

Registered number: 02407676

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

THURSDAY



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TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

COMPANY INFORMATION

Directors	R D Dunn M O Hifzi
Company secretary	G E James
Registered number	02407676
Registered office	Bartley Wood Business Park Hook Hampshire RG27 9UP

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

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TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Results and dividends

The profit for the year, after tax, amounted to £351,000 (2017 - £10,000).

On 29 August 2018, the company paid a dividend of £209,000 (2017 - £nil).

Directors

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

R D Dunn
M O Hifzi

The directors of the company have been indemnified 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 for directors serving during the financial year and as at the date of approving the Directors' report.

Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 29 August 2018, Telewest Communications (North East) Partnership, the company's sole investment transferred its assets and liabilities to a fellow group company, Telewest Communications (North East) Limited. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2018 have not been prepared on a going concern basis. In applying this basis of preparation no adjustments were necessary to the amounts at which the remaining net liabilities are included or presented in the financial statements. It is Virgin Media practice to periodically review its organisation structure and, where considered appropriate, to take action to simplify that structure. As a result, the directors may in future decide to dissolve the company, having taken steps to enable it to meet any existing liabilities, or to repurpose its activities.

Audit exemption

Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2018, until they are satisfied in full. The guarantee is enforceable against Virgin Media Finance PLC by any person to whom the company is liable in respect of those liabilities. Since Virgin Media Finance PLC is the smallest group to which the company's accounts are consolidated, the company has taken advantage of the exemption from audit of its individual accounts for the year ended 31 December 2018 by virtue of section 479A of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board on 27th June 2019 and signed on its behalf.

M O Hifzi
Director



TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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 they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law the directors must not approve the financial statements unless 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

PROFIT AND LOSS ACCOUNT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Exceptional operating income	4	87	-
Operating profit		87	-
Income from fixed asset investment	6	264	10
Profit before tax		351	10
Tax on profit	8	-	-
Profit for the year		351	10

The notes on pages 6 to 12 form part of these financial statements.

There was no other comprehensive income or expenditure for 2018 or 2017 other than that included in the profit and loss account.

All results were derived from continuing operations, however during the year end the assets and liabilities of the company were acquired by a fellow group undertaking and it is the intention of the directors that the company will become dormant.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED
REGISTERED NUMBER: 02407676

BALANCE SHEET
AS AT 31 DECEMBER 2018

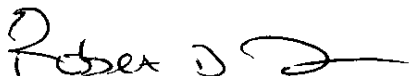
	Note	2018 £000	2017 £000
Fixed assets			
Investments	9	-	-
		-	-
Creditors: amounts falling due within one year	10	-	(55)
Net current assets/(liabilities)		-	(55)
Provisions for liabilities and charges	11	-	(87)
		-	(87)
Net assets / (liabilities)		-	(142)
Capital and reserves			
Share capital	12	-	-
Profit and loss account	13	-	(142)
Shareholder's funds / (Deficit)		-	(142)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for complying with requirements of the Act with respect to accounting records and for the preparation of accounts

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27th June 2019



R D Dunn
Director

The notes on pages 6 to 12 form part of these financial statements.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Profit and loss account	Shareholder's funds / Deficit
	£000	£000	£000
At 1 January 2018	-	(142)	(142)
Comprehensive income for the year			
Profit for the year	-	351	351
Total comprehensive income for the year	-	351	351
Dividends paid	-	(209)	(209)
At 31 December 2018	-	-	-

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Share capital	Profit and loss account	Deficit
	£000	£000	£000
At 1 January 2017	-	(152)	(152)
Comprehensive income for the year			
Profit for the year	-	10	10
Total comprehensive income for the year	-	10	10
At 31 December 2017	-	(142)	(142)

The notes on pages 6 to 12 form part of these financial statements.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Company information

Telewest Communications (Tyneside) Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 02407676 and the registered address is Bartley Wood Business Park, Hook, Hampshire, RG27 9UP

2. Accounting policies

A summary of the principal accounting policies is set out below. All accounting policies have been applied consistently, unless noted below.

2.1 Basis of accounting

These financial statements have been prepared on a non-going concern basis, and under the historical cost basis in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's intermediate parent undertaking, Virgin Media Finance PLC includes the company in its consolidated financial statements. The consolidated financial statements of Virgin Media Finance PLC are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Bartley Wood Business Park, Hook, Hampshire, RG27 9UP

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures.

- a cash flow statement and related notes;
- comparative reconciliations for share capital;
- disclosures in respect of related party transactions with fellow group undertakings;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of Key Management Personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

2.2 Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 29 August 2018, Telewest Communications (North East) Partnership, the company's sole investment transferred its assets and liabilities to a fellow group company, Telewest Communications (North East) Limited. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2018 have not been prepared on a going concern basis. In applying this basis of preparation no adjustments were necessary to the amounts at which the remaining net liabilities are included or presented in the financial statements. It is Virgin Media practice to periodically review its organisation structure and, where considered appropriate, to take action to simplify that structure. As a result, the directors may in future decide to dissolve the company, having taken steps to enable it to meet any existing liabilities, or to repurpose its activities.

2.3 Investments

Investments are recorded at cost, less provision for impairment as appropriate. The company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. A previously recognised impairment loss is reversed only if there was an event not foreseen in the original impairment calculations, such as a change in use of the investment or a change in economic conditions. The reversal of impairment loss would be to the extent of the lower of the recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside of profit or loss.

Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

2.5 Partnership provision

This provision represents the company's proportion of the partnership's cumulative losses, after full provision against the original investment has been made.

