COMPANY REGISTRATION NUMBER 2591237

# Virgin Media Limited (formerly ntl Group Limited)

## Financial Statements

## 31 December 2007

# Virgin Media Limited (formerly ntl Group Limited)

**Financial Statements**

**Year ended 31 December 2007**

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# Virgin Media Limited (formerly ntl Group Limited)

**Company Information**

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| **The board of directors** | R C Gale<br>R M Mackenzie |
| **Joint company secretaries** | R M Mackenzie<br>G E James |
| **Registered office** | 160 Great Portland Street<br>London<br>W1W 5QA |
| **Auditor** | Ernst & Young LLP<br>1 More London Place<br>London<br>SE1 2AF |

# Virgin Media Limited (formerly ntl Group Limited)

**The Directors' Report**

**Year ended 31 December 2007**

The directors present their report and the financial statements of the company for the year ended 31 December 2007

**Principal activity and business review**

The principal activity of the company during the year was, and will continue to be, that of an investment holding company A full list of its principal investments is shown in note 12 to the financial statements The company is a principal employer of the Virgin Media group, and manages the majority of its working capital, finance leases, operating leases, commitments and construction in progress

The company's trading activities include the provision of cable television, telephony, 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 , which changed its name from NTL Incorporated on 6 February 2007 as part of the rebrand to Virgin Media Virgin is one of the most recognised consumer brands in the world and gives the group a prominent profile in a crowded communications marketplace The Virgin Media group believes that the strong heritage and reputation of the Virgin brand is a powerful competitive advantage and the Virgin Media group's distinctive approach to advertising, packaging and marketing differentiates it from the competition

The Virgin Media group is a leading UK entertainment and communications business providing the first "quad-play" offering of television, broadband, fixed line telephone and mobile telephone services in the UK, together with one of the most advanced TV on demand services available in the UK market

At 31 December 2007, by customer numbers, the Virgin Media group was the UK's largest residential broadband and mobile virtual network provider and the second largest provider in the UK of pay television and fixed line 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

Through ntl Telewest 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

Through Virgin Media Television, the Virgin Media group also provides a broad range of programming through its wholly-owned channels, such as Virgin 1, Living and Bravo; through UKTV, its joint ventures with BBC Worldwide, and through the portfolio of retail television channels operated by sit-up tv

On 8 February 2007 the company's name was changed from ntl Group Limited to Virgin Media Limited and the names of certain Virgin Media group companies were changed including ntl Cable PLC which became Virgin Media Finance PLC

The new company names are used throughout the rest of this report and financial statements whether describing events before or after the change of name

**Principal activity and business review** *(continued)*
Turnover has decreased by 4 1% to £451,242,000 for the year ended 31 December 2007 from £470,355,000 in 2006 This decrease was primarily due to a decline in the number of fixed-line telephone customers, a reduction in telephony usage and higher price discounting to stimulate customer activity and retention as a result of competitive factors in the market place Partially offsetting these decreases have been increases in revenue from selective price increases and additional customers subscribing to television and broadband packages

The gross profit margin has improved from 74 1% in 2006 to 76 2% in 2007 principally due to the increase in broadband customers and the negotiation of better margins on contracts with business customers

Selected statistics for residential cable customers served by the company at 31 December 2007 and 31 December 2006 are shown in the table below

| **Year ended 31 December** | **2007** | 2006 |
|---|---|---|
| Revenue generating units | | |
| Television | **563,600** | 563,200 |
| Fixed-line telephone | **587,700** | 604,400 |
| Broadband | **521,100** | 474,900 |
| **Total** | **1,672,400** | 1,642,500 |
| **Total customers** | **760,000** | 783,800 |

Each television, telephone and broadband internet subscriber directly connected to the company's network counts as one revenue generating unit (RGU) Accordingly, a subscriber who receives both telephone and television services counts as two RGUs RGUs may include subscribers receiving some services for free or at a reduced rate in connection with promotional offers

The company is a principal employer of the Virgin Media group, and manages the majority of its working capital, finance leases, operating leases, commitments and construction in progress During 2007 the company saw an increase in the costs incurred on behalf of, and subsequently recharged to, fellow group undertakings from £497,087,000 in 2006 to £1,011,954,000 in 2007 This was predominantly due to a significant increase in the number of fellow group undertakings following the group's merger with Telewest in 2006

Administrative expenses increased by 6 4% in 2007 over 2006 mainly due to losses on foreign currency and disposals of fixed assets and increased depreciation charges

As a result of a review of the recoverability of inter-company receivables a release of the provision against inter-company debt of £376,376,000 has been made (2006 - release of £2,182,258,000)

Operating profit has decreased from a profit of £3,159,905,000 in 2006 to a profit of £330,584,000 in 2007 predominantly due to the reasons stated above

Interest payable fell to £87,374,000 (2006 - £208,380,000) due to the settlement of interest bearing inter-company loans during the year ended 31 December 2006

**Principal activity and business review (continued)**

The company reported an increase in net current assets together with a decrease in net liabilities as at 31 December 2007 as a result of normal operations No external finance was arranged or settled, other than operating and finance leases, and there was no movement in investments or the called up equity share capital of the company during 2007 Operations are financed through the company's own working capital and inter-company balances with fellow group undertakings, many of which are classified as falling due after more than one year

During May 2007, the Workplace Technologies Pension & Life Assurance Scheme and Clydesdale Pension & Life Assurance Scheme, both funded defined benefit pension plans formerly mangaged and sponsored by fellow group undertakings, were merged into the ntl 1999 Pension Plan which is managed and sponsored by the company

**Future developments**

The Virgin Media group's deep fibre access network has enabled it to take a leading position in the roll-out of next generation broadband access technologies in the UK During 2008 and 2009, the Virgin Media group plans to deploy the next generation of wideband cable broadband technology enabling ultra-fast broadband services of 50Mb and higher The investment in next generation broadband access technologies is the latest in a series of significant infrastructure investments to ensure that the Virgin Media group remains at the forefront of communication and entertainment services in the UK

**Results and dividends**

The profit for the financial year amounted to £439,043,000 (2006 - profit of £3,126,166,000) The directors have not recommended an ordinary dividend (2006 - £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 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 comprise both interest free and interest bearing inter-company debt and as a result it is subject to the risk that interest rates will be increased

**Financial risk management (continued)**

***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

***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 group's inter-company funding arrangements are managed centrally Recoverability of inter-company receivables is assessed annually The provision for non-recoverability may increase or decrease as a result of that review

The company deposits surplus cash balances with banks and other financial institutions with suitably high independent ratings

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 C Gale
R M Mackenzie

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

**Environmental policies**
The Vırgın Medıa group ıs commıtted to buıldıng an envıronmentally sound busıness and has taken a number of steps to understand ıts ımpact on the envıronment and how best to reduce that ımpact

Vırgın Medıa released ıts first Corporate Responsıbılıty Report ın July 2008 Full detaıls of Vırgın Medıa's envıronment programme can be found ın that report along wıth detaıls on how, ın a wıder context, Vırgın Medıa ıs passıonate about becomıng a truly responsıble busıness The report ıs avaılable for download from the websıte at the followıng address

www vırgınmedıa com/about/cr/

The envıronment sectıon of the Corporate Responsıbılıty Report outlınes the group's approach to carbon management, ıts commıtment to a CO2 reductıon target (15% by 2015 of the 2007 base year) and how ıt ıntends to achıeve these targets (ıncreasıng energy efficıency of ıts product set, efficıencıes ın property and ınfrastructure, the group's fleet of vehıcles and other equıpment, creatıng new ways to work and ınvestıng ın external programmes)

