

Registered number: 03709869

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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NTL CABLECOMMS HOLDINGS NO.1 LIMITED

COMPANY INFORMATION

Directors	R D Dunn M O Hifzi
Company secretary	G E James
Registered number	03709869
Registered office	Bartley Wood Business Park Hook Hampshire RG27 9UP

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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NTL CABLECOMMS HOLDINGS NO.1 LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Principal activities and business review

On 1 July 2017, the company acquired the trade and assets of ntl CableComms Staffordshire, ntl CableComms Stockport, ntl CableComms Macclesfield, ntl CableComms Bury and Rochdale and ntl CableComms Oldham and Tameside. On 1 August 2017, the company acquired the trade and assets of ntl CableComms Cheshire. The company has accounted for the acquisition of trade and assets as a common control transfer at carry-over basis. Accordingly, the financial statements and related notes for the years ended 31 December 2017 and 31 December 2016 have been adjusted to give retrospective effect to these transactions accounted for under common control.

Following the acquisition of the trade and assets of the companies above the principal activity of the company was, and will continue to be, the provision of video, fixed-line telephony, broadband internet and other telecommunication services as well as running some of the telecommunication services over which they are provided.

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

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

The group provides video, broadband internet, fixed-line telephony and mobile services in the UK and Ireland to both residential and business-to-business (B2B) customers. The group is one of the largest providers of video, broadband internet and fixed-line telephony services in terms of the number of customers in the UK and Ireland. The group believes its advanced, deep-fibre cable access network enables it to offer faster and higher quality broadband services than its digital subscriber line, or DSL, competitors. As a result, it provides its customers with a leading, next-generation broadband service and one of the most advanced interactive television services available in the UK and Irish markets.

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

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

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

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

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

Principal risks and uncertainties

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

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

Key performance indicators (KPIs)

The company's key financial and other performance indicators for the year are considered below.

	2017 £000	Restated 2016 £000	Commentary
Turnover	146,261	139,772	Turnover has increased by 4.6%, primarily due to an increase in the number of telephony, video and broadband internet subscribers together with selective price increases.
Operating profit before exceptional items	28,175	30,242	Operating profit before exceptional items has decreased by 6.8%, primarily due to an increase in administrative expenses, partially offset by an increase in turnover

Selected statistics for residential cable customers served by the company at 31 December 2017 and 31 December 2016 are shown in the table below:

	2017	Restated 2016
Products:		
Video	166,900	161,400
Fixed-line telephony	191,000	189,100
Broadband internet	211,500	204,300
Total	569,400	554,800
Total customers	224,500	218,700
Products per customer	2.54	2.54

Each video, fixed-line telephone and broadband internet subscriber directly connected to the company's network counts as one product. Accordingly, a subscriber who receives both telephone and video services counts as two products. Products may include subscribers receiving some services for free or at a reduced rate in connection with promotional offers.

The company reported both a decrease in net current assets and net assets for the year ended 31 December 2017 as a result of normal operations. During the year, no new external finance was arranged and there was no movement in the called up equity share capital of the company. Operations were financed through the company's inter-company balances with fellow group undertakings.

Future outlook

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

This report was approved by the board on 4 September 2018 and signed on its behalf.


R D Dunn
Director

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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

Results and dividends

The loss for the year, after tax, amounted to £250,335,000 (2016 - profit £3,314,000).

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

Directors

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

R D Dunn
M O Hifzi

The directors of the company have been indemnified against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force for directors serving during the financial year and as at the date of approving the Directors' report.

Going concern

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

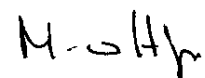
Audit exemption

Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2017, until they are satisfied in full. The guarantee is enforceable against Virgin Media Finance PLC by any person to whom the company is liable in respect of those liabilities. Since Virgin Media Finance PLC is the smallest group to which the company's accounts are consolidated, the company has taken advantage of the exemption from audit of its individual accounts for the year ended 31 December 2017 by virtue of section 479A of the Companies Act 2006.

Post balance sheet events

Subsequent to the year end the company acquired the trade and assets of ntl CableComms Derby, ntl CableComms Bolton, ntl CableComms Greater Manchester, ntl CableComms Wirral and ntl Wirral Telephone and Cable TV Company.

This report was approved by the board on 4 September 2018 and signed on its behalf.



