

COMPANY REGISTRATION NUMBER 2670603

Cambridge Holding Company Limited
Financial Statements
31 December 2008

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Cambridge Holding Company Limited

Financial Statements

Year ended 31 December 2008

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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 2008

The directors present their report and the financial statements of the company for the year ended 31 December 2008.

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. The Virgin Media group is a leading UK entertainment and communications business providing a "quad-play" offering of television, broadband, fixed line telephone and mobile telephone services.

At 31 December 2008, by customer numbers, the Virgin Media group was the UK's largest residential broadband provider and mobile virtual network provider and the second largest provider in the UK of pay television and fixed line telephone services by number of customers. The group owned and operated cable networks that passed approximately 12.6 million homes in the UK and at 31 December 2008 provided services to approximately 4.8 million cable customers on its network, approximately 56% of which were "triple-play" customers, receiving broadband, television and fixed line telephone services. In addition, at 31 December 2008 the Virgin Media group provided mobile telephone services to 2.7 million pre-pay customers and 0.6 million contract customers over third party networks.

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

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 Virgin1, Living and Bravo; and through UKTV, its joint ventures with BBC Worldwide.

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 the Virgin Media group further invested in its cable network with the deployment of the next generation of wideband cable broadband technology, which significantly increased both upstream and downstream transmissions speeds. This technology enables the Virgin Media group to offer high-speed broadband services of 50Mb and higher and provides a platform for incremental upgrades in line with consumer demand. The investment in the next generation broadband access technologies is the latest in a series of infrastructure investments to support entertainment services in the UK. In 2009, the group expects to complete the roll-out of wideband cable broadband technology, allowing 50Mb services to be made available to over 96% of its network.

Results and dividends

The result for the financial year amounted to £nil (2007 - result of £nil). The directors have not recommended an ordinary dividend (2007 - £nil).

Cambridge Holding Company Limited

The Directors' Report *(continued)*

Year ended 31 December 2008

Directors

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

Virgin Media Directors Limited
Virgin Media Secretaries Limited

Virgin Media Inc. has indemnified the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force as at the date of approving the directors' report.

Disclosure of information to the auditor

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

Auditor

Ernst & Young LLP 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 25 September 2009

Cambridge Holding Company Limited

Statement of Directors' Responsibilities

Year ended 31 December 2008

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 2008

We have audited the company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 15. 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 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 2008

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 2008 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

25 September 2009

Cambridge Holding Company Limited

Profit and Loss Account

Year ended 31 December 2008

	Note	2008 £000	2007 £000
Interest receivable	4	1,069	1,069
Interest payable and similar charges	5	(1,069)	(1,069)
Profit on ordinary activities before taxation		<u>—</u>	<u>—</u>
Tax on profit on ordinary activities		—	—
Profit for the financial year	14	<u>—</u>	<u>—</u>

All of the activities of the company are classed as continuing.

Statement of total recognised gains and losses

There are no recognised gains or losses other than the result of £nil attributable to the shareholder for the year ended 31 December 2008 (2007 - result of £nil).

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

Cambridge Holding Company Limited

Balance Sheet

31 December 2008

	Note	2008 £000	2007 £000
Fixed assets			
Investments	7	—	—
Current assets			
Debtors due within one year	8	223	223
Debtors due after one year	8	219,212	219,212
		<u>219,435</u>	<u>219,435</u>
Creditors: Amounts falling due within one year	9	<u>(223)</u>	<u>—</u>
Net current assets		<u>219,212</u>	<u>219,435</u>
Total assets less current liabilities		<u>219,212</u>	<u>219,435</u>
Creditors: Amounts falling due after more than one year	10	<u>(384,044)</u>	<u>(384,267)</u>
		<u>(164,832)</u>	<u>(164,832)</u>
Capital and reserves			
Share capital	13	—	—
Share premium account	14	35,096	35,096
Capital contribution	14	60,069	60,069
Profit and loss account	14	<u>(259,997)</u>	<u>(259,997)</u>
Deficit	14	<u>(164,832)</u>	<u>(164,832)</u>

These financial statements were approved by the directors on 25 September 2009 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 2008

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

Investments

Investments held as fixed assets are 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 15).