In addıtıon the report outlınes Vırgın Medıa's commıtment to the development and ımplementatıon of a group wıde Envıronmental Management System (for ISO 14001 certıficatıon) as well as the steps taken and planned by the group ın order to reduce the amount of resources used and ıncreasıng the amount of waste recycled

**Donations**
Durıng the year the company made the followıng contrıbutıons

| | 2007 | 2006 |
|---|---|---|
| | £ | £ |
| Charıtable | 43,626 | 26,150 |

**Employment policies and disabled employees**
The group remaıns commıtted to the contınuıng ıntroductıon and practıce of progressıve employment polıcıes whıch reflect changıng busıness, socıal and employee needs

The group aıms to ensure that everyone connected to Vırgın Medıa ıs treated faırly and equally, whether they are a current or former member of staff, job applıcant, customer or supplıer

Nobody should be dıscrımınated agaınst, eıther dırectly or ındırectly, on the grounds of theır gender, marıtal status, gender reassıgnment, pregnancy, race, ethnıc orıgın, colour, natıonalıty, natıonal orıgın, dısabılıty, sexual orıentatıon, relıgıon or belıef, age, polıtıcal affilıatıon or trade unıon membershıp The polıcy applıes to anyone who works for, who has worked for or who applıes to work for Vırgın Medıa That means permanent, temporary, casual or part-tıme staff, anyone on a fixed-term contract, agency staff and consultants workıng wıth us, ex-employees and people applyıng for jobs Thıs applıes to all aspects of employment, ıncludıng recruıtment and traınıng

The group gıves full consıderatıon to applıcatıons from employees wıth dısabılıtıes where they can adequately fulfil the requırements of the job Dependıng on theır skılls and abılıtıes, employees wıth a dısabılıty have the same opportunıtıes for promotıon, career development and traınıng as other employees Where exıstıng employees become dısabled, ıt ıs the group's polıcy to provıde contınuıng employment wherever practıcable ın the same or an alternatıve posıtıon and to provıde approprıate traınıng to achıeve thıs aım

**Employee involvement**
The group is dedicated to increasing the practical involvement of individuals in the running of their businesses It seeks to achieve this in two ways, as follows

- all employees are encouraged to understand the aims of the overall group and their own segment and to contribute to improving business performance through their knowledge, experience, ideas and suggestions This requires strong communication to ensure that employees are briefed as widely as possible about activities and developments across the group The online news channel, open forums, newsletters and team meetings play important roles in this, as does the development of people management skills, and

- the group has put a plan in place to ensure that all employees are involved and consulted with through local involvement and consultation forums The group fosters a team spirit among employees and their greater involvement within the company by offering participation in bonus schemes and in divisional recognition and reward schemes

**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 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
Company Secretary and Director

Approved by the directors on 30 October 2008

**Statement of Directors' Responsibilities**

**Year ended 31 December 2007**

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

**Independent Auditor's Report to the Member of Virgin Media Limited (formerly ntl Group Limited)**

**Year ended 31 December 2007**

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 31 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

# Virgin Media Limited (formerly ntl Group Limited)

**Independent Auditor's Report to the Member of Virgin Media Limited (formerly ntl Group Limited)** *(continued)*

**Year ended 31 December 2007**

**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 2007 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

30 October 2008

# Virgin Media Limited (formerly ntl Group Limited)

**Profit and Loss Account**

**Year ended 31 December 2007**

| | Note | 2007<br>£000 | 2006<br>£000 |
|---|---|---|---|
| **Turnover** | | **451,242** | 470,355 |
| Cost of sales | | **(107,567)** | (121,661) |
| **Gross profit** | | **343,675** | 348,694 |
| Administrative expenses | | **(390,111)** | (365,974) |
| Other operating income | 2 | **376,435** | 3,177,185 |
| **Operating profit** | 3 | **329,999** | 3,159,905 |
| Reorganisation costs | 4 | **(3,976)** | (11,380) |
| | | **326,023** | 3,148,525 |
| Interest receivable and similar income | 7 | **200,394** | 186,021 |
| Interest payable and similar charges | 8 | **(87,374)** | (208,380) |
| **Profit on ordinary activities before taxation** | | **439,043** | 3,126,166 |
| Tax on profit on ordinary activities | 9 | **–** | – |
| **Profit for the financial year** | | **439,043** | 3,126,166 |

All of the activities of the company are classed as continuing

**The notes on pages 14 to 40 form part of these financial statements**

# Virgin Media Limited (formerly ntl Group Limited)

**Statement of Total Recognised Gains and Losses**

**Year ended 31 December 2007**

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Profit for the financial year attributable to the shareholder | **439,043** | 3,126,166 |
| Actuarial gain in respect of defined benefit pension scheme | **18,535** | 2,423 |
| Decrease in fair value of cash flow hedges | **(47)** | (73) |
| Cash flow hedge gains transferred to profit and loss | **121** | - |
| Total gains and losses recognised since the last annual report | **457,652** | 3,128,516 |

**The notes on pages 14 to 40 form part of these financial statements.**

# Virgin Media Limited (formerly ntl Group Limited)

**Balance Sheet**

**31 December 2007**

| | Note | 2007 £000 | 2006 £000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Intangible assets | 10 | – | – |
| Tangible assets | 11 | 1,246,322 | 1,286,018 |
| Investments | 12 | 13,008 | 13,008 |
| | | 1,259,330 | 1,299,026 |
| **Current assets** | | | |
| Debtors | 13 | 4,017,449 | 2,318,567 |
| Cash at bank | | 53,947 | 10,596 |
| | | 4,071,396 | 2,329,163 |
| **Creditors: Amounts falling due within one year** | 14 | (860,451) | (479,212) |
| **Net current assets** | | 3,210,945 | 1,849,951 |
| **Total assets less current liabilities** | | 4,470,275 | 3,148,977 |
| **Creditors: Amounts falling due after more than one year** | 15 | (5,937,687) | (5,125,291) |
| | | (1,467,412) | (1,976,314) |
| **Provisions for liabilities and charges** | | | |
| Provisions for liabilities and charges | 17 | (142,408) | (65,275) |
| **Net liabilities excluding pension liability** | | (1,609,820) | (2,041,589) |
| Defined benefit pension scheme liability | 19 | (5,329) | (31,211) |
| **Net liabilities including pension liability** | | (1,615,149) | (2,072,800) |
| **Capital and reserves** | | | |
| Called-up equity share capital | 23 | 726 | 726 |
| Share premium account | 24 | 12,214,200 | 12,214,200 |
| Hedging reserve | 25 | – | (73) |
| Share options reserve | 26 | 14,018 | 14,018 |
| Other reserves | 27 | 11 | 11 |
| Profit and loss account | 28 | (13,844,104) | (14,301,682) |
| **Deficit** | 29 | (1,615,149) | (2,072,800) |

These financial statements were approved by the directors on 30 October 2008 and are signed on their behalf by

R. C. Gale

R C Gale
Director

**The notes on pages 14 to 40 form part of these financial statements**

## 1. Accounting policies

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

***Fundamental accounting concept***
The financial statements have been prepared on the going concern basis because the ultimate parent undertaking has given the necessary assurances that sufficient resources will be made available, so that the company can meet its liabilities as and when they fall due, for at least twelve months from the date of approval of these financial statements

***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 31) 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 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 asset's recoverable amount Where the carrying amount of an asset exceeds its recoverable amount, the asset 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 assets 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 asset in prior years

***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 31)

***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 the running of 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

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

***Intangible fixed assets***

*Goodwill*

Positive goodwill arising on an acquisition is capitalised and classified as an asset on the balance sheet Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value might not be recovered

*Customer lists*

Costs incurred in securing customer lists have been capitalised and written off to the profit and loss account over their useful economic lives up to a maximum of five years Costs are also reviewed for impairment on the same basis as goodwill

