 100% controlled by the ultimate parent undertaking.

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

12. Share capital

Authorised share capital:

	2009	2008
	£000	£000
124,615,385 Ordinary A shares of £1 each	124,615	124,615
300 Preference shares of £1 each	-	-
	<u>124,615</u>	<u>124,615</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£000	No	£000
Ordinary A shares of £1 each	<u>124,615,385</u>	<u>124,615</u>	<u>124,615,385</u>	<u>124,615</u>

The preference shares are classified as a liability under FRS 25 and shown in note 9

Shareholders' voting rights

In the opinion of the directors, the primary rights attached to the various classes of shares are as follows

£1 preference shares

The right to attend and speak, but not vote at all general meetings of the company

£1 'A' ordinary shares

The right to attend, speak and vote at all general meetings of the company

Distributable profits

Distributable profits are allocated on the following basis

Preference shareholders

The company's Articles of Association provide for a fixed cumulative dividend at the rate of £494,000 per annum. This dividend will accrue on a daily basis from 31 December 1993 until 31 December 2013. After payment of the preference dividend, the preference shareholder is entitled to 15% of the remaining distributable profits on winding up.

Ordinary Shareholders

After payment of the preference dividend, all ordinary shareholders are entitled to 85% of the remaining distributable profits on winding up.

Dividends

The preference dividend of £494,000 due to the non-equity shareholder for each of the years ended 31 December 2008 and 2009 has been treated as an expense in the Profit and Loss Account in accordance with FRS 25 'Financial Instruments: Disclosure and Presentation'.

ntl CableComms Cheshire

Notes to the Financial Statements

Year ended 31 December 2009

13. Reconciliation of shareholders' funds and movement on reserves

	Share capital	Profit and loss account	Total share- holders' funds
	£000	£000	£000
At 1 January 2008	124,615	(101,980)	22,635
Profit for the year	—	637	637
At 31 December 2008 and 1 January 2009	124,615	(101,343)	23,272
Profit for the year	—	5,518	5,518
At 31 December 2009	124,615	(95,825)	28,790

14. Parent undertaking and controlling party

The company's immediate parent undertaking is ntl CableComms Holdings No 1 Limited

The smallest and largest groups of which the company is a member and for which group accounts have been drawn up are those headed by Virgin Media Finance PLC and Virgin Media Inc , respectively

The company's ultimate parent undertaking and controlling party at 31 December 2009 was Virgin Media Inc , a company incorporated in the state of Delaware, United States of America

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