COMPANY REGISTRATION NUMBER FC 023131

NTL (Triangle) LLC

Financial Statements

31 December 2006

NTL (Triangle) LLC

Financial Statements

Year ended 31 December 2006

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NTL (Triangle) LLC

Company Information

The board of directors	R C Gale R M Mackenzie
Company secretary	G E James
Registered office	2711 Centerville Road Suite 400 Wilmington Delaware 19808 USA
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

The directors present their report and the financial statements of the company for the year ended 31 December 2006

Principal activities and business review
The principal activity of the company was, and will continue to be, to act as an investment holding company for part 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 The Virgin Media group is an innovative and pioneering UK entertainment and communications business and is the first company in the United Kingdom to offer a quad-play package of television, broadband, telephone and mobile The group is one of the UK's most popular residential broadband and pay-as-you-go mobile providers and the second largest provider in the UK of pay television and fixed line telephone services

The company is registered in Great Britain as a branch of an overseas company

In 2006, interest payable on loan notes due to parent undertakings decreased to £37,813,000 (2005 - £38,084,000) and the company made net exchange gains on foreign currency borrowings of £34,191,000 (2005 - losses of £27,165,000) The loss for the year, after taxation, amounted to £2,553,000 (2005 - loss of £64,180,000)

Results and dividends
The loss for the year amounted to £2,553,000 The directors have not recommended a dividend

Financial risk management
The company's operations expose it to a variety of financial risks that include interest rate, credit, foreign exchange and liquidity risks

Liquidity risk
The Virgin Media group manages its financial risk via secure, long-dated and cost-effective funding for the group's operations in order to minimise the adverse effects of fluctuations in the financial markets on the value of its financial assets and liabilities, profitability and cash flows

The Virgin Media group's external debt is used to satisfy the funding requirements of group undertakings via inter-company loans on terms which generally match those of the external debt In addition, working capital is managed centrally within the Virgin Media group creating further inter-company trading balances, on terms which are generally interest free

Interest rate and foreign exchange rate risk
The company is subject to financial risks where interest rates are not fixed or where the debt is denominated in foreign currency The group's policy is to manage its interest cost using a mix of fixed and variable rate financial instruments denominated in sterling and foreign currencies, and to hedge all or part of the exposure to interest rate or foreign currency risk However the group's policy is not to hedge against interest rate or foreign currency risk in respect of inter-company debt

The company's financial instruments mainly comprise interest free and interest bearing inter-company debt The interest rates are not fixed and so are subject to fluctuation The company had foreign currency denominated financial instruments during the reporting period and prior year and is exposed to the risk of exchange rate losses

Credit risk
Credit risk is the risk that one party to a transaction will cause a financial loss for the other party by failing to discharge an obligation The company's policies are aimed at minimising such losses, by generally requiring that customers satisfy credit worthiness criteria

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

The directors will revisit the appropriateness of these policies should the company's operations change in size or nature

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

R C Gale
R M Mackenzie

The directors had no interest in the share capital of the company requiring disclosure under the Companies Act 1985 The company seeks exemption under The Companies (Disclosure of Directors Interests) (Exceptions) Regulations 1985, not to disclose the directors' interests in the common stock of Virgin Media Inc , a company registered in the state of Delaware, United States of America, and the ultimate parent undertaking of the company

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 auditors
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
A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting

Signed on behalf of the directors

R. Mack

R M Mackenzie
Director

Approved by the directors on 30 January 2008

NTL (Triangle) LLC

Statement of Directors' Responsibilities

Year ended 31 December 2006

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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with section 700 of the Companies Act 1985, as amended by SI 1990/440, Overseas Companies (Accounts) (Modifications and Exemptions) Order 1990 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

We have audited the company's financial statements for the year ended 31 December 2006 which comprise Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 15 These financial statements have been prepared on the basis of the accounting policies set out therein

This report is made solely to the company's member Our audit work has been undertaken so that we might state to the company's member those matters we are required under International Standards on Auditing (UK and Ireland) to state to it in an auditor's report and for no other purpose To the fullest extent required by the 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom accounting standards