***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 useful economic life of that asset as follows

| | |
|---|---|
| Network assets | 3 - 40 years |
| Other fixed assets | |
| - Freehold property | 50 years |
| - Leasehold property | period of lease |
| - Other | 3 - 10 years |

*Construction in progress*

Construction in progress comprising materials, consumables and direct labour relating to network construction has been included in tangible fixed assets and is stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value as follows

| | |
|---|---|
| Raw materials and consumables | - purchase cost |
| Work in progress | - cost of direct materials and labour |

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

*Capitalised overheads*

Overheads, including staff costs, relating to the design, construction and development of the network, capital projects, and related services have been capitalised Depreciation of capitalised overheads is provided on a straight-line basis over 15 years or life of the relevant assets

***Finance leases***

Where the company enters into a lease under which it takes substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease The asset is recorded in the Balance Sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies Future instalments payable under such leases, net of finance charges, are included within creditors Rentals payable under finance leases are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

***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

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

***Pensions***

The company contributes to the Virgin Media-sponsored group personal pension plans for eligible employees Contributions are charged to the Profit and Loss Account as they become payable in accordance with the rules of each of the plans

The company operates two defined benefit pension plans The plans are funded by the payment of contributions to separately administered trust funds and are closed to new entrants Contributions to these funds are charged to the Profit and Loss Account so as to spread the cost of pensions over the employees' working lives within the Virgin Media group

The assets of the defined benefit plan are measured at their market value at the balance sheet date and the liabilities of the plan are measured using the projected unit credit method The discount rate used to measure the plan's liability is the current rate of return on an AA rated corporate bond of equivalent term and currency to the liabilities The extent to which the plan's assets exceed or fall short of the plan's liabilities is shown as a surplus or deficit in the Balance Sheet

A credit for the expected return on the plan's assets and a charge for the increase during the period in the present value of the plan's liability because the benefits are one year closer to settlement, are included in the finance cost in the Profit and Loss Account Differences arising between the actual and expected returns on the plan's assets together with changes in the actuarial assumptions are included in the Statement of Total Recognised Gains and Losses

When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the plan membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using the current actuarial assumptions and the resultant gain or loss recognised in the Profit and Loss Account during the period in which the settlement or curtailment occurs

***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 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 when 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

## 1. Accounting policies *(continued)*

***Foreign currencies***
Transactions in really foreign currencies are recorded at the rate ruling at the date of the transaction Monetary assets and liabilities denominated in really 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

***Share-based payments***
The company has no share-based compensation plans Certain of the company's employees participate in the Virgin Media Inc Stock Incentive Plan, which is described in Virgin Media Inc 's Annual Report and summarised in note 18 below

Certain employees of the company receive an element of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award The fair value of share options is determined using the Black-Scholes option pricing model The cumulative expense recognised for equity settled transactions at each reporting date reflects the extent to which the vesting period has expired and management's estimate of the number of awards that will ultimately vest No expense is recognised for awards that do not ultimately vest

To the extent that the expense for share-based payments is recharged by the ultimate parent company which issues the shares, no expense is separately identifiable in reserves as it is included within inter-company debt

***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

***Creditor payment policy***
The company's policy concerning the payment of trade creditors is to agree the terms of payment with suppliers when negotiating the terms and conditions of each transaction Creditors are paid in accordance with the company's contractual and other legal obligations Trade creditors, at the year-end, represented 43 days (2006 - 49 days) of purchases

***Employee benefits***
When an employee has rendered services to the company during an accounting period, short-term benefits expected to be paid in exchange for those services are recognised in the same accounting period Cash based long-term incentives are accrued at fair value, recognising the movement in the accrual in the financial statements where the conditions and the plan extend beyond a year

## 1. Accountıng policies *(contınued)*

***Derıvative financial instruments and hedging***
The company uses derıvatıve financıal ınstruments ın the form of foreıgn currency forward contracts, to hedge ıts exposures to foreıgn exchange rate fluctuatıons The Vırgın Medıa group's polıcy ıs not to undertake any tradıng actıvıty ın financıal ınstruments

Derıvatıve financıal ınstruments are ınıtıally recognısed at faır value on the date on whıch the derıvatıve contract ıs entered ınto and are subsequently remeasured at faır value at each perıod end Derıvatıves are carrıed as assets when the faır value ıs posıtıve and as lıabılıtıes when the faır value ıs negatıve

The faır value of forward currency contracts ıs calculated by reference to current forward exchange rates for contracts wıth sımılar maturıty profiles The faır value of ınterest rate swap contracts ıs determıned by reference to market values for sımılar ınstruments

For those derıvatıves desıgnated as hedges and for whıch hedge accountıng ıs desıred, the hedgıng relatıonshıp ıs documented at ıts ınceptıon Thıs documentatıon ıdentıfies the hedgıng ınstrument, the hedged ıtem or transactıon, the rate of the rısk beıng hedged and how effectıveness wıll be measured throughout ıts duratıon Such hedges are expected at ınceptıon to be hıghly effectıve

For the purposes of hedge accountıng, hedges are classıfied as faır value hedges when they hedge the exposure to changes ın the faır value of a recognısed asset or lıabılıty, or cash flow hedges where they hedge exposure to the varıabılıty ın cash flows that ıs due to the rısk assocıated wıth a recognısed asset or lıabılıty or a forecast transactıon The company dıscontınues hedge accountıng ıf the hedgıng ınstrument expıres, ıs termınated, exercısed, no longer meets the crıterıa for hedge accountıng or the company revokes the desıgnatıon

*Faır value hedges whıch meet the condıtıons for hedge accountıng*

Any gaın or loss from remeasurıng the hedgıng ınstrument ıs recognısed ın the Profit and Loss Account and any gaın or loss on the ıtem that ıs beıng hedged ıs adjusted agaınst ıts carryıng amount ın the Balance Sheet and ıs also recognısed ın the Profit and Loss Account

*Cash flow hedges whıch meet the condıtıons for hedge accountıng*

The proportıon of the gaın or loss on the remeasurement of the hedgıng ınstrument that ıs deemed to be effectıve ıs recognısed ın equıty, through the Statement of Total Recognısed Gaıns and Losses, and ıneffectıve portıon ıs recognısed ın the Profit and Loss Account

*Derıvatıves whıch do not qualıfy for hedge accountıng*

Any gaıns or losses arısıng from changes ın faır value are taken to the Profit and Loss account

## 2. Other operating income

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Dividends from subsidiary undertakings | 59 | 887,196 |
| Gain on sale of investments in subsidiary undertakings | – | 107,731 |
| Release of impairment provision against amounts due from group and subsidiary undertakings | 376,376 | 2,182,258 |
| | 376,435 | 3,177,185 |

During the year ended 31 December 2006, investments in subsidiary undertakings were sold at market value to fellow group undertakings in the year, giving rise to a net gain on disposal of £107,731,000

The group's inter-company funding arrangements are managed centrally Recoverability of inter-company receivables is assessed annually The provision for non-recoverability may increase or decrease as a result of that review In addition the repayment of previously impaired balances by subsidiary undertakings can lead to a reduction in the provision During the year there was a reduction in the provision of £376,376,000 for the year ended 31 December 2007 (2006 – £2,182,258,000) The primary drivers for the change in the provisions are inter-company debt restructures and the third party valuation of the underlying assets in the Virgin Media group as at 31 December 2007

## 3. Operating profit

Operating profit is stated after charging/(crediting)