Trade and other debtors

Trade and other debtors are stated at their recoverable amount. Provision is made when the amount receivable is not considered recoverable and the full amount is written off when the probability for recovery of a balance is assessed as being remote.

2. Auditor's and directors' remuneration

Auditor's remuneration of £1,000 (2007 - £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

	2008	2007
	£000	£000
Interest on loan notes due from subsidiary undertakings	<u>1,069</u>	<u>1,069</u>

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2008

5. Interest payable and similar charges

	2008	2007
	£000	£000
Interest on loan notes due to parent undertaking	<u>1,069</u>	<u>1,069</u>

6. Taxation

(a) Analysis of charge in the year

There was no profit or loss on ordinary activities for the year (2007 - £nil).

(b) Factors affecting current tax charge

There are no factors which may affect the current tax charge.

(c) Factors that may affect future tax charges

There are no factors which may affect the future tax charge.

7. Investments

	Subsidiary undertakings
	£000
Cost	
At 1 January 2008 and 31 December 2008	<u>96,865</u>
Value impaired	
At 1 January 2008 and 31 December 2008	<u>96,865</u>
Net book value	
At 31 December 2008 and 31 December 2007	<u>-</u>

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 15).

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.

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2008

8. Debtors

	2008 £000	2007 £000
Amounts owed by group undertakings	<u>219,435</u>	<u>219,435</u>

The debtors above include the following amounts falling due after more than one year:

	2008 £000	2007 £000
Amounts owed by group undertakings	<u>219,212</u>	<u>219,212</u>

Amounts owed by group undertakings are:-

	2008 £000	2007 £000
Loan notes due from subsidiary undertakings	10,964	10,964
Amounts owed by group undertakings	208,248	208,248
Interest on loan notes	<u>223</u>	<u>223</u>
	<u>219,435</u>	<u>219,435</u>

Loans advanced to subsidiary undertakings are unsecured and 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 to subsidiary undertakings was 9.75% (2007 - 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.

The interest on loan notes is unsecured, interest free and repayable on demand.

9. Creditors: Amounts falling due within one year

	2008 £000	2007 £000
Amounts owed to group undertakings	<u>223</u>	<u>—</u>

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

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2008

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

	2008 £000	2007 £000
Amounts owed to group undertakings	<u>384,044</u>	<u>384,267</u>
The analysis of amounts owed to group undertakings is:		
	2008 £000	2007 £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
	<u>384,044</u>	<u>384,267</u>

Loan notes due to parent undertakings are unsecured and repayable on demand but are not expected to be repaid in full within one year. The rate of interest on the notes was 9.75% (2007 - 9.75%).

Amounts owed to group undertakings are unsecured, interest free and repayable on demand but are not expected to be repaid in full within one year.

11. Contingent liabilities

The company, along with fellow group undertakings, is party to a senior secured credit facility with a syndicate of banks under which it has guaranteed the amount outstanding, which as at 31 December 2008 amounted to approximately £4,289 million (2007 - £4,905 million). Borrowings under the facility are secured against the assets of certain members of the group including those of the company.

On 3 June 2009 and 21 July 2009 Virgin Media Finance PLC, a parent undertaking, issued 9.5% Senior Notes due in 2016. The proceeds of the issues, together with existing cash balances, were used to repay £1,012.1 million of the Virgin Media group's obligations under its senior credit facility.

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

12. 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.

Cambridge Holding Company Limited

Notes to the Financial Statements

Year ended 31 December 2008

13. Share capital

Authorised share capital:

	2008 £000	2007 £000
1,000 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

Allotted, called up and fully paid:

	2008 No	£000	2007 No	£000
Ordinary shares of £1 each	<u>132</u>	<u>-</u>	<u>132</u>	<u>-</u>

14. 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 2007	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>
At 31 December 2007 and 1 January 2008	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>
At 31 December 2008	<u>35,096</u>	<u>60,069</u>	<u>(259,997)</u>	<u>(164,832)</u>

15. 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 2008 was Virgin Media Inc., a company incorporated in the state of Delaware, United States of America.

Copies of all sets of group accounts which include the results of the company are available from the Secretary, Virgin Media, 160 Great Portland Street, London, W1W 5QA.