M O Hifzi
Director

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

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

Under company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

	Note	2017 £000	Restated 2016 £000
Turnover		146,261	139,772
Cost of sales		(39,335)	(37,940)
Gross profit		106,926	101,832
Administrative expenses		(75,671)	(68,963)
Exceptional administrative (expenses)/income		(274,797)	1,918
Other operating charges		(3,080)	(2,627)
Operating (loss)/profit	5	(246,622)	32,160
Other interest receivable and similar income	7	23,408	611
Interest payable and similar charges	8	(20,527)	(24,017)
(Loss)/profit before tax		(243,741)	8,754
Tax on (loss)/profit	9	(6,594)	(5,440)
(Loss)/profit for the year		(250,335)	3,314

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

All results were derived from continuing operations

The notes on pages 8 to 22 form part of these financial statements

NTL CABLECOMMS HOLDINGS NO.1 LIMITED
REGISTERED NUMBER: 03709869

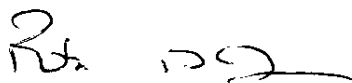
BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £000	Restated 2016 £000
Fixed assets			
Intangible assets	10	1,454	992
Tangible assets	11	123,749	105,698
Investments	12	230,140	521,671
		355,343	628,361
Current assets			
Debtors due after one year	13	31,856	38,450
Debtors due within one year	13	778,901	1,115,866
		810,757	1,154,316
Creditors: amounts falling due within one year	14	(552,697)	(362,208)
Net current assets		258,060	792,108
Total assets less current liabilities		613,403	1,420,469
Net assets		613,403	1,420,469
Capital and reserves			
Share capital	16	1,000,092	1,000,092
Share premium account	17	921,908	921,908
Capital contribution reserve	17	200,001	200,001
Profit and loss account	17	(1,508,598)	(701,532)
Shareholder's funds		613,403	1,420,469

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 September 2018.


R D Dunn
 Director

The notes on pages 8 to 22 form part of these financial statements

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

	Share capital	Share premium account	Capital contribution reserve	Profit and loss account	Shareholder's funds
	£000	£000	£000	£000	£000
At 1 January 2017 (restated)	1,000,092	921,908	200,001	(701,532)	1,420,469
Comprehensive income for the year					
Loss for the year	-	-	-	(250,335)	(250,335)
Total comprehensive income for the year	-	-	-	(250,335)	(250,335)
Common control acquisition	-	-	-	(556,731)	(556,731)
At 31 December 2017	1,000,092	921,908	200,001	(1,508,598)	613,403

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

	Share capital	Share premium account	Capital contribution reserve	Profit and loss account	Shareholder's funds
	£000	£000	£000	£000	£000
At 1 January 2016 (restated)	1,000,000	-	-	(704,846)	295,154
Comprehensive income for the year					
Profit for the year	-	-	-	3,314	3,314
Total comprehensive income for the year	-	-	-	3,314	3,314
Shares issued during the year	92	921,908	-	-	922,000
Capital contribution	-	-	200,001	-	200,001
At 31 December 2016 (restated)	1,000,092	921,908	200,001	(701,532)	1,420,469

The notes on pages 8 to 22 form part of these financial statements

Details of the common control acquisitions are set out in note 4.

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

1. Company information

ntl CableComms Holdings No.1 Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 03709869 and the registered office is Bartley Wood Business Park, Hook, Hampshire, RG27 9UP.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

2. Accounting policies

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

2.1 Basis of accounting

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

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

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

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

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

2.2 Business combinations under common control

Business combinations between entities that are under common control are accounted for at book value. The assets and liabilities acquired or transferred are recognised or derecognised at the carrying amounts previously recognised in the acquired entities' financial statements. Any gain or loss arising is recognised directly in reserves. Where a company is acquired the components of capital and reserves of the acquired entity are added to the same components within the company's capital and reserves. Prior period information is retrospectively revised to give effect to transactions accounted for under common control.

2.3 Turnover

Turnover represents the value of services provided, stated net of value added tax and discounts, and is attributable to continuing activities, being the provision of video, fixed-line telephony, broadband internet and other telecommunication services and to run certain telecommunication systems over which they are provided. All turnover is derived from operations in the United Kingdom and is recognised as the services are provided to customers. The directors consider this to be a single class of business.

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

2. Accounting policies (continued)

2.4 Intangible fixed assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Separately identifiable intangible assets such as IT software are amortised over their useful economic lives, up to a maximum of five years, on a straight line basis.