2.6 Share of results in a partnership

The company's proportion of the partnership's cumulative losses was first applied to the cost of investment until fully impaired, then provided for in the Balance sheet under provisions. The share of profit or loss in the partnership is shown under income from fixed asset investments in the Profit and loss account and applied to reduce or increase the provision for losses in the partnership.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Income from fixed asset investments

Income is recognised when the company's right to receive payment is established

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies which are described above, management has not made any critical judgements that have a significant effect on the amounts recognised in the financial statements, except for:

Carrying value of investments

Investments are held at cost less any necessary provision for impairment. Where the impairment assessment did not provide any indication of impairment, no provision is required. If any such indications exist, the carrying value of an investment is written down to its recoverable amount.

4. Operating profit

The operating profit is stated after crediting.

	2018 £000	2017 £000
Exceptional operating income	87	-
Exceptional operating income	87	-

On 29 August 2018, as part of a wider group structure, the partnership, in which the company was participating, was terminated and, as such, the provision for the partnership's losses of £87,000 was released and credited to operating profit.

5. Staff costs

The company does not have any directly employed staff and is not charged an allocation of staff costs by the group.

6. Income from fixed asset investments

	2018 £000	2017 £000
Share of partnership profit	5	10
Distributions received	259	-
	264	10

On 29 August 2018, the company received a distribution from its investment in Telewest Communications (North East) Partnership following termination of the partnership (note 9)

7. Directors' remuneration

The directors received no remuneration for qualifying services as directors of this company. All directors' remuneration is paid by and disclosed in the financial statements of Virgin Media Limited.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Tax on profit

	2018 £000	2017 £000
Current tax		
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit	-	-

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%). The differences are explained below.

	2018 £000	2017 £000
Profit before tax	351	10
Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	67	2
Effects of:		
Income not taxable	(67)	(2)
Tax charge for the period	-	-

Factors affecting current and future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Investments

	Investments in partnership £000
Cost	
At 1 January 2018	55
Disposals	(55)
At 31 December 2018	-
Amounts written off	
At 1 January 2018	55
Disposals	(55)
At 31 December 2018	-
Net book value	
At 31 December 2018	-
At 31 December 2017	-

The company previously entered into an agreement with Tyneside Cable Limited Partnership (TCLP) and Telewest Communications (North East) Limited (TCNL) to participate in a partnership, Telewest Communications (North East) Partnership, whose principal purpose was to build and operate a broadband telecommunication network in the Tyne and Wear franchise areas.

The company held a 0.1% interest in the partnership and the profits and losses of the partnership were shared in the ratio 99% to TCLP, 0.9% to TCNL and 0.1% to the company. The partnership was terminated on 29 August 2018 and the company received a final distribution of £259,000.

The original investment in the partnership of £55,000 was fully impaired in prior years due to the company's share of the partnership's cumulative losses. During 2018 the company's share of profits in the partnership was £5,313 (2017 - £10,000)

At 31 December 2018, the net liabilities of the partnership were £nil (2017 - £87,230,000) The profit of the partnership for the year ended 31 December 2018 was £5,313,000 (2017 - £9,563,000).

10. Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings	-	55

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Provisions for liabilities and charges

	Partnership provision £000
At 1 January 2018	87
Released in year	(87)
At 31 December 2018	-

This provision represents the company's proportion of the partnership's cumulative net liabilities after full provision against the original investment has been made. On 29 August 2018, as part of a wider group structure, the partnership, in which the company was participating, was terminated and, as such, the provision for the partnership's losses of £87,000 was released and credited to operating profit.

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2 (2017 - 2) Ordinary shares of £1 each	2	2

13. Reserves

Profit and loss account

Includes all current and prior year retained profits and losses net of dividends paid

14. Guarantees

Fellow group undertakings are party to a senior secured credit facility with a syndicate of banks. As at 31 December 2018, this comprised term facilities that amounted to £3,564 million (2017 - £3,410 million) and an outstanding balance of £nil (2017 - £nil) which was borrowed under revolving facilities of £675 million (2017 - £675 million). Borrowings under the facilities are secured against the assets of certain members of the group.

In addition, a fellow group undertaking has issued senior secured notes which, subject to certain exceptions, share the same guarantees and security which have been granted in favour of the senior secured credit facility. The amount outstanding under the senior secured notes at 31 December 2018 amounted to £4,938 million (2017 - £4,870 million). Borrowings under the notes are secured against the assets of certain members of the group.

In May 2019, a fellow group undertaking issued senior secured notes with principal amounts of £300 million and \$825 million. The new senior secured notes rank pari passu with the group's existing senior secured notes and senior secured credit facility, and subject to certain exceptions, share in the same guarantees and security granted in favour of its existing senior secured notes. The net proceeds were used to redeem in full £687 million and \$355 million outstanding principal amounts of existing senior secured and secured notes.

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

TELEWEST COMMUNICATIONS (TYNESIDE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

15. Parent undertaking and controlling party

The company's immediate parent undertaking is Telewest Communications (North East) Limited

The smallest and largest groups of which the company is a member and in to which the company's accounts were consolidated at 31 December 2018 are Virgin Media Finance PLC and Liberty Global plc, respectively.

The company's ultimate parent undertaking and controlling party at 31 December 2018 was Liberty Global plc

Copies of group accounts referred to above which include the results of the company are available from the company secretary, Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

In addition copies of the consolidated Liberty Global plc accounts are available on Liberty Global's website at www.libertyglobal.com