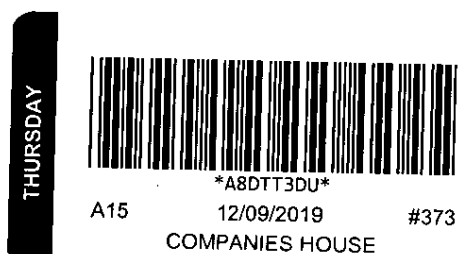


Registered number: SC080891

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

COMPANY INFORMATION

Directors	R D Dunn M O Hifzi
Company secretary	G E James
Registered number	SC080891
Registered office	1 South Gyle Crescent Lane Edinburgh EH12 9EG

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Profit and loss account and statement of other comprehensive income	3
Balance sheet	4
Statement of changes in equity	5
Notes to the financial statements	6 - 11

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Results and dividends

The profit for the year after tax, amounted to £5,553,000 (2017 - £1,863,000).

On 4 September 2018, the company paid a dividend of £1,824,000 (2017 - £nil).

Directors

The directors who served the company 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

In previous years, the financial statements have been prepared on a going concern basis. However, on 29 August 2018, Telewest Communications (Scotland) Venture, the joint venture in which the company had invested, was terminated. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2018 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 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.

Audit exemption

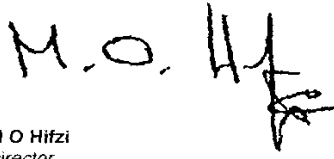
Virgin Media Finance PLC issued a guarantee against all outstanding liabilities to which the company is subject as at 31 December 2018, until they are satisfied in full. The guarantee is enforceable against Virgin Media Finance PLC by any person to whom the company is liable in respect of those liabilities. 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 2018 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 6 September 2019 and signed on its behalf.

M O Hifzi
Director



TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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

Company law requires the directors to prepare financial statements of the company 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;
- 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.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

**PROFIT AND LOSS ACCOUNT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
Exceptional administrative income		2,965	-
Operating profit	4	2,965	-
Income from shares in group undertakings	6	-	1,745
Income from fixed assets investments	7	2,568	109
Other interest receivable and similar income	8	20	23
Interest payable and similar expenses	9	-	(14)
Profit before tax		5,553	1,863
Tax on profit	10	-	-
Profit for the financial year		5,553	1,863

There was no other comprehensive income or expenditure for 2018 or 2017 other than that included in the profit and loss account.

The notes on pages 6 to 11 form part of these financial statements.

All results were derived from continuing operations. however during the year the company disposed of its assets and liabilities and it is the intention of the directors that the company will become dormant.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED
REGISTERED NUMBER: SC080891

BALANCE SHEET
AS AT 31 DECEMBER 2018

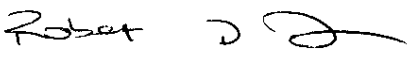
	Note	2018 £000	2017 £000
Fixed assets			
Investments	11	-	-
Current assets			
Debtors due within one year	12	-	14,027
Creditors: amounts falling due within one year	13	-	(14,791)
Net current assets/(liabilities)		-	(764)
Provisions for liabilities and charges	14	-	(2,965)
Net assets/(liabilities)		-	(3,729)
Capital and reserves			
Share capital	15	-	480
Profit and loss account	16	-	(4,209)
Shareholder's funds/deficit		-	(3,729)

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 responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's 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 6 September 2019.


R D Dunn
 Director

The notes on pages 6 to 11 form part of these financial statements.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Profit and loss account	Deficit
	£000	£000	£000
At 1 January 2018	480	(4,209)	(3,729)
Comprehensive income for the year			
Profit for the year	-	5,553	5,553
Total comprehensive income for the year	-	5,553	5,553
Capital reduction	(480)	480	-
Dividends paid	-	(1,824)	(1,824)
At 31 December 2018	-	-	-

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

	Share capital	Profit and loss account	Deficit
	£000	£000	£000
At 1 January 2017	480	(6,072)	(5,592)
Comprehensive income for the year			
Profit for the year	-	1,863	1,863
Total comprehensive income for the year	-	1,863	1,863
At 31 December 2017	480	(4,209)	(3,729)

The notes on pages 6 to 11 form part of these financial statements.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Company information

Telewest Communications (Scotland) Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is SC080891 and the registered address is 1 South Gyle Crescent Lane, Edinburgh, EH12 9EG.

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 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 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 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.
- 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 29 August 2018, Telewest Communications (Scotland) Venture, the joint venture in which the company had invested was terminated. As a result, the company does not currently have any operations and these financial statements for the year ended 31 December 2018 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 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 Dividend income

Income is recognised when the company's right to receive payment is established.

2.4 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.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 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.

2.6 Share of results in a joint venture

The company's proportion of the joint venture's cumulative losses was first applied to the cost of investment until fully impaired then provided for in the balance sheet under provisions. The share of profit or loss in the joint venture is shown under income from fixed asset investments in the profit and loss account and applied to reduce or increase the provision for losses in the joint venture.

2.7 Provisions - joint venture

This provision represents the company's proportion of the joint venture's cumulative losses after full provision against the original investment has been made.