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Depreciation of owned fixed assets | 193,362 | 162,201 |
| Depreciation of assets held under finance lease agreements | 7,165 | 5,816 |
| Loss/(profit) on disposal of fixed assets | 39,454 | (387) |
| Auditor's remuneration | | |
| - as auditor | 56 | 41 |
| Operating lease costs | | |
| Plant and equipment | 51,322 | 42,181 |
| Land and buildings | 33,493 | 52,023 |
| | | |
| Net loss/(profit) on foreign currency translation | 27,743 | (39,911) |
| Costs allocated to Virgin Media group companies | (1,011,954) | (497,087) |
| Increase in Waste Electrical and Electronic Equipment provision | 33,792 | – |
| Increase in investment impairment provision | – | 119,040 |

## 3. Operating profit *(continued)*

The company is a principal employer of the Virgin Media group, and manages the majority of its working capital, finance leases, operating leases, commitments and construction in progress During 2007 the company saw an increase in the costs incurred on behalf of, and subsequently recharged to, fellow group undertakings from £497,087,000 in 2006 to £1,011,954,000 in 2007 This was predominantly due to a significant increase in the number of fellow group undertakings following the group's merger with Telewest in 2006 Where costs are incurred on behalf of other group companies, expenses are allocated by the company on a basis that, in the opinion of the directors, is reasonable

Auditor's remuneration disclosed above represents costs allocated to the company, although it pays all auditor's remuneration on behalf of the Virgin Media group 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 the Companies Act 1985, are made in the group accounts of Virgin Media Finance PLC on a consolidated basis

A review of impairment provisions against investments was performed as at 31 December 2007 and no increase in provision was considered necessary (2006 - increase in provision £119,040,000)

The impact of the WEEE directive represents the cost of establishing a provision for the retirement of equipment classified as Waste Electrical and Electronic Equipment (WEEE) The element expensed is the portion of depreciation that would have been charged up to 31 December 2007, had the cost of disposing of the equipment been capitalised at the date of purchase

## 4. Exceptional item

| | **2007** | 2006 |
|---|---|---|
| | **£000** | £000 |
| Reorganisation costs (note 17) | **3,976** | 11,380 |

Reorganisation costs mainly represent the company's allocation of redundancy and property exit costs resulting from the group's ongoing restructuring programme following the merger of the NTL group with the Telewest group

## 5. Staff costs

The average number of staff employed by the company during the financial year amounted to

| | 2007 Number | 2006 Number |
|---|---|---|
| Consumer | 7,308 | 5,712 |
| Business | 1,707 | 1,411 |
| Networks | 1,254 | 1,635 |
| Corporate & IT | 1,648 | 1,277 |
| | 11,917 | 10,035 |

The aggregate payroll costs of the above were

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Wages and salaries | 464,145 | 347,640 |
| Social security costs | 42,989 | 32,929 |
| Other pension costs | 25,440 | 15,631 |
| Equity-settled share-based payments | 11,763 | 14,018 |
| | 544,337 | 410,218 |

The analysis of other pension costs charged to operating profit is

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Defined contribution scheme | 13,603 | 13,172 |
| Defined benefit scheme – total operating charge | 2,188 | 2,459 |
| Defined benefit scheme – cost of transfer | 9,649 | – |
| | 25,440 | 15,631 |

Other pension costs are amounts charged to operating profit and do not include amounts credited to finance income (see note 7) and amounts recognised in the Statement of Recognised Gains and Losses

The company is one of the principal employers of the Virgin Media group Staff costs are allocated to other group companies as described in note 3

## 6. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Emoluments receivable | 538 | 514 |
| Value of company pension contributions to money purchase schemes | 30 | 29 |
| | 568 | 543 |

## 6. Directors' emoluments *(continued)*

**Emoluments of highest paid director:**

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Total emoluments (excluding pension contributions) | 286 | 258 |
| Value of company pension contributions to money purchase schemes | 12 | 19 |
| | 298 | 277 |

The number of directors who accrued benefits under company pension schemes was as follows

| | 2007 | 2006 |
|---|---|---|
| | No | No |
| Money purchase schemes | 2 | 2 |
| Number of directors exercising share options in ultimate parent company | 1 | 1 |

## 7. Interest receivable and similar income

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Bank interest receivable | 8,928 | – |
| Interest on amounts owed by group undertakings | 188,665 | 184,565 |
| Gains on held-to-maturity investments | 122 | – |
| Net finance income in respect of defined benefit pension schemes | 2,679 | 1,456 |
| | 200,394 | 186,021 |

## 8. Interest payable and similar charges

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Finance charges | 5,639 | 4,290 |
| Other finance costs | 5,783 | 6,225 |
| Interest on amounts owed to group undertakings | 75,952 | 197,865 |
| | 87,374 | 208,380 |

## 9. Taxation

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

The tax charge is made up as follows

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| **Current tax charge:** | | |
| Current tax on profit for the year | - | - |
| **Deferred tax:** | | |
| Origination and reversal of timing differences | - | - |
| Total tax charge on profit on ordinary activities | - | - |

## 9. Taxation *(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% (2006 - 30%)

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

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Profit on ordinary activities before taxation | **439,043** | 3,126,166 |
| Profit on ordinary activities multiplied by the rate of tax | **131,713** | 937,850 |
| Expenses not deductible for tax purposes | **-** | (911,017) |
| Income not taxable | **(113,576)** | - |
| (Accelerated)/decelerated capital allowances | **(42,108)** | 44,431 |
| Utilisation of tax losses | **-** | (74,678) |
| Other short term timing differences | **23,971** | 3,414 |
| Total current tax (note 9(a)) | **-** | - |

### (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 no persuasive evidence that there will be suitable taxable profits against which these timing differences will reverse

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Tax losses | **7,969** | 12,663 |
| Depreciation in excess of capital allowances | **560,833** | 644,045 |
| Other timing differences | **48,069** | 25,832 |
| Defined benefit pension liability | **1,492** | 9,363 |
| | **618,363** | 691,903 |

The UK corporation tax rate will decrease from 30% to 28% from 1 April 2008 This rate change will affect the amount of the future cash tax payments to be made by the Virgin Media group The deferred tax asset has been adjusted in the current year to reflect this change

The reduction in the year in deferred tax assets not recognised includes the following amounts in respect of the change in the standard rate of corporation tax

| | £000 |
|---|---|
| Tax losses | (569) |
| Depreciation in excess of capital allowances | (40,059) |
| Other timing differences | (3,434) |
| Defined benefit pension liability | (107) |
| | (44,169) |

## 10. Intangible fixed assets

| | Goodwill £000 | Customer lists £000 | Total £000 |
|---|---|---|---|
| **Cost** | | | |
| **At 1 January 2007 and 31 December 2007** | **2,817,472** | **2,500** | **2,819,972** |
| **Amortisation** | | | |
| **At 1 January 2007 and 31 December 2007** | **(2,817,472)** | **(2,500)** | **(2,819,972)** |
| **Net book value** | | | |
| **At 31 December 2007** | **–** | **–** | **–** |
| At 31 December 2006 | – | – | – |

## 11. Tangible fixed assets

| | Network £000 | Construction in progress £000 | Other £000 | Total £000 |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2007 | **2,936,229** | **57,312** | **741,857** | **3,735,398** |
| Additions | **126,695** | **–** | **76,307** | **203,002** |
| Disposals | **(556,744)** | **–** | **(446,033)** | **(1,002,777)** |
| Transfers | **20,015** | **(20,015)** | **–** | **–** |
| **At 31 December 2007** | **2,526,195** | **37,297** | **372,131** | **2,935,623** |
| **Depreciation** | | | | |
| At 1 January 2007 | **1,876,328** | **–** | **573,052** | **2,449,380** |
| Charge for the year | **136,176** | **–** | **64,351** | **200,527** |
| On disposals | **(526,233)** | **–** | **(434,373)** | **(960,606)** |
| **At 31 December 2007** | **1,486,271** | **–** | **203,030** | **1,689,301** |
| **Net book value** | | | | |
| **At 31 December 2007** | **1,039,924** | **37,297** | **169,101** | **1,246,322** |
| At 31 December 2006 | 1,059,901 | 57,312 | 168,805 | 1,286,018 |

