

VM IRELAND GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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VM IRELAND GROUP LIMITED

COMPANY INFORMATION

Directors	M O Hifzi R G McNeil C B E Withers
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Company secretary	G E James
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Registered number	09430026
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Registered office	500 Brook Drive Reading United Kingdom RG2 6UU
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VM IRELAND GROUP LIMITED

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VM IRELAND GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and non-audited financial statements of the company for the year ended 31 December 2020.

Results and dividends

The profit for the year, after tax, amounted to £7,765,000 (2019 - loss of £178,626,000).

On 2 December 2020, the company paid a dividend of £180,328,000 (2019 - £nil).

Directors

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

W T Castell (resigned 9 March 2020)
M O Hifzi
R G McNeil (appointed 9 March 2020)
S-P Pascu (appointed 3 March 2020, resigned 16 November 2020)
C B E Withers (appointed 23 April 2020)

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

In previous years, the financial statements have been prepared on a going concern basis. However, on 2 December 2020, the company paid a dividend to its immediate parent undertaking. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2020 have not been prepared on a going concern basis. In applying this basis of preparation no adjustments were necessary to the amounts at which the remaining net liabilities are included or presented in the financial statements. It is Virgin Media O2 practice to periodically review its organisation structure and, where considered appropriate, to take action to simplify that structure. As a result, the directors may in future decide to dissolve the company, having taken steps to enable it to meet any existing liabilities, or to repurpose its activities.

Post balance sheet events

Joint venture transaction

On 7 May 2020, Liberty Global entered into a Contribution Agreement with, among others, Telefónica, SA (Telefónica). Pursuant to this agreement, Liberty Global and Telefónica agreed to form a 50:50 joint venture (UK JV). The joint venture combines the operations of Virgin Media Inc (Virgin Media) and its subsidiaries and the operations of O2 Holdings Limited and its subsidiaries (O2), to form Virgin Media O2. The formation of the joint venture was completed on 1 June 2021.

Prior to the completion of the UK JV, Virgin Media was a wholly owned subsidiary of Liberty Global plc.

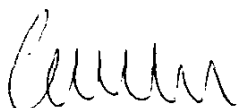
Audit exemption

Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2020, 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 2020 by virtue of section 479A of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board on 28th September 2021 and signed on its behalf.



C B E Withers
Director

VM IRELAND GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are 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 estimates that are reasonable and prudent;
- 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.

VM IRELAND GROUP LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Administrative expenses		-	(179,339)
Operating loss	4	-	(179,339)
Finance income	6	7,765	713
Profit/(loss) before tax		7,765	(178,626)
Income tax expense	7	-	-
Profit/(loss) for the year		7,765	(178,626)

There were no other comprehensive income or expenditure for 2020 or 2019 other than those included in the profit and loss account.
All results were derived from continuing operations.

The notes on pages 6 to 10 form part of these financial statements.

VM IRELAND GROUP LIMITED
REGISTERED NUMBER: 09430026

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020

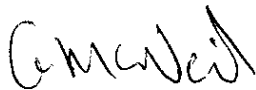
	Note	2020 £000	2019 £000
Current assets			
Debtors: amounts falling due after more than one year	9	-	172,563
Net assets		-	172,563
Capital and reserves			
Share capital	10	-	1
Share premium account	11	-	351,188
Accumulated losses	11	-	(178,626)
		-	172,563

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 the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28th September 2021.



R G McNeil
Director

The notes on pages 6 to 10 form part of these financial statements.

VM IRELAND GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Share capital	Share premium account	Retained earnings	Shareholder's funds
	£000	£000	£000	£000
Balance as at 1 January 2020	1	351,188	(178,626)	172,563
Comprehensive income for the year				
Profit for the year	-	-	7,765	7,765
Total comprehensive income for the year	-	-	7,765	7,765
Capital reduction	(1)	(351,188)	351,189	-
Dividends paid	-	-	(180,328)	(180,328)
Balance as at 31 December 2020	-	-	-	-

The notes on pages 6 to 10 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	Share capital	Share premium account	Accumulated losses	Shareholder's funds
	£000	£000	£000	£000
Balance as at 1 January 2019	1	351,188	-	351,189
Comprehensive income for the year				
Loss for the year	-	-	(178,626)	(178,626)
Total comprehensive income for the year	-	-	(178,626)	(178,626)
Balance as at 31 December 2019	1	351,188	(178,626)	172,563

The notes on pages 6 to 10 form part of these financial statements.