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland), and to report to you our opinion as to whether the financial statements give a true and fair view in accordance with accounting principles generally accepted in the United Kingdom

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

NTL (Triangle) LLC

Independent Auditor's Report to the Member of NTL (Triangle) LLC ***(continued)***

Year ended 31 December 2006

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2006 and of its loss for the year then ended in accordance with accounting principles generally accepted in the United Kingdom

Ernst & Young LLP

Ernst & Young LLP
London

30 January 2008

NTL (Triangle) LLC

Profit and Loss Account

Year ended 31 December 2006

	Note	2006 £000	2005 £000
Interest receivable	4	**1,069**	1,069
Interest payable and similar charges	5	**(3,622)**	(65,249)
Loss on ordinary activities before taxation		**(2,553)**	(64,180)
Tax on loss on ordinary activities	6	**–**	–
Loss for the financial year		**(2,553)**	(64,180)

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 loss of £2,553,000 attributable to the shareholder for the year ended 31 December 2006 (2005 - loss of £64,180,000)

The notes on pages 9 to 14 form part of these financial statements.

NTL (Triangle) LLC

Balance Sheet

31 December 2006

	Note	2006 £000	2005 £000
Fixed assets			
Investments	7	–	–
Current assets			
Debtors	8	**384,269**	41,055
Creditors: Amounts falling due within one year	9	**(9,096)**	(8,420)
Net current assets		**375,173**	32,635
Total assets less current liabilities		**375,173**	32,635
Creditors: Amounts falling due after more than one year	10	**(775,939)**	(430,848)
		(400,766)	(398,213)
Capital and reserves			
Called-up equity share capital	13	**8**	8
Other reserves	14	**477,497**	477,497
Profit and loss account	14	**(878,271)**	(875,718)
Deficit	14	**(400,766)**	(398,213)

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

R C Gale

R C Gale
Director

The notes on pages 9 to 14 form part of these financial statements.

1. Accounting policies

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

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

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 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 15)

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

- provision is made for deferred tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold, and

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date The resulting exchange differences are taken to the Profit and Loss Account

2. Directors' and auditor's remuneration

The directors' remuneration is paid by Virgin Media Limited (formerly ntl Group Limited) and disclosed in the group accounts of Virgin Media Finance PLC (formerly ntl Cable PLC)

Auditor's remuneration of £1,000 (2005 - £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 Companies Act 1985, are made in the group accounts of Virgin Media Finance PLC on a consolidated basis

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 Details of staff numbers and staff costs for the group are disclosed in the group accounts of Virgin Media Finance PLC

4 Interest receivable

	2006	2005
	£000	£000
Interest on loan notes due from group undertakings	**1,069**	1,069

5. Interest payable and similar charges

	2006	2005
	£000	£000
Net exchange (gains)/losses on foreign currency borrowings	**(34,191)**	27,165
Interest on loan notes due to group undertakings	**37,813**	38,084
	3,622	65,249

6. Taxation on ordinary activities

(a) Analysis of charge in the year

The tax charge is made up as follows

	2006	2005
	£'000	£'000
Current tax charge:		
Current tax on loss for the year	-	-
Deferred tax.		
Origination and reversal of timing differences	-	-
Total tax charge on loss on ordinary activities	-	-

6. Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 - 30%)

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

	2006	2005
	£000	£000
Loss on ordinary activities before taxation	**(2,553)**	(64,180)
Loss on ordinary activities multiplied by the rate of tax	**(766)**	(19,254)
Unrelieved tax losses	**766**	19,254
Total current tax (note 6(a))	**-**	-

(c) Factors that may affect future tax charges

Deferred tax assets of £16,152,405 (2005 - £15,386,515) in respect of tax losses have not been recognised as there is insufficient certainty as to the availability of future taxable profits

7. Investments

	Subsidiary undertakings
	£000
Cost	
At 1 January 2006 and 31 December 2006	248,870
Value impaired	
At 1 January 2006 and 31 December 2006	248,870
Net book value	
At 31 December 2006	-
At 31 December 2005	-