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

| | **2007 £000** | 2006 £000 |
|---|---|---|
| Freehold | 20,101 | 20,893 |
| Short leasehold | 18,608 | 28,274 |
| | 38,709 | 29,167 |

## 11. Tangible fixed assets *(continued)*

### Finance lease agreements

Included within the net book value of £1,246,322,000 is £21,000,000 (2006 - £32,400,000) relating to assets held under finance lease agreements The depreciation charged to the financial statements in the year in respect of such assets amounted to £7,165,000 (2006 - £5,816,000)

## 12. Investments

| | Subsidiary undertakings |
|---|---|
| | **£000** |
| **Cost** | |
| At 1 January 2007 and 31 December 2007 | 10,216,457 |
| **Value impaired** | |
| At 1 January 2007 and 31 December 2007 | 10,203,449 |
| **Net book value** | |
| **At 31 December 2007** | 13,008 |
| At 31 December 2006 | 13,008 |

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 of Virgin Media Finance PLC (see note 31)

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 as follows All are registered in England and Wales unless otherwise noted

***Direct subsidiaries***

| *Name of Company* | *Holdings* | *Proportion Held* | *Nature of Business* |
|---|---|---|---|
| ***Limited companies - direct:*** | | | |
| DTELS Limited | Ordinary | 100% | Telecoms |
| ntl Rectangle Limited | Ordinary | 100% | Holding |
| Virgin Media Payments Limited | Ordinary | 100% | Collections |
| X-Tant Limited | Ordinary | 100% | Telecoms |
| ***Limited liability corporation incorporated in the USA:*** | | | |
| NTL (Triangle) LLC | Common Stock | 100% | Holding |

## 12. Investments *(continued)*

***Indirect subsidiaries***

| *Name of Company* | *Holdings* | *Proportion Held* | *Nature of Business* |
|---|---|---|---|
| ***Limited companies:*** | | | |
| ntl Cambridge Limited | Ordinary | 100% # | Telecoms |
| ntl Irish Holdings Limited | Ordinary | 100% # | Telecoms |
| ntl (CWC) Limited | Ordinary | 100% # | Holding |
| ntl (B) Limited | Ordinary | 100% # | Holding |
| ntl (V) Limited | Ordinary | 100% # | Holding |
| ntl Communications Services Limited | Ordinary | 100% # | Telecoms |
| ntl CableComms Limited | Ordinary | 100% # | Telecoms |
| ntl (South Hertfordshire) Limited | Ordinary | 33 3% # | Telecoms |
| ntl (Aylesbury and Chiltern) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Broadland) Limited | Ordinary | 100% *# | Telecoms |
| ntl (County Durham) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Ealing) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Fenland) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Hampshire) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Harrogate) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Kent) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Leeds) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Norwich) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Peterborough) Limited | Ordinary | 100% *# | Telecoms |
| ntl (South East) Limited | Ordinary | 100% *# | Telecoms |
| ntl (South London) Limited | Ordinary | 100% *# | Telecoms |
| ntl (Wearside) Limited | Ordinary | 100% *# | Telecoms |
| ntl (West London) Limited | Ordinary | 100% *# | Telecoms |
| ntl (York) Limited | Ordinary | 100% *# | Telecoms |
| ***Unlimited companies:*** | | | |
| ntl CableComms Bolton | Ordinary | 100% # | Telecoms |
| ntl CableComms Bromley | Ordinary | 100% # | Telecoms |
| ntl CableComms Bury and Rochdale | Ordinary | 100% # | Telecoms |
| ntl CableComms Cheshire | Ordinary | 100% # | Telecoms |
| ntl CableComms Derby | Ordinary | 100% # | Telecoms |
| ntl CableComms Greater Manchester | Ordinary | 100% # | Telecoms |
| ntl CableComms Macclesfield | Ordinary | 100% # | Telecoms |
| ntl CableComms Oldham and Tameside | Ordinary | 100% # | Telecoms |
| ntl CableComms Solent | Ordinary | 100% # | Telecoms |
| ntl CableComms Staffordshire | Ordinary | 100% # | Telecoms |
| ntl CableComms Stockport | Ordinary | 100% # | Telecoms |
| ntl CableComms Surrey | Ordinary | 100% # | Telecoms |
| ntl CableComms Sussex | Ordinary | 100% # | Telecoms |
| ntl CableComms Wessex | Ordinary | 100% # | Telecoms |
| ntl CableComms Wirral | Ordinary | 100% # | Telecoms |
| ntl Wirral Telephone and Cable TV Company | Ordinary | 100% # | Telecoms |

* wholly owned trading companies which will become dormant following the transfer of their business operations, assets and liabilities to a fellow wholly-owned group undertaking as part of a group reorganisation on 31 December 2007

# held by subsidiary undertaking

## 12. Investments *(continued)*

*Indirect subsidiaries (continued)*

| Name of Company | Holdings | Proportion Held | Nature of Business |
|---|---|---|---|
| ***Limited companies incorporated in the Cayman Islands :*** | | | |
| Virgin Media BV Limited | Ordinary | 100% # | Telecoms |

# held by subsidiary undertaking

## 13. Debtors

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Trade debtors | **198,806** | 127,894 |
| Amounts owed by group undertakings | **3,211,003** | 2,066,284 |
| Other debtors | **33,157** | 37,409 |
| Prepayments and accrued income | **574,483** | 86,980 |
| | **4,017,449** | 2,318,567 |

The analysis of amounts owed by group undertakings is

| | 2007 £000 | 2006 £000 |
|---|---|---|
| Loan notes due from parent undertakings | **222,221** | 222,221 |
| Loan notes due from fellow group undertakings | **187,381** | 188,043 |
| Loan notes due from subsidiary undertakings | **1,589,835** | 1,250,677 |
| Amounts owed by fellow group undertakings | **1,084,143** | 347,968 |
| Interest on loan notes | **127,423** | 57,375 |
| | **3,211,003** | 2,066,284 |

Loan notes due from subsidiary undertakings are stated after deducting an impairment provision of £268,204,000 (2006 - £610,361,000) Amounts owed by fellow group undertakings are stated after deducting an impairment provision of £762,796,000 (2006 - £797,015,000)

Amounts owed by group undertakings are unsecured and repayable on demand but are not expected to be recovered in full within one year The rates of interest on the loan notes due from parent, fellow group and subsidiary undertakings ranged from 6 58% to 10 37% (2006 - 5 59% to 10 50%) Amounts owed by fellow group undertakings are interest free Other debtors of £33,157,000 (2006 - £37,409,000) are also not expected to be recovered in full within one year

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

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Overdrafts | 295,472 | – |
| Trade creditors | 111,945 | 140,353 |
| Derivative financial instruments | – | 123 |
| Other taxation and social security | 29,381 | 16,151 |
| Finance lease agreements (note 16) | 8,578 | 3,350 |
| Accruals and deferred income | 415,075 | 319,235 |
| | 860,451 | 479,212 |

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

## 15. Creditors Amounts falling due after more than one year

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Amounts owed to group undertakings | 5,833,282 | 5,031,249 |
| Finance lease agreements (note 16) | 53,972 | 45,944 |
| Other creditors | 50,433 | 48,098 |
| | 5,937,687 | 5,125,291 |

