

Registered number: 02455631

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

SATURDAY



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NTL MANCHESTER CABLEVISION HOLDING COMPANY

COMPANY INFORMATION

Directors	R D Dunn M O Hifzi
Company secretary	G E James
Registered number	02455631
Registered office	Bartley Wood Business Park Hook Hampshire RG27 9UP

NTL MANCHESTER CABLEVISION HOLDING COMPANY

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Profit and loss account and statement of other comprehensive income	4
Balance sheet	5
Statement of changes in equity	6
Notes to the financial statements	7 - 14

NTL MANCHESTER CABLEVISION HOLDING COMPANY

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Principal activities and business review

The principal activity of the company during the year was, and will continue to be, that of a holding company for ntl CableComms Greater Manchester. The investment in the subsidiary company remains fully impaired due to the company having net liabilities.

The company is a wholly owned subsidiary undertaking of Virgin Media Inc (Virgin Media) which is itself a wholly owned subsidiary of Liberty Global plc (Liberty Global).

The Virgin Media Inc consolidated group (the group) operates under the Virgin Media brand in the United Kingdom (UK) and Republic of Ireland (Ireland).

The group provides video, broadband internet, fixed-line telephony and mobile services in the UK and Ireland to both residential and business-to-business (B2B) customers. The group is one of the largest providers of video, broadband internet and fixed-line telephony services in terms of the number of customers in the UK and Ireland. The group believes its advanced, deep-fibre cable 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 interactive television services available in the UK and Irish markets.

The group provides mobile services to its customers using a third-party network through mobile virtual network operators (MVNO) arrangements.

In addition, through the Virgin Media Business brand, the group offers a broad portfolio of B2B voice, data, internet, broadband and managed services solutions to small businesses, medium and large enterprises and public sector organisations in the UK and Ireland.

At 31 December 2017, the group provided services to approximately 5.9 million residential cable customers on its network. The group is also one of the largest MVNO by number of customers, providing mobile telephony services to 2.5 million contract mobile customers and 0.5 million prepay mobile customers over third party networks. At 31 December 2017, 82% of residential customers on the group's cable network received multiple services and 62% were "triple-play" customers, receiving broadband internet, video and fixed-line telephony services from the group.

Liberty Global is the world's largest international TV and broadband company with operations in 12 European countries. Its substantial scale and commitment to innovation enables it to develop market-leading products delivered through next-generation networks that, as of 31 December 2017, connected over 22 million customers subscribing to 46 million television, broadband internet and telephony services. In addition at 31 December 2017, Liberty Global served over 6 million mobile subscribers and offered WiFi service across 10 million access points.

The directors do not use key performance indicators (KPI's) to assess the performance of the company as its principal activity is that of a holding company.

The company has not received any dividends from its subsidiary during the year (2016 - £nil).

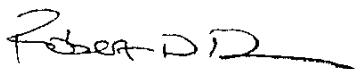
Principal risks and uncertainties

Financial and operational risk management is undertaken as part of the group operations as a whole. The company's operations expose it to a variety of operational and financial risks. These are considered in more detail in the financial statements of Virgin Media Inc which are available from the company secretary at Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP and are available at Liberty Global's website at www.libertyglobal.com.

Future outlook

The directors will continue to review management policies in light of changing trading and market conditions. Further detail of the future outlook of the group, including consideration of the impact of the UK referendum in June 2016 and the withdrawal from the European Union, is provided in Virgin Media Inc.'s financial statements and annual report for 2017, which are available from the company secretary at Virgin Media, Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

This report was approved by the board on 25 September 2018 and is signed on its behalf.



R D Dunn
Director

NTL MANCHESTER CABLEVISION HOLDING COMPANY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017

Results and dividends

The profit for the year, after tax, amounted to £43,327,000 (2016 - £226,000).

The directors have not recommended an ordinary dividend (2016 - £nil)

Directors

The directors who served 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.