7. **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

Name of Company	*Country of Incorporation*	*Holdings*	*Proportion*	*Nature of Business*
Cambridge Holding Company Limited	UK	Ordinary	100%	Holding
ntl Irish Holdings Limited	UK	Ordinary	100%	Holding
ntl Cambridge Limited	UK	Ordinary	100% #	Telecoms

held by a subsidiary undertaking

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 financial statements

8. **Debtors**

	2006	2005
	£000	£000
Amounts owed by group undertakings	**384,269**	41,055

The analysis of amounts owed by group undertakings is

	2006	2005
	£'000	£'000
Loan notes due from subsidiary undertakings	**10,964**	10,964
Amounts owed by group undertakings	**–**	29,865
Amounts owed by subsidiary undertakings	**373,079**	–
Interest on loan notes	**226**	226
	384,269	41,055

Loans notes due from subsidiary undertakings and amounts owed by group and subsidiary undertakings are payable on demand but are not expected to be repaid within one year

The rate of interest on the loan notes due from subsidiary undertakings was 9 75% Amounts owed by group and subsidiary undertakings are interest free

9. **Creditors: Amounts falling due within one year**

	2006	2005
	£000	£000
Amounts owed to group undertakings	**9,096**	8,420

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

	2006	2005
	£000	£000
Amounts owed to group undertakıngs	775,939	430,848

The analysıs of amounts owed to group undertakıngs ıs

	2006	2005
	£'000	£'000
Loan notes due to parent undertakıngs	398,533	430,848
Amounts owed to group undertakıngs	377,406	–
	775,939	430,848

Loan notes due to parent undertakıngs are unsecured and repayable on demand but are not expected to be repaıd wıthın five years The rates of ınterest on the loan notes ranged from 8 75% to 9 75%

11. Contıngent lıabılıtıes

The company, along wıth fellow group undertakıngs, ıs party to a senıor secured credıt facılıty wıth a syndıcate of banks under whıch ıt has guaranteed the borrowıngs of certaın Vırgın Medıa group companıes At 31 December 2006, the maxımum contıngent lıabılıty represented by outstandıng borrowıngs by these companıes amounted to approxımately £5,125 mıllıon (2005 - £1,713 mıllıon) Borrowıngs under the facılıty are secured agaınst the assets of certaın members of the group ıncludıng those of the company

The company has joınt and several lıabılıtıes under a group VAT regıstratıon

12. Related party transactions

The company has taken advantage of the exemptıon under FRS 8 not to dısclose transactıons wıth group undertakıngs as ıt ıs a subsıdıary undertakıng whıch ıs at least 90% controlled by the ultımate parent undertakıng

13. Share capital

Authorised share capital:

	2006	2005
	£000	£000
800,000 Common membershıp ınterests shares of £0 01 each	8	8

Allotted, called up and fully paid:

	2006		2005	
	No	£000	No	£000
Common membershıp ınterests shares of £0 01 each	800,000	8	800,000	8

14. Reconcilıatıon of shareholder's funds and movement on reserves

	Share capıtal	Capital contribution	Profit and loss account	Total share-holder's funds
	£000	£000	£000	£000
At 1 January 2005	8	477,497	(811,538)	(334,033)
Loss for the year	–	–	(64,180)	(64,180)
At 31 December 2005 and 1 January 2006	8	477,497	(875,718)	(398,213)
Loss for the year	–	–	(2,553)	(2,553)
At 31 December 2006	8	477,497	(878,271)	(400,766)

15. Parent undertakıng and controlling party

The company's ımmedıate parent undertakıng ıs Vırgın Medıa Lımıted

The company's results are ıncluded ın the group accounts of Vırgın Medıa Fınance PLC

The company's ultımate parent undertakıng and controllıng party at 31 December 2006 was NTL Incorporated, a company regıstered ın the state of Delaware, Unıted States of Amerıca NTL Incorporated changed ıts name to Vırgın Medıa Inc on 6 February 2007

Copıes of all sets of group accounts whıch ınclude the results of the company are avaılable from the Secretary, Vırgın Medıa, 160 Great Portland Street, London, W1W 5QA