The analysis of amounts owed to group undertakings is

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Loan notes due to parent undertakings | 773,857 | 686,186 |
| Loan notes due to fellow group undertakings | 2,853 | 86,453 |
| Loan notes due to subsidiary undertakings | 277,085 | 246,680 |
| Amounts owed to fellow group undertakings | 4,733,262 | 3,998,988 |
| Interest on loan notes | 46,225 | 12,942 |
| | 5,833,282 | 5,031,249 |

Amounts owed to group undertakings are unsecured and repayable on demand but are not expected to be repaid within five years The rates of interest on the loan notes due to parent, fellow group and subsidiary undertakings ranged from 2 90% to 10 37% (2006 - 1 50% to 10 50%) Amounts owed to fellow group undertakings are interest free

Details of loans not wholly repayable within five years are as follows

| | 2007 | 2006 |
|---|---|---|
| | £'000 | £'000 |
| Loan notes due to parent undertakings | 773,857 | 686,186 |
| Loan notes due to fellow group undertakings | 2,853 | 86,453 |
| Loan notes due to subsidiary undertakings | 277,085 | 246,680 |
| Amounts owed to fellow group undertakings | 4,733,262 | 3,998,988 |
| | 5,787,057 | 5,018,307 |

## 16 Commitments under finance lease agreements

Future commitments under finance lease agreements are as follows

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Amounts payable within 1 year | 14,032 | 8,346 |
| Amounts payable between 2 to 5 years | 36,236 | 25,879 |
| Amounts payable after more than 5 years | 87,795 | 91,608 |
| | 138,063 | 125,833 |
| Less interest and finance charges relating to future periods | (75,513) | (76,539) |
| | 62,550 | 49,294 |
| Finance lease agreements are analysed as follows | | |
| Current obligations (note 14) | 8,578 | 3,350 |
| Non-current obligations (note 15) | 53,972 | 45,944 |
| | 62,550 | 49,294 |

## 17. Provisions for liabilities and charges

| | Restructuring provision | WEEE provision | Total |
|---|---|---|---|
| | £000 | £000 | £000 |
| Balance brought forward | 65,275 | - | 65,275 |
| Provided in the year (note 4) | 3,976 | 58,297 | 62,273 |
| Utilised in the year | (3,776) | (10,622) | (14,398) |
| Recharged to group companies | 23,605 | - | 23,605 |
| Amortisation of discount | 584 | 5,069 | 5,653 |
| Balance carried forward | 89,664 | 52,744 | 142,408 |

*Reorganisation*
The reorganisation provision mainly represents redundancy and property exit costs resulting from the group's ongoing restructuring programme following the merger of the NTL group with the Telewest group

*Waste Electrical & Electronic Equipment (WEEE)*
The provision for the asset retirement obligation in respect of waste electrical and electronic equipment is calculated based on the total equipment purchased, its expected useful economic life and the anticipated cost of disposal

## 18. Share-based payments

*Equıty-settled share-based payments*

The company ıs an ındırect, wholly-owned subsıdıary of Vırgın Medıa Inc Accordıngly, the company has no share-based compensatıon plans of ıts own although certaın of the company's employees partıcıpate ın the share-based compensatıon plan of Vırgın Medıa Inc , as summarısed below

*Share optıon plans*

The Vırgın Medıa Inc Stock Incentıve Plan ıs ıntended to encourage Vırgın Medıa Inc share ownershıp by employees, dırectors and ındependent contractors so that they may acquıre or ıncrease theır proprıetary ınterest ın the group, and to encourage such employees and ındependent contractors to remaın ın the group's employ or servıce and to put forth maxımum efforts for the success of the busıness To accomplısh such purposes, the plan provıdes that Vırgın Medıa Inc may grant ıncentıve share optıons, non-qualıfied share optıons, restrıcted shares, restrıcted share unıts and share awards

All optıons have a 10 year term and vest and become fully exercısable wıthın 5 years of contınued employment The company accounts for the plan under the faır value recognıtıon provısıons of Fınancıal Reportıng Standard 20 'Share-based Payment' (FRS 20)

The faır value for these optıons was estımated at the date of grant usıng the Black-Scholes optıon-prıcıng model wıth the followıng weıghted average assumptıons

| **Year ended 31 December** | **2007** | **2006** |
|---|---|---|
| Rısk-free Interest Rate | 4 52% | 4 83% |
| Expected Dıvıdend Yıeld | 0 94% | 0 00% |
| Expected Volatılıty | 29 04% | 27 85% |
| Expected Lıves | 4 6 years | 4 2 years |

The expected lıfe of the optıons ıs based on hıstorıcal data and ıs not necessarıly ındıcatıve of exercıse patterns that may occur The expected volatılıty reflects the assumptıon that the hıstorıcal realısed volatılıty of the ultımate parent company's share prıce, matched to the expected lıfe of the optıon, ıs ındıcatıve of future trends, whıch may not necessarıly be the actual outcome

## 18. Share-based payments *(continued)*

A summary of the actıvıty and related ınformatıon of the Vırgın Medıa Inc Stock Optıon Plans, pertaınıng to the employees for the year ended 31 December 2007 ıs as follows

| | 2007 Optıons | 2007 Weighted Average Exercıse Prıce | 2006 Optıons | 2006 Weıghted Average Exercıse Prıce |
|---|---|---|---|---|
| As at 1 January | 5,638,938 | $19.76 | 6,451,092 | $16 29 |
| Transferred ın | 3,389,964 | $19.76 | - | - |
| Granted | 3,043,842 | $24.46 | 1,902,875 | $25 18 |
| Exercısed | (3,112,582) | $11.12 | (1,180,878) | $10 35 |
| Expıred | (412,671) | $27.60 | (196,213) | $25 90 |
| Forfeıted | (1,553,002) | $24.46 | (1,337,938) | $18 15 |
| **Outstanding at end of year** | **6,994,489** | **$23.31** | 5,638,938 | $19 76 |
| **Exercisable at end of year** | **1,863,521** | **$22.36** | 2,069,199 | $13 69 |

The optıons exercısable at the year end had a weıghted average remaınıng contractual term of 7 6 years (2006 - 7 0 years) and the optıons outstandıng at the year end had a weıghted average remaınıng term of 8 4 years (2006 - 8 1 years)

The weıghted average share prıce at the date of exercıse for the optıons exercısed ın 2007 was $25 00 (2006 - $27 03) The weıghted average faır value of optıons granted durıng the year was $7 27 (2006 - $7 68) The range of exercıse prıces for optıons outstandıng at the year end was $0 01 to $28 59 (2006 - $0 01 to $28 64)

*Non-vested shares*

| | 2007 Optıons | 2007 Weıghted Average Exercıse Prıce | 2006 Optıons | 2006 Weıghted Average Exercıse Prıce |
|---|---|---|---|---|
| As at 1 January | 1,074,982 | $26 52 | 17,250 | $25 04 |
| Transferred ın | 100,000 | $26 52 | - | - |
| Granted | 128,150 | $24 76 | 1,108,150 | $26 54 |
| Vested | (346,057) | $26 63 | (44,391) | $26 58 |
| Forfeıted | (512,500) | $27 59 | (6,027) | $25 04 |
| **Outstanding at end of year** | 444,575 | $24 42 | 1,074,982 | $26 52 |

Non-vested shares are shares or optıons ıssued wıth certaın restrıctıons attached, whıch can be eıther servıce-based or performance related The faır value for these optıons was estımated at the date of grant usıng the Black-Scholes optıon-prıcıng model wıth the weıghted average assumptıons lısted above

At 31 December 2007, there was an estımated £0 8 mıllıon of total unrecognısed compensatıon costs (2006 - £9 1 mıllıon) related to non-vested share based compensatıon arrangements granted for whıch a measurement date has been establıshed The cost ıs expected to be recognısed over a weıghted average perıod of 0 7 years (2006 - 1 6 years)