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

In the process of applying the company's accounting policies as 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.

4. Operating profit

The operating profit is stated after crediting.

	2018	2017
	£000	£000
Release of provision for losses in partnership	2,965	-

On 29 August 2018, as part of a wider group restructure, the joint venture in which the company was participating was terminated and as a result the provision for the joint ventures losses of £2,965,000 was released and credited to operating profit.

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

5. Staff costs

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

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Income from shares in group undertakings

	2018 £000	2017 £000
Dividends received	-	1,745

On 2 June 2017 the company received dividends of £1 745,000 from Telewest Communications (Motherwell) Limited

7. Income from fixed asset investments

	2018 £000	2017 £000
Share of joint venture profit	109	109
Distribution received	2,459	-
	2,568	109

On 29 August 2018, the company received a distribution from its investment in Telewest Communications (Scotland) Venture following termination of the joint venture.

8. Other interest receivable and similar income

	2018 £000	2017 £000
Interest on amounts owed by group undertakings	20	23

9. Interest payable and similar expenses

	2018 £000	2017 £000
Interest on amounts owed to group undertakings	-	14

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Tax on profit

	2018 £000	2017 £000
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit on ordinary activities	-	-

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	5,553	1,863
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	1,055	359
Effects of:		
Expenses not deductible for tax purposes	21	-
Adjustments to tax charge in respect of prior periods	9	-
Income not taxable	(1,081)	(359)
Group relief claimed without payment	(4)	-
Total tax charge for the year	-	-

Factors affecting current and future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further 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.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. Investments

The company had previously entered into an agreement with Edinburgh Cable Limited Partnership (ECLP) to participate in a joint venture Telewest Communications (Scotland) Venture, whose principal purpose was to build and operate a broadband telecommunication network in the Edinburgh area. ECLP had undertaken to provide the capital to build the initial system and to provide the working capital for the system operation.

With the exception of the freehold property, the tangible assets acquired by the company were held in trust by the company for the benefit of the joint venture. Such assets were disclosed in the accounts of the joint venture.

The company held a 1% interest in the joint venture and the profits and losses of the joint venture were shared in the ratio 99% to ECLP and 1% to the company. The joint venture was terminated on 29 August 2018 and the company received a final distribution of £2,459,000.

The original investment in the joint venture of £765,000 was fully impaired in prior years due to the company's share of the joint venture's cumulative losses. During 2018 the company's share of profits in the joint venture was £109,000 (2017 - £109,000). At 31 December 2018, the net liabilities of the joint venture were £nil (2017 - £296,555,000). The profit of the joint venture for the period ended 29 August 2018 was £10,891,000 (2017 - £10,856,000).

12. Debtors due within one year

	2018 £000	2017 £000
Amounts owed by group undertakings	-	14,027

Amounts owed by group undertakings are unsecured and repayable on demand.

13. Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings	-	14,791

Amounts owed to group undertakings are unsecured and repayable on demand.

14. Provisions for liabilities and charges

	Joint venture provision £000
At 1 January 2018	2,965
Released in year	(2,965)
At 31 December 2018	-

This provision represents the company's proportion of the joint venture's cumulative net liabilities after full provision against the original investment has been made. On 29 August 2018 the joint venture was terminated and, as such, the provision on the joint venture's losses of £2,965,000 was released and credited to operating profit.

TELEWEST COMMUNICATIONS (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

15. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 (2017 - 480,000) Ordinary share of £1	1	480,000

On 29 August 2018, the company reduced its share capital from £480,000 to £1 by cancelling and extinguishing all but one of the Ordinary shares of £1 each.

16. Reserves

Profit and loss account

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

17. Guarantees

Fellow group undertakings are party to a senior secured credit facility with a syndicate of banks. As at 31 December 2018, this comprised term facilities that amounted to £3,564 million (2017 - £3,410 million) and an outstanding balance of £nil (2017 - £nil) which was borrowed under revolving facilities of £675 million (2017 - £675 million). 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 2018 amounted to £4,938 million (2017 - £4,870 million). Borrowings under the notes are secured against the assets of certain members of the group.

In May 2019, a fellow group undertaking issued senior secured notes with principal amounts of £300 million and \$825 million. The new senior secured notes rank pari passu with the group's existing senior secured notes and senior secured credit facility, and subject to certain exceptions, share in the same guarantees and security granted in favour of its existing senior secured notes. The net proceeds were used to redeem in full £687 million and \$355 million outstanding principal amounts of existing senior secured and secured notes.

In July 2019, a fellow group undertaking issued senior secured notes with principal amounts of \$600 million. The new senior secured notes rank pari passu with the group's existing senior secured notes and senior secured credit facility, and subject to certain exceptions, share in the same guarantees and security granted in favour of its existing senior secured notes. The net proceeds were used to redeem in full £107 million and \$448 million outstanding principal amounts of existing senior secured notes.

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

18. Parent undertaking and controlling party

The company's immediate parent undertaking is Telewest Communications (Scotland Holdings) 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 2018 are Virgin Media Finance PLC and Liberty Global plc, respectively.

The company's ultimate parent undertaking and controlling party at 31 December 2018 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.