

COMPANY REGISTRATION NUMBER 2670603

Cambridge Holding Company Limited

Financial Statements

31 December 2007

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Cambridge Holding Company Limited

Financial Statements

Year ended 31 December 2007

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Cambridge Holding Company Limited

Company Information

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

Cambridge Holding Company 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 activities

The company's principal activity was, and will continue to be, to act as an investment holding company for some of the interests in cable franchises in the UK of the Virgin Media Group

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.

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 £nil (2006 - profit of £nil). The directors have not recommended an ordinary dividend (2006 - £nil).

Cambridge Holding Company Limited

The Directors' Report *(continued)*

Year ended 31 December 2007

Directors

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

Virgin Media Directors Limited
Virgin Media Secretaries Limited

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

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

Disclosure of information to the auditor

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

Auditor

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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors



R M Mackenzie
For and on behalf of Virgin Media Secretaries Limited

Approved by the directors on 15 September 2008

Cambridge Holding Company Limited

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.

Cambridge Holding Company Limited

Independent Auditor's Report to the Member of Cambridge Holding Company 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 13. 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.

Cambridge Holding Company Limited

Independent Auditor's Report to the Member of Cambridge Holding Company 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 result 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

15 September 2008

Cambridge Holding Company Limited

Profit and Loss Account

Year ended 31 December 2007

	Note	2007 £000	2006 £000
Interest receivable	4	1,069	1,069
Interest payable and similar charges	5	(1,069)	(1,069)
Profit on ordinary activities before taxation		—	—
Tax on profit on ordinary activities		—	—
Profit for the financial year	12	—	—

All of the activities of the company are classed as continuing

Statement of Total Recognised Gains and Losses

There are no recognised gains or losses other than the profit of £nil attributable to the shareholder for the year ended 31 December 2007 (2006 - profit of £nil)

The notes on pages 9 to 13 form part of these financial statements.

Cambridge Holding Company Limited

Balance Sheet

31 December 2007

	Note	2007 £000	2006 £000
Fixed assets			
Investments	6	—	—
Current assets			
Debtors	7	219,435	219,438
Net current assets		219,435	219,438
Total assets less current liabilities		219,435	219,438
Creditors: Amounts falling due after more than one year	8	(384,267)	(384,270)
		<u>(164,832)</u>	<u>(164,832)</u>
Capital and reserves			
Share capital	11	—	—
Share premium account	12	35,096	35,096
Capital contribution	12	60,069	60,069
Profit and loss account	12	(259,997)	(259,997)
Deficit	12	<u>(164,832)</u>	<u>(164,832)</u>

These financial statements were approved by the directors on 15 September 2008 and are signed on their behalf by



R C Gale
For and on behalf of Virgin Media Directors Limited

The notes on pages 9 to 13 form part of these financial statements.

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2007

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 accounts 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 13) These financial statements therefore present information about the company as an individual undertaking and not about its group

Investments

Investments are recorded at cost, less any provision for impairment

Cash flow statement

The company has taken advantage of the exemption under FRS 1 (revised) not to prepare a cash flow statement as it is a subsidiary which is at least 90% controlled by the ultimate parent undertaking (see note 13)

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

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2007

2. Auditor's and directors' remuneration

Auditor's remuneration of £1,000 (2006 - £1,000) represents costs attributed to the company by the fellow group undertaking that 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.

The company has corporate directors which receive no remuneration.

3. Staff costs

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

4. Interest receivable

	2007	2006
	£000	£000
Interest on loan notes due from subsidiary undertakings	<u>1,069</u>	<u>1,069</u>

5. Interest payable and similar charges

	2007	2006
	£000	£000
Interest on loan notes due to parent undertaking	<u>1,069</u>	<u>1,069</u>

6. Investments

	Subsidiary undertakings
	£000
Cost	
At 1 January 2007 and 31 December 2007	<u>96,865</u>
Value impaired	
At 1 January 2007 and 31 December 2007	<u>96,865</u>
Net book value	
At 31 December 2007	<u>-</u>
At 31 December 2006	<u>-</u>

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2007

6. Investments (continued)

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

<i>Name of Company</i>	<i>Country of Incorporation</i>	<i>Holdings</i>	<i>Proportion held</i>	<i>Nature of Business</i>
ntl Cambridge Limited	UK	Ordinary	100%	Telecoms

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 13)

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

7. Debtors

	2007 £000	2006 £000
Amounts owed by group undertakings	<u>219,435</u>	<u>219,438</u>

The analysis of amounts owed by group undertakings is

	2007 £000	2006 £000
Loan notes due from subsidiary undertakings	10,964	10,964
Amounts owed by group undertakings	208,248	208,248
Interest on loan notes	223	226
	<u>219,435</u>	<u>219,438</u>

Loan notes due from subsidiary undertakings are repayable on demand but are not expected to be recovered in full within one year. The rate of interest on the loan notes due from subsidiary undertakings was 9.75% (2006 - 9.75%)

Amounts owed by group undertakings are interest free and repayable on demand but are not expected to be recovered in full within one year

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2007

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

	2007	2006
	£000	£000
Amounts owed to group undertakings	<u>384,267</u>	<u>384,270</u>

The analysis of amounts owed to group undertakings is

	2007	2006
	£000	£000
Loan notes due to parent undertakings	10,965	10,965
Amounts owed to group undertakings	373,079	373,079
Interest on loan notes	223	226
	<u>384,267</u>	<u>384,270</u>

Loan notes due to parent undertakings are unsecured and repayable on demand but are not expected to be repaid within five years. The rate of interest on the notes was 9.75% (2006 - 9.75%)

Amounts owed to group undertakings are unsecured, interest free and repayable on demand but are not expected to be repaid within five years

9. 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.

10. 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.

11. Share capital

Authorised share capital:

	2007	2006
	£000	£000
1,000 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£000	No	£000
Ordinary shares of £1 each	<u>132</u>	<u>-</u>	<u>132</u>	<u>-</u>

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2007

12. Reconciliation of shareholder's funds and movement on reserves

	Share premium account £000	Capital contribution £000	Profit and loss account £000	Total share- holder's funds £000
At 1 January 2006	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>
At 31 December 2006 and 1 January 2007	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>
At 31 December 2007	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>

13 Parent undertaking and controlling party

The company's immediate parent undertaking is NTL (Triangle) LLC, a company incorporated in the state of Delaware, United States of America and registered in the United Kingdom

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