VM IRELAND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Company information

VM Ireland Group Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 09430026 and the registered address is 500 Brook Drive, Reading, United Kingdom, RG2 6UU.

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 non-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").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Accounting Standards in conformity with the requirements of the Companies Act 2006, 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 intermediate 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 Accounting Standards in conformity with the requirements of the Companies Act 2006 and are available to the public and may be obtained from 500 Brook Drive, Reading, United Kingdom, RG2 6UU.

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 and property, plant and equipment;
- 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 Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 2 December 2020, the company paid a dividend to its immediate parent undertaking. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2020 have not been prepared on a going concern basis. In applying this basis of preparation no adjustments were necessary to the amounts at which the remaining net liabilities are included or presented in the financial statements. It is Virgin Media O2 practice to periodically review its organisation structure and, where considered appropriate, to take action to simplify that structure. As a result, the directors may in future decide to dissolve the company, having taken steps to enable it to meet any existing liabilities, or to repurpose its activities.

2.3 Finance income

Finance income is recognised as interest accrues according to the effective interest rate method, which uses the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount.

VM IRELAND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Trade receivables and other debtors

Trade receivables and other debtors are initially measured at fair value and subsequently reported at amortised cost, net of an allowance for impairment of trade receivables.

The company uses a forward looking impairment model which uses a lifetime expected loss allowance which is estimated based upon our assessment of anticipated loss related to uncollectible accounts receivable. We use a number of factors in determining the allowance, including, among other things, collection trends, prevailing and anticipated economic conditions, and specific customer credit risk. The allowance is maintained until either payment is received or the likelihood of collection is considered to be remote.

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.

Recoverability of intercompany receivables

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

4. Operating loss

The operating loss is stated after charging:

	2020 £000	2019 £000
Loss on disposal of investments	-	(179,339)
Exceptional administrative expense	-	(179,339)

During prior year, as part of a wider group restructure, VM Ireland Group Limited disposed of its investment in VMIE Group Holding Limited (previously known as UPC Broadband Ireland Limited) for consideration of £171,850,000 and therefore made a loss on disposal of investments of £179,339,000.

The directors received no remuneration for the qualifying services as directors of this company. All directors' remuneration for those which were in office during 2020 and 2019 was paid by and disclosed in the financial statements of Virgin Media Limited.

5. Employees

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

6. Finance income

	2020 £000	2019 £000
Interest on amounts owed by group undertakings	7,765	713

VM IRELAND GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Income tax expense

	2020 £000	2019 £000
Total current tax	-	-
Total deferred tax	-	-
Tax on profit/(loss)	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%).

The differences are explained below:

	2020 £000	2019 £000
Profit/(loss) before tax	7,765	(178,626)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,475	(33,939)
Effects of:		
Expenses not deductible for tax purposes	-	34,075
Group relief	(1,475)	(136)
Total tax charge for the year	-	-

Factors affecting current and future tax charges

In the 11 March 2020 Budget it was announced that the UK tax rate will remain at 19% and not reduce to 17% from 1 April 2020. The 19% rate was substantively enacted in the Finance Bill 2020 on 17 March 2020. In the 3 March 2021 Budget, it was announced that the UK tax rate would increase to 25% from 1 April 2023, substantively enacted on 24 May 2021.

This will have a consequential effect on the company's future tax charge.

8. Dividends paid

	2020 £000	2019 £000
Dividends paid	180,328	-

On 2 December 2020 the company paid a dividend in specie of £180,328,000 to ntl Cablecomms Group Limited.