2.5 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 on a straight line basis over the expected useful economic life of that asset as follows:

Network assets	3 - 30 years
Other fixed assets	
- Freehold property	30 years
- Leasehold property	Period of lease
- Other	3 - 12 years

No depreciation is provided on freehold land

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. The useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Network assets includes construction in progress which is not depreciated and comprises of materials, consumables and direct labour relating to network construction and is stated at the cost incurred in bringing each product to its present location and condition, as follows:

- Raw materials and consumables	Purchase cost
- Work in progress	Cost of direct materials and labour

Labour costs relating to the design, construction and development of the network, capital projects, and related services are capitalised and depreciated on a straight-line basis over the life of the relevant assets.

2.6 Investments

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

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

2. Accounting policies (continued)

2.7 Deferred tax

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

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

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

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

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

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

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

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

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

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

2.8 Trade and other debtors

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

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

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

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

Carrying value of investments

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

Recoverability of intercompany debtors

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

Property, plant and equipment

Depreciation is provided on all property, plant and equipment, other than freehold land, on a straight-line basis at rates calculated to write off the cost of each asset over the shorter of its leasing period or estimated useful life. The estimation of an asset's useful economic life has a significant effect on the annual depreciation charge.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses and allowances to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

4. Common control transfer and acquisition

On 1 July 2017, the company acquired the trade and assets of ntl CableComms Staffordshire, ntl CableComms Stockport, ntl CableComms Macclesfield, ntl CableComms Bury & Rochdale and ntl CableComms Oldham & Tameside. On 1 August 2017, the company acquired the trade and assets of ntl Cablecomms Cheshire. The company has accounted for these acquisitions of trade and assets as a common control transfer at carry-over basis. The total consideration paid was £556,731,000 for the trade and assets with a book value of £275,905,000. Accordingly, the financial statements and related notes for the years ended 31 December 2016 and 31 December 2017 have been adjusted to give retrospective effect to a transaction accounted for under common control.

The following tables set out the retrospective effects of the common control transfer on the company's 31 December 2016 balance sheet and profit and loss account

	As previously stated 31 December 2016 £000	Common control adjustments £000	As restated 31 December 2016 £000
Fixed assets	521,670	106,691	628,361
Current assets	447,972	706,344	1,154,316
Creditors: amounts falling due within one year	(422,229)	60,021	(362,208)
Net current assets	25,743	766,365	792,108
Net assets	547,413	873,056	1,420,469
Capital and reserves	547,413	873,056	1,420,469

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

	As previously stated 31 December 2016 £000	Common control adjustments £000	As restated 31 December 2016 £000
Turnover	-	139,772	139,772
Cost of sales	-	(37,940)	(37,940)
Gross profit	-	101,832	101,832
Administrative expenses	-	(68,963)	(68,963)
Exceptional administrative income	1,918	-	1,918
Other operating expenses	-	(2,627)	(2,627)
Operating profit	1,918	30,242	32,160
Other interest receivable and similar income	611	-	611
Interest payable and similar expenses	(18,456)	(5,561)	(24,017)
(Loss)/profit before tax	(15,927)	24,681	8,754
Tax on (loss)/profit	-	(5,440)	(5,440)
(Loss)/profit for the year	(15,927)	19,241	3,314

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

5. Operating (loss)/profit

The operating (loss)/profit is stated after (charging)/crediting:

	2017 £000	Restated 2016 £000
Release of intercompany debtor impairment provision	19,148	1,918
Loss on disposal of fixed assets	(15)	-
Loss on disposal of investments	(293,930)	-
Exceptional administrative (expenses)/income	(274,797)	1,918
Amortisation of intangible assets	(316)	-
Depreciation of tangible fixed assets	(19,547)	(17,992)

The exceptional administrative items are made up as follows:

Recoverability of intercompany debtors is assessed annually. Based on the impairment review of inter-company indebtedness as at 31 December 2017, and a wider group restructure, the directors concluded on a release of provision against amounts due from group undertakings totalling £19,148,000 (2016 - £1,918,000)

Loss on disposal of investments of £293,930,000 (2016 - £nil) is disclosed in note 12

Loss on disposal of fixed assets of £15,000 (2016 - £nil) on sale of property to Virgin Media Properties II Limited

Certain expenses are specifically attributed to the company. Where costs are incurred by other group companies on behalf of the company, expenses are allocated to the company on a basis that, in the opinion of the directors, is reasonable