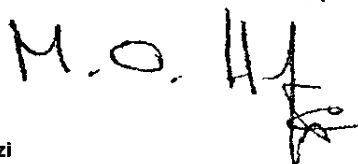
Going concern

After making suitable enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Audit exemption

Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2017, 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 2017 by virtue of section 479A of the Companies Act 2006.

This report was approved by the board on 25 September 2018 and signed on its behalf.



M O Hifzi
Director

NTL MANCHESTER CABLEVISION HOLDING COMPANY

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors are responsible for preparing the Strategic report, 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also 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.

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**PROFIT AND LOSS ACCOUNT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Exceptional administrative expenses		36,027	-
Operating profit	4	36,027	-
Other interest receivable and similar income	6	7,300	226
Profit before tax		43,327	226
Tax on profit	7	-	-
Profit for the year		43,327	226

There was no other comprehensive income or expenditure for 2017 or 2016 other than that included in the profit and loss account.

All results were derived from continuing operations.

The notes on pages 7 to 14 form part of these financial statements

NTL MANCHESTER CABLEVISION HOLDING COMPANY
REGISTERED NUMBER:02455631

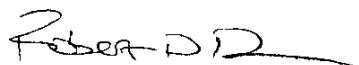
BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £000	2016 £000
Fixed assets			
Investments	8	-	-
Current assets			
Debtors due within one year	9	185,863	142,536
Creditors: amounts falling due after more than one year	10	(20,503)	(20,503)
Net assets		165,360	122,033
Capital and reserves			
Share capital	11	258,488	258,488
Profit and loss account	12	(93,128)	(136,455)
Shareholder's funds		165,360	122,033

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 responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2018



R D Dunn
Director

The notes on pages 7 to 14 form part of these financial statements

NTL MANCHESTER CABLEVISION HOLDING COMPANY

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

	Share capital	Profit and loss account	Shareholder's funds
	£000	£000	£000
At 1 January 2017	258,488	(136,455)	122,033
Comprehensive income for the year			
Profit for the year	-	43,327	43,327
Total comprehensive income for the year	-	43,327	43,327
At 31 December 2017	258,488	(93,128)	165,360

The notes on pages 7 to 14 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Share capital	Profit and loss account	Shareholder's funds
	£000	£000	£000
At 1 January 2016	258,488	(136,681)	121,807
Comprehensive income for the year			
Profit for the year	-	226	226
Total comprehensive income for the year	-	226	226
At 31 December 2016	258,488	(136,455)	122,033

The notes on pages 7 to 14 form part of these financial statements

NTL MANCHESTER CABLEVISION HOLDING COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Company information

ntl Manchester Cablevision Holding Company (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 02455631 and the registered address is Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

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 going concern basis, and under the historical cost basis in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

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 have been taken.

The company's 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 period 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 compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

2.2 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.

NTL MANCHESTER CABLEVISION HOLDING COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.3 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

NTL MANCHESTER CABLEVISION HOLDING COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 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 amount is fully written off when the probability for recovery of a balance is assessed as being remote.

2.5 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 IAS 32 "Financial Instruments: Disclosure and Presentation".

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

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.

Recoverability of intercompany debtors

Intercompany debtors are stated at their recoverable amount less any necessary provision. Recoverability of intercompany debtors is assessed annually and a provision is recognised if any indications exist that the debtor is not considered recoverable.

4. Operating profit

The operating profit is stated after crediting:

	2017 £000	2016 £000
Release of intercompany debtor impairment provision	(36,027)	-

Recoverability of intercompany debtors is assessed annually. Based on the impairment review of intercompany indebtedness as at 31 December 2017, and a wider group restructure, the directors concluded on a release of provision against amounts due from group undertakings totalling £36,027,000 (2016 - £nil).