The expense ıncluded ın the fınancıal statements of the company relatıng to the payment of stock-based compensatıon of certaın of ıts employees ıs £11,763,000 (2006 - £14,018,000)

## 19. Pensions and other post-retirement benefits

***Defined Contribution Plans***
The company contributes to the Virgin Media sponsored group personal pension plans for eligible employees Contributions are charged to the Profit and Loss Account as they become payable, in accordance with the rules of each of the plans Contributions to the defined contribution plans during the year were £13,603,000 (2006 - £13,172,000) The amount of outstanding contributions at 31 December 2007 included within creditors amounts falling due within one year were £1,735,000 (2006 - £958,000)

***Defined Benefit Plans***
The group operates two funded defined benefit pension plans and details are given below in accordance with Financial Reporting Standard 17 "Retirement Benefits" (FRS 17)

**ntl 1999 Pension Plan**
The company operates the ntl 1999 Pension Plan (the Plan), a funded defined benefit pension plan, which provides benefits based on final pensionable pay, with contributions being charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company The Plan is closed to new entrants The assets of the Plan are held separately from the company in an independently administered trust fund The contributions are determined based on the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method

The ntl Glasgow Plan and the ntl Business Plan merged into the ntl 1999 Pension Plan on 31 May 2007 This has been shown as a past service cost in the accounts below

The last actuarial valuation of the Plan as at 31 December 2005 was updated to 31 December 2007 by a qualified actuary, using a set of assumptions consistent with those required under FRS17 The major assumptions used by the actuary were

| | **2007** | **2006** | **2005** |
|---|---|---|---|
| | **%** | **%** | **%** |
| Rate of increase in salaries | **3.50** | 3 25 | – |
| Rate of increase in pensions in payment | **3.25** | 3 00 | – |
| Discount rate | **5.75** | 5 00 | – |
| Inflation assumption | **3.25** | 3 00 | – |

## 19. Pensions and other post-retirement benefits *(continued)*

### ntl 1999 Pension Plan *(continued)*

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus/(deficit) are

| | Long-term rate of return expected % | 2007 Value £000 | Long-term rate of return expected % | 2006 Value £000 | Long-term rate of return expected % | 2005 Value £000 |
|---|---|---|---|---|---|---|
| Equities | **8.25** | **43,657** | 8 25 | 16,697 | 8 00 | 14,670 |
| Government bonds | **4.50** | **6,982** | 4 50 | 3,467 | 4 25 | 3,465 |
| Corporate bonds | **5.75** | **933** | 5 00 | 81 | 4 75 | 103 |
| Cash and others | **5.50** | **1,944** | 5 00 | 421 | 4 50 | 85 |
| Total market value of assets | | **53,516** | | 20,666 | | 18,323 |
| Present value of scheme liabilities | | **(58,495)** | | (29,049) | | (29,201) |
| Deficit in plan and net pension liability | | **(4,979)** | | (8,383) | | (10,878) |

No deferred tax asset has been recognised as there is currently no persuasive evidence that there will be suitable taxable profits against which these timing differences will reverse

A history of experience gains and losses is shown below

| | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|---|---|---|---|---|
| Difference between the expected and actual return on scheme assets | | | | | |
| - Amount (£000) | **(1,118)** | 715 | 1,789 | 136 | 927 |
| - Percentage of scheme assets | (2 1%) | 3 5% | 9 8% | 1 0% | 7 9% |
| Experience losses on scheme liabilities | | | | | |
| - Amount (£000) | **(5)** | 1,100 | (95) | - | 2,600 |
| - Percentage of the present value of scheme liabilities | (0 0%) | 3 8% | (0 3%) | - | 15 1% |
| Total amount recognised in statement of total recognised gains and losses | | | | | |
| - Amount (£000) | **6,320** | 3,153 | (4,479) | (1,385) | 2,348 |
| - Percentage of the present value of scheme liabilities | 10 8% | 10 9% | (15 3%) | (6 6%) | 13 6% |

**19. Pensions and other post-retirement benefits** *(continued)*

**NTL Pension Plan**

The company operates the NTL Pension Plan (the Plan), a funded defined benefit pension plan, which provides benefits based on final pensionable pay, with contributions being charged to the Profit and Loss Account so as to spread the cost of pensions over employees' working lives with the company The Plan is closed to new entrants The assets of the Plan are held separately from the company in an independently administered trust fund The contributions are determined based on the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method

The last actuarial valuation of the Plan as at 31 December 2005 was updated to 31 December 2007 by a qualified actuary, using a set of assumptions consistent with those required under FRS17 The major assumptions used by the actuary were

| | 2007 % | 2006 % | 2005 % |
|---|---|---|---|
| Rate of increase in salaries | **3.50** | 3 25 | 3 25 |
| Rate of increase in pensions in payment | **3.25** | 3 00 | 3 00 |
| Discount rate | **5.75** | 5 00 | 4 75 |
| Inflation assumption | **3.25** | 3 00 | 3 00 |

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus/(deficit) are

| | 2007 | | 2006 | | 2005 | |
|---|---|---|---|---|---|---|
| | Long-term rate of return expected % | Value £000 | Long-term rate of return expected % | Value £000 | Long-term rate of return expected % | Value £000 |
| Equities | **8.25** | **118,042** | 8 25 | 117,201 | 8 00 | 107,796 |
| Property | **7.75** | **6,596** | 7 75 | 6,892 | 7 50 | 5,443 |
| Government bonds | **4.50** | **95,950** | 4 50 | 89,767 | 4 25 | 83,920 |
| Corporate bonds | **5.75** | **34,855** | 5 00 | 34,264 | 4 75 | 34,704 |
| Cash and others | **5.50** | **9,594** | 5 00 | 7,297 | 4 50 | 17,223 |
| Total market value of assets | | **265,037** | | 255,421 | | 249,086 |
| Present value of scheme liabilities | | **(265,387)** | | (278,249) | | (271,706) |
| Deficit in plan and net pension liability | | **(350)** | | (22,828) | | (22,620) |

No deferred tax asset has been recognised as there is currently no persuasive evidence that there will be suitable taxable profits against which these timing differences will reverse

## 19. Pensions and other post-retirement benefits *(continued)*
### NTL Pension Plan *(continued)*

A history of experience gains and losses is shown below

| | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|---|---|---|---|---|
| Difference between the expected and actual return on scheme assets | | | | | |
| - Amount (£000) | **(4,916)** | (818) | 20,247 | 5,252 | 11,793 |
| - Percentage of scheme assets | (1 9%) | (0 3%) | 8 1% | 3 2% | 8 4% |
| Experience losses on scheme liabilities | | | | | |
| - Amount (£000) | **(145)** | (3,286) | (7,864) | 169 | (10,805) |
| - Percentage of the present value of scheme liabilities | (0 1%) | (1 2%) | (2 9%) | – | (5 0%) |
| Total amount recognised in statement of total recognised gains and losses | | | | | |
| - Amount (£000) | **12,215** | (730) | (12,571) | (4,405) | (2,716) |
| - Percentage of the present value of scheme liabilities | 4 6% | (0 3%) | (4 6%) | (1 9%) | (1 3%) |