VM IRELAND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Debtors

	2020 £000	2019 £000
Due after one year		
Amounts owed by group undertakings	-	172.563

Amounts owed by group undertakings include a loan receivable of £171,850,000 which incurred interest at 4.9%, was fully settled in 2020.

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 - 1 002) Ordinary shares fully paid of £1.00	1	1.002

11. Reserves

Share premium account

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

Accumulated losses

Includes all current and prior year retained profits and losses

VM IRELAND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Guarantees

Fellow group undertakings are party to a senior secured credit facility with a syndicate of banks. As at 31 December 2020, this comprised term facilities that amounted to £3,982 million (2019 - £4,015 million) and revolving credit facilities of £1,000 million (2019 - £1,000 million), which were undrawn as at 31 December 2019 and 2020. Borrowings under the facilities are secured against the assets of certain members of the group.

In addition, a fellow group undertaking has issued senior secured notes which, subject to certain exceptions, share the same guarantees and security which have been granted in favour of the senior secured credit facility. The amount outstanding under the senior secured notes at 31 December 2020 amounted to £4,400 million (2019 - £4,491 million). Borrowings under the notes are secured against the assets of certain members of the group.

Furthermore, a fellow group undertaking has issued senior notes for which certain fellow group undertakings, have guaranteed the notes on a senior subordinated basis. The amount outstanding under the senior notes as at 31 December 2020 amounted to approximately £1,127 million (2019 - £1,194 million).

Following the formation of the UK JV (see note 14), the group form part of the Virgin Media O2 group, as result the group is party to the below loans and borrowings.

In September 2020, a fellow group undertaking outside the Virgin Media Inc. group, entered into (a) a £1,500 million term loan facility and (b) a €750 million term loan facility. A subsidiary of the group entered into a \$1,300 million term loan facility. As at 31 December, the term loan facilities were undrawn and only available to be drawn and utilised upon consummation of the UK JV.

In addition, a fellow group undertaking outside the Virgin Media Inc. group, entered into (a) \$1,350 million senior secured notes, (b) €950 million senior secured notes and (c) £600 million senior secured notes.

In July 2021, a fellow group undertaking outside the Virgin Media Inc. group, entered into (a) \$1,400 million senior secured notes, (b) £675 million senior secured notes.

The new term loan facilities and senior secured notes rank pari-passu with the group's existing senior secured notes and senior secured credit facilities, and subject to certain exceptions, share in the same guarantees and security granted in favour of its existing senior secured notes.

The company is a member of the Virgin Media O2 group, which manages its liquidity at the consolidated Virgin Media O2 group level. As such, while the company is not itself a guarantor of the credit facilities, senior secured notes and senior notes discussed above, any action to enforce the guarantees and security given by fellow Virgin Media O2 group undertakings could impact upon the company as a part of that group.

13. Controlling parties

The company's immediate parent undertaking is ntl CableComms Group 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 2020 are Virgin Media Finance PLC and Liberty Global plc, respectively.

The company's ultimate parent undertaking and controlling party at 31 December 2020 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, 500 Brook Drive, Reading, United Kingdom, RG2 6UU.

In addition copies of the consolidated Liberty Global plc accounts are available on Liberty Global's website at www.libertyglobal.com or from the company secretary, Liberty Global plc, Griffin House, 161 Hammersmith Road, London, United Kingdom, W6 8BS.

14. Post balance sheet events

Joint venture transaction

On 7 May 2020 Liberty Global entered into a Contribution Agreement with, among others, Telefónica, SA (Telefónica). Pursuant to this agreement, Liberty Global and Telefónica agreed to form a 50:50 joint venture (UK JV). The joint venture combines the operations of Virgin Media Inc (Virgin Media) and its subsidiaries and the operations of O2 Holdings Limited and its subsidiaries (O2), to form Virgin Media O2. The formation of the joint venture was completed on 1 June 2021.

Prior to the completion of the UK JV, Virgin Media was a wholly owned subsidiary of Liberty Global plc.