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

5. Staff costs

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

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Other interest receivable and similar income

	2017 £000	2016 £000
Interest on amounts owed by group undertakings	7,300	226

7. Tax on profit

	2017 £000	2016 £000
Current tax		
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit	-	-

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%). The differences are explained below

	2017 £000	2016 £000
Profit before tax	43,327	226
Profit multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)	8,340	45
Effects of:		
Non-taxable income	(6,935)	-
Group relief claimed without payment	(1,405)	(45)
Total tax charge for the year	-	-

Factors affecting current and future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2016) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional 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.

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Investments

	Investments in subsidiary companies £000
Cost	
At 1 January 2017	80,143
At 31 December 2017	<u>80,143</u>
Amounts impaired	
At 1 January 2017	80,143
At 31 December 2017	<u>80,143</u>
Net book value	
At 31 December 2017	<u><u>-</u></u>
At 31 December 2016	<u><u>-</u></u>

Subsidiary undertakings

During the year, the company acquired the remaining 1% of the ordinary share capital of ntl CableComms Greater Manchester from a fellow group company.

In the opinion of the directors the aggregate value of the investments in subsidiary undertakings is not less than the amount at which they are stated in the financial statements

The 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 as follows:

Name of company		Holding	Proportion held	Nature of business
Direct shareholdings				
ntl CableComms Greater Manchester	#	Ordinary	100%	Telecoms
Indirect shareholdings				
ntl CableComms Greater Manchester Leasing Limited	Φ	Ordinary	100%	Leasing

Unlimited company

Φ Application made for strike off subsequent to the year end

The above companies are registered at Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Debtors due within one year

	2017 £000	2016 £000
Amounts owed by group undertakings	185,863	142,536

The analysis of amounts owed by group undertakings is

	2017 £000	2016 £000
Loans advanced to group undertakings	185,863	178,563
Impairment provision on amounts owed by group undertakings	-	(36,027)
	185,863	142,536

Amounts owed by group undertakings are unsecured and repayable on demand.

10. Creditors: amounts falling due after more than one year

	2017 £000	2016 £000
Preference share dividend payable to group undertakings	20,503	20,503
2 Preference shares of £1 each	-	-
	20,503	20,503

NTL MANCHESTER CABLEVISION HOLDING COMPANY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Share capital

	2017 £	2016 £
Shares classified as equity		
Alloted, called up and fully paid		
258,487,912 'A' Ordinary shares of £1 each	<u>258,487,912</u>	<u>258,487,912</u>
 Shares classified as debt		
Alloted, called up and fully paid		
2 Preference shares of £1 each	<u>2</u>	<u>2</u>

The preference shares which are held by group undertakings are classified as a liability under IAS 32 "Financial Instruments: Presentation" and are shown in note 10.

Shareholder's voting rights

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 shareholder

The company's Articles of Association provide for a fixed cumulative dividend at the rate of £1,025,000 per annum. This dividend accrued on a daily basis from 11 October 1994 until 11 October 2014. 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.

12. Reserves

Profit and loss account

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

NTL MANCHESTER CABLEVISION HOLDING COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. Guarantees

Fellow group undertakings are party to a senior secured credit facility with a syndicate of banks. As at 31 December 2017, this comprised term facilities that amounted to £3,410 million (2016 - £3,595 million) and an outstanding balance of £nil (2016 - £nil) which was borrowed under a revolving facility of £675 million (2016 - £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 2017 amounted to £4,870 million (2016 - £5,024 million). Borrowings under the notes are secured against the assets of certain members of the group.

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

14. Post balance sheet event

Subsequent to the year end, the company subscribed for 1 £1 share in ntl CableComms Greater Manchester for a premium of £56,401,708. On 7 March 2018, the company reduced its share capital from £258,487,912 to £2.58 by reducing the nominal value of the A ordinary shares from £1 to £0.00000001 and the preference shares from £1 to £0.00000001 (the "Capital Reduction").

15. 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 in to which the company's accounts were consolidated at 31 December 2016 are Virgin Media Finance PLC and Liberty Global plc, respectively.

The company's ultimate parent undertaking and controlling party at 31 December 2017 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.