An analysis of the defined benefit cost for both plans follows

*Analysis of the amount charged to operating profit*

| 2007 | ntl 1999 | NTL | Total |
|---|---|---|---|
| | £000s | £000s | £000s |
| Current service cost | 1,326 | 613 | 1,939 |
| Past service cost (ntl Business) | 8,858 | - | 8,858 |
| Past service cost (ntl Glasgow) | 791 | - | 791 |
| Loss on settlements and curtailments | - | 249 | 249 |
| Total operating charge (note 6) | 10,975 | 862 | 11,837 |

| 2006 | ntl 1999 | NTL | Total |
|---|---|---|---|
| | £000s | £000s | £000s |
| Current service cost | 698 | 715 | 1,413 |
| Loss on settlements and curtailments | - | 1,046 | 1,046 |
| Total operating charge (note 6) | 698 | 1,761 | 2,459 |

**19. Pensions and other post-retirement benefits** *(continued)*
Analysis of the defined benefit cost for both plans (continued)

*Analysis of the amount credited to net finance income*

| 2007 | ntl 1999 £000s | NTL £000s | Total £000s |
|---|---|---|---|
| Expected return on pension plan assets | 2,537 | 16,253 | 18,790 |
| Interest on pension plan liabilities | (2,432) | (13,679) | (16,111) |
| Other finance income | 105 | 2,574 | 2,679 |

| 2006 | ntl 1999 £000s | NTL £000s | Total £000s |
|---|---|---|---|
| Expected return on pension plan assets | 1,136 | 14,492 | 15,628 |
| Interest on pension plan liabilities | (1,410) | (12,762) | (14,172) |
| Other finance (cost)/income | (274) | 1,730 | 1,456 |

*Analysis of the amount recognised in the Statement of Total Recognised Gains and Losses*

| **2007** | ntl 1999 £000s | NTL £000s | Total £000s |
|---|---|---|---|
| Actual return less expected return on pension plan assets | (1,118) | (4,916) | (6,034) |
| Experience loss arising on pension plan liabilities | (5) | (145) | (150) |
| Changes in assumptions underlying the present value of the plan liabilities | 7,443 | 17,276 | 24,719 |
| Actuarial gain/(loss) recognised in STRGL | 6,320 | 12,215 | 18,535 |

| **2006** | ntl 1999 £000s | NTL £000s | Total £000s |
|---|---|---|---|
| Actual return less expected return on pension plan assets | 715 | (818) | (103) |
| Experience gain/(loss) arising on pension plan liabilities | 1,100 | (3,286) | (2,186) |
| Changes in assumptions underlying the present value of the plan liabilities | 1,338 | 3,374 | 4,712 |
| Actuarial gain/(loss) recognised in STRGL | 3,153 | (730) | 2,423 |

## 19. Pensions and other post-retirement benefits *(continued)*

An analysis of the movements in deficits during the year is shown below

*Movements in Plan deficits during the year*

| **2007** | **ntl 1999** | **NTL** | **Total** |
|---|---|---|---|
| | **£000s** | **£000s** | **£000s** |
| Deficit at start of year | (8,383) | (22,828) | (31,211) |
| Movement | | | |
| Current service cost | (1,326) | (613) | (1,939) |
| Curtailment loss | - | (249) | (249) |
| Contributions | 7,954 | 8,551 | 16,505 |
| Other finance income | 105 | 2,574 | 2,679 |
| Transfer of deficit from ntl Business | (8,858) | - | (8,858) |
| Transfer of deficit from ntl Glasgow | (791) | - | (791) |
| Actuarial gain | 6,320 | 12,215 | 18,535 |
| Deficit at end of year | (4,979) | (350) | (5,329) |

| **2006** | **ntl 1999** | **NTL** | **Total** |
|---|---|---|---|
| | **£000s** | **£000s** | **£000s** |
| Deficit at start of year | (10,878) | (22,620) | (33,498) |
| Movement | | | |
| Current service cost | (698) | (715) | (1,413) |
| Curtailment loss | - | (1,046) | (1,046) |
| Contributions | 314 | 553 | 867 |
| Other finance income | (274) | 1,730 | 1,456 |
| Actuarial gain/(loss)loss | 3,153 | (730) | 2,423 |
| Deficit at end of year | (8,383) | (22,828) | (31,211) |

## 20. Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

| | **2007** | | 2006 | |
|---|---|---|---|---|
| | **Land & buildings £000** | **Plant & equipment £000** | Land & buildings £000 | Plant & equipment £000 |
| Operating leases which expire | | | | |
| Within 1 year | **1,604** | **10,265** | 1,406 | 3,818 |
| Within 2 to 5 years | **1,787** | **2,188** | 2,489 | 2,817 |
| After more than 5 years | **26,978** | **4,631** | 25,824 | 5,991 |
| | **30,369** | **17,084** | 29,719 | 12,626 |

## 21. 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 2007, the maximum contingent liability represented by outstanding borrowings by these companies amounted to approximately £4,905 million (2006 - £5,125 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

## 22. 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

## 23. Share capital

**Authorised share capital:**

| | **2007** | 2006 |
|---|---|---|
| | **£000** | £000 |
| 5,378,375 Ordinary shares of £0 01 each | **54** | 54 |
| 5,243,153 Ordinary shares of US$0 20 each | **682** | 682 |
| | **736** | 736 |

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

| | **2007** | | 2006 | |
|---|---|---|---|---|
| | **No** | **£000** | No | £000 |
| Ordinary shares of £0 01 each | **5,179,802** | **52** | 5,179,802 | 52 |
| Ordinary shares US$0 20 each | **5,179,680** | **674** | 5,179,680 | 674 |
| | **10,359,482** | **726** | 10,359,482 | 726 |

The £0 01 shares and the US$0 20 shares constitute one class of shares and rank pari passu in all respects

## 24. Share premium account

| | **2007** | 2006 |
|---|---|---|
| | **£000** | £000 |
| Share premium account | **12,214,200** | 12,214,200 |

## 25. Hedging reserve

| | **2007** | 2006 |
|---|---|---|
| | **£000** | £000 |
| Balance brought forward | **(73)** | – |
| Decrease in fair value of cashflow hedges | **(47)** | (73) |
| Cashflow hedge gains transferred to profit and loss | **120** | – |
| Balance carried forward | **–** | (73) |

## 26 Share options reserve

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Balance brought forward | 14,018 | – |
| Recognition of equity-settled share-based payments in the year | – | 14,018 |
| Balance carried forward | 14,018 | 14,018 |

## 27. Other reserves

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Other reserves | 11 | 11 |

## 28. Profit and loss account

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Balance brought forward | (14,301,682) | (17,430,271) |
| Profit for the financial year | 439,043 | 3,126,166 |
| Defined pension benefit scheme | 18,535 | 2,423 |
| Balance carried forward | (13,844,104) | (14,301,682) |

## 29. Reconciliation of movements in deficit

| | 2007 | 2006 |
|---|---|---|
| | £000 | £000 |
| Profit for the financial year | 439,043 | 3,126,166 |
| Actuarial gains on pension plans | 18,535 | 2,423 |
| Recognition of equity-settled share-based payments in the year | – | 14,018 |
| Decrease in fair value of cash flow hedges | (47) | (73) |
| Cash flow hedge gains transferred to profit and loss | 120 | – |
| Net reduction in deficit | 457,651 | 3,142,534 |
| Opening deficit | (2,072,800) | (5,215,334) |
| Closing deficit | (1,615,149) | (2,072,800) |

## 30. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £81,043,000 (2006 - £57,199,000)

In the ordinary course of its business, the company contracts on behalf of fellow group undertakings and subsidiaries, therefore the above amounts include commitments entered into on behalf of these companies

## 31. Parent undertaking and controlling party

The company's immediate parent undertaking is Virgin Media Investment Holdings Limited Virgin Media Investment Holdings Limited changed its name from ntl Investment Holdings Limited on 16 February 2007

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 2007 was Virgin Media Inc , a company incorporated in the state of Delaware, United States of America Virgin Media Inc changed its name from NTL Incorporated 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