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

6. Staff costs

The company does not have any directly employed staff but is charged an allocation of staff costs by the group. Details of staff numbers and staff costs of the group are disclosed in the group accounts of Virgin Media Finance PLC

7. Other interest receivable and similar income

	2017 £000	Restated 2016 £000
Interest on amounts owed by group undertakings	23,399	611
Other interest receivable	9	-
	23,408	611

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

8. Interest payable and similar charges

	2017 £000	Restated 2016 £000
Interest on amounts owed to group undertakings	18,340	21,986
Other finance charges	2,187	2,031
	<u>20,527</u>	<u>24,017</u>

9. Tax on (loss)/profit

	2017 £000	Restated 2016 £000
Current Tax		
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	6,594	5,440
Total deferred tax	<u>6,594</u>	<u>5,440</u>
Tax on (loss)/profit	<u>6,594</u>	<u>5,440</u>

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

	2017 £000	Restated 2016 £000
(Loss)/profit before tax	<u>(243,741)</u>	<u>8,754</u>
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)	(46,920)	1,751
Effects of:		
Expenses not deductible for tax purposes	56,582	7
Net effect of tax rate change on deferred tax asset	(1,205)	1,741
Utilisation of deferred tax not recognised	(5)	(1,123)
Depreciation on ineligible fixed assets	2,205	38
Income not taxable	(3,686)	(543)
Group relief surrendered without payment	(377)	3,569
Total tax charge for the year	<u>6,594</u>	<u>5,440</u>

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

9. Tax on (loss)/profit (continued)

Factors affecting current and future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2016) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax assets and liabilities have been calculated using the now enacted rate of 17% (2016 – 17%)

10. Intangible assets

	IT software £000
Cost	
At 1 January 2017 (restated)	1,115
Additions	778
At 31 December 2017	1,893
Amortisation	
At 1 January 2017 (restated)	123
Charge for the year	316
At 31 December 2017	439
Net book value	
At 31 December 2017	1,454
At 31 December 2016 (restated)	992

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

11. Tangible assets

	Network assets £000	Other £000	Total £000
Cost			
At 1 January 2017 (restated)	481,871	6,742	488,613
Additions	36,888	780	37,668
Transfers	(83)	(237)	(320)
Disposals	(2,431)	(2,649)	(5,080)
At 31 December 2017	516,245	4,636	520,881
Depreciation			
At 1 January 2017 (restated)	379,492	3,423	382,915
Charge for the year	18,324	1,223	19,547
Transfers	(80)	(170)	(250)
Disposals	(2,431)	(2,649)	(5,080)
At 31 December 2017	395,305	1,827	397,132
Net book value			
At 31 December 2017	120,940	2,809	123,749
At 31 December 2016 (restated)	102,379	3,319	105,698

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

	2017 £000	Restated 2016 £000
Freehold property	-	340

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12. Investments

	Investments in subsidiary undertakings £000
Cost	
At 1 January 2017 (restated)	1,764,473
Additions	2,399
Disposals	(1,074,700)
At 31 December 2017	692,172
Amounts written off	
At 1 January 2017 (restated)	1,242,802
Disposals	(780,770)
At 31 December 2017	462,032
Net book value	
At 31 December 2017	230,140
At 31 December 2016 (restated)	521,671

Subsidiary undertakings

During the year, the company acquired 100% of the ordinary share capital of ntl Bolton Cablevision Holding Company, ntl Manchester Cablevision Holding Company, ntl CableComms East Lancashire and ntl CableComms Wirral. The total consideration paid in respect of these investments was £2,399,000.

During the year, as part of a wider group restructure, the company disposed of its investment in ntl CableComms Bury and Rochdale, ntl CableComms Oldham and Tameside, ntl CableComms Stockport, ntl CableComms Macclesfield, ntl Manchester Cablevision Holding Company, ntl CableComms Staffordshire and ntl CableComms Wirral following the companies application for Members Voluntary Liquidation. The company received no consideration in respect of this and therefore made a loss on disposal of investments of £293,930,000 (2016 - nil)

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

The investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are shown in note 20.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Debtors

	2017 £000	Restated 2016 £000
Due after one year		
Deferred tax asset (note 15)	31,856	38,450

	2017 £000	Restated 2016 £000
Due within one year		
Amounts owed by group undertakings	778,901	1,115,866

The analysis of amounts owed by group undertakings is:

	2017 £000	Restated 2016 £000
Loans owed by group undertakings	679,518	961,567
Other amounts owed by group undertakings	138,600	212,664
Impairment provision on amounts owed by group undertakings	(39,217)	(58,365)
	778,901	1,115,866

Amounts owed by group undertakings are unsecured and repayable on demand

14. Creditors: amounts falling due within one year

	2017 £000	Restated 2016 £000
Amounts owed to group undertakings	552,697	362,208

The analysis of amounts owed to group undertakings is:

	2017 £000	Restated 2016 £000
Loans advanced by group undertakings	437,751	247,263
Other amounts owed to group undertakings	114,946	114,945
	552,697	362,208

Amounts owed to group undertakings are unsecured and repayable on demand

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Deferred tax

	2017 £000	Restated 2016 £000
At 1 January	38,450	43,890
Charged to the profit and loss account	(6,594)	(5,440)
At 31 December	31,856	38,450

The deferred tax asset is made up as follows

	2017 £000	Restated 2016 £000
Depreciation in excess of capital allowances	31,856	38,450

16. Share capital

	2017 £000	2016 £000
Allotted, called up and fully paid		
92,200 Ordinary shares of £1 each	92	92
1,000,000,000 Deferred shares of £1 each	1,000,000	1,000,000
	1,000,092	1,000,092

Ordinary shares

The shares have attached to them full voting, dividend and capital distribution (including on wind up) rights. They do not confer any rights of redemption.

Deferred shares

A deferred share does not entitle its owner to receive any dividend or distribution declared, made or paid or any return of capital and does not entitle its holder to any further or other participation in the assets of the company or to receive notice of, nor attend, speak or vote at any general meeting of the company. A deferred share entitles its holder to participate on a return of assets on winding up of the company.

17. Reserves

Share premium account

Includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital contribution reserves

Other distributable reserves relate to capital contributions from parent undertakings.

Profit and loss account

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

NTL CABLECOMMS HOLDINGS NO.1 LIMITED

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

18. Guarantees

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

In addition, a fellow group undertaking has issued senior secured notes which, subject to certain exceptions, share the same guarantees and security which have been granted in favour of the senior secured credit facility. The amount outstanding under the senior secured notes at 31 December 2017 amounted to £4,870 million (2016 - £5,024 million). Borrowings under the notes are secured against the assets of certain members of the group including those of this company

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

19. Parent undertaking and controlling party

The company's immediate parent undertaking is Virgin Media Limited.

The smallest and largest groups of which the company is a member and in to which the company's accounts were consolidated at 31 December 2017 are Virgin Media Finance PLC and Liberty Global plc, respectively.

The company's ultimate parent undertaking and controlling party at 31 December 2017 was Liberty Global plc

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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20. List of investments

The investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are as follows:

Name of company		Holdings	Proportion held	Nature of business
Direct shareholdings				
ntl Bolton Cablevision Holding Company	Φ	Ordinary	100%	Holding
ntl CableComms Cheshire		Ordinary	100%	Telecoms
ntl CableComms East Lancashire		Ordinary	100%	Telecoms
ntl CableComms Wirral		Ordinary	100%	Telecoms
ntl Derby Cablevision Holding Company	Φ	Ordinary	100%	Holding
ntl Manchester Cablevision Holding Company		Ordinary	100%	Holding
Indirect shareholdings				
ntl CableComms Bolton	Γ	Ordinary	100%	Telecoms
ntl CableComms Bolton Leasing Limited	Φ	Ordinary	100%	Leasing
ntl CableComms Derby	Γ	Ordinary	99%	Telecoms
ntl CableComms Derby Leasing Limited	Φ	Ordinary	100%	Leasing
ntl CableComms Greater Manchester		Ordinary	100%	Telecoms
ntl CableComms Greater Manchester Leasing Limited	Φ	Ordinary	100%	Leasing
ntl CableComms Wirral Leasing Limited	Φ	Ordinary	100%	Leasing
ntl Wirral Telephone and Cable TV Company		Ordinary	100%	Telecoms
ntl Wirral Telephone and Cable TV Company Leasing Limited	Φ	Ordinary	100%	Leasing

All companies are registered at Bartley Wood Business Park, Hook, Hampshire, RG27 9UP, unless otherwise noted below.

Φ Application made for strike off subsequent to the year end

Γ Placed in Members Voluntary Liquidation subsequent to the year end