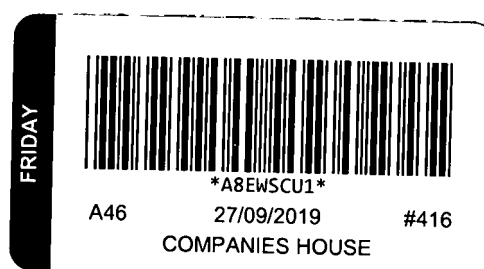


CWC COMMUNICATIONS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**



CWC COMMUNICATIONS LIMITED

COMPANY INFORMATION

Directors	M E Read L H Pegg
Company secretary	L H Pegg
Registered number	04256100
Registered office	Griffin House 161 Hammersmith Road London United Kingdom W6 8BS
Independent auditor	KPMG LLP 1 Sovereign Square Sovereign Street Leeds LS1 4DA

CWC COMMUNICATIONS LIMITED

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CWC COMMUNICATIONS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements of CWC Communications Limited (the "company") for the year ended 31 December 2018.

Principal activities and business review

The principal activity of the company during the year was to provide licences for the Cable & Wireless Communications Group (the "group") brands, and to provide brand services to the group.

The company is a wholly owned subsidiary undertaking of Cable & Wireless Communications Limited ("CWC"), which is itself a wholly owned subsidiary of Liberty Latin America Ltd ("LLA"), an international provider of fixed, mobile and subsea telecommunications services.

The LLA group provides residential and business-to-business (B2B) services in (i) 24 countries, primarily in Latin America and the Caribbean, through CWC, (ii) Chile and Costa Rica, through VTR/Cabletica, and (iii) Puerto Rico, through Liberty Puerto Rico.

CWC also provides (i) B2B services in certain other countries in Latin America and the Caribbean and (ii) wholesale communication services over its subsea and terrestrial fibre optic cable networks that connect over 40 markets in that region.

Principal risks and uncertainties

Financial and operational risk management is undertaken as part of the LLA 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 LLA which are available from LLA's website at www.lla.com.

In addition, given the nature and principal activity of the company, the UK referendum advising for the exit of the UK from the EU commonly referred to as "Brexit" would not have a material impact on our business, financial condition, results of operations and liquidity.

Key performance indicators

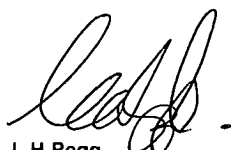
Taking into account the principal activities of the company, the following key performance indicators have been identified:

	2018 \$000	2017 \$000
Operating (loss)/profit	(13,519)	1,694
Net assets	41,128	54,877

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 is provided in the financial statements of LLA which are available from LLA's website at www.lla.com.

This report was approved by the board on 27 September 2019 and signed on its behalf.



L H Pegg
Director

CWC COMMUNICATIONS 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 loss for the the year, after tax, amounted to \$13,749,000 (2017 - profit of \$1,312,000).

The directors have not recommended an ordinary dividend (2017 - \$nil).

Directors

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

L H Pegg
M E Read (appointed 5 January 2018)
B C Stockwell (resigned 5 January 2018)

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.


Disclosure of information to the auditor

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

Auditor

Persuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 27 September 2019 and signed on its behalf.



L H Pegg
Director

CWC COMMUNICATIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CWC COMMUNICATIONS LIMITED

Opinion

We have audited the financial statements of CWC Communications Limited (the "company") for the year ended 31 December 2018 which comprise the Strategic report, the Directors' report, the Profit and loss account and Statement of other comprehensive income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CWC COMMUNICATIONS LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using 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.

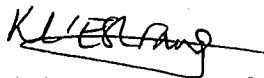
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine L'Estrange (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

27 September 2019

CWC COMMUNICATIONS LIMITED

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

	Note	2018 \$000	2017 \$000
Turnover	4	13,756	12,760
Administrative expenses	6	(218)	-
Operating costs	5	(27,057)	(11,066)
Operating (loss)/profit	6	(13,519)	1,694
Tax on (loss)/profit	8	(230)	(382)
(Loss)/profit for the year		(13,749)	1,312

The notes on pages 9 to 15 form part of these financial statements.

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

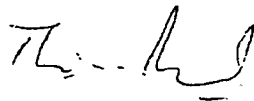
All results were derived from continuing operations.

CWC COMMUNICATIONS LIMITED
REGISTERED NUMBER:04256100

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 \$000	2017 \$000
Current assets			
Debtors due within one year	9	71,783	58,437
		<u>71,783</u>	<u>58,437</u>
Creditors: amounts falling due within one year	10	(30,655)	(3,560)
		<u>(30,655)</u>	<u>(3,560)</u>
Net current assets		<u>41,128</u>	<u>54,877</u>
Net assets		<u>41,128</u>	<u>54,877</u>
Capital and reserves			
Share capital	11	1	1
Profit and loss account	12	41,127	54,876
		<u>41,127</u>	<u>54,876</u>
Shareholder's funds		<u>41,128</u>	<u>54,877</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2019.



M E Read
Director

The notes on pages 9 to 15 form part of these financial statements.

CWC COMMUNICATIONS LIMITED

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

	Share capital	Profit and loss account	Shareholders' funds
	\$000	\$000	\$000
At 1 January 2018	1	54,876	54,877
Comprehensive income for the year			
Loss for the year	-	(13,749)	(13,749)
Total comprehensive income for the year	-	(13,749)	(13,749)
At 31 December 2018	1	41,127	41,128

The notes on pages 9 to 15 form part of these financial statements.

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

	Share capital	Profit and loss account	Shareholders' funds
	\$000	\$000	\$000
At 1 January 2017	1	53,564	53,565
Comprehensive income for the year			
Profit for the year	-	1,312	1,312
Total comprehensive income for the year	-	1,312	1,312
At 31 December 2017	1	54,876	54,877

The notes on pages 9 to 15 form part of these financial statements.

CWC COMMUNICATIONS LIMITED

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

1. Company information

CWC Communications Limited (the "company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 04256100 and the registered address is Griffin House, 161 Hammersmith Road, London, W6 8BS.

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").

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 ultimate parent undertaking, Liberty Latin America Ltd ("LLA"), includes the company in its consolidated financial statements. The consolidated financial statements of LLA are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and are available to the public and may be obtained from LLA's website at www.lla.com.

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.

The directors consider the US dollar to be the functional currency reflecting the economic effects of the underlying transactions, events and conditions for the company. The financial statements are presented in US dollars ("US\$") and rounded to the nearest thousand.

2.2 Turnover

Turnover represents branding fees charged to group undertakings associated with the use of the Cable & Wireless brand. We adopted IFRS 15, 'Revenue from Contracts with Customers', on 1 January 2018. IFRS 15 requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services following a five-step model. The company determined that the adoption of IFRS 15 resulted in an immaterial impact to our financial statements.

2.3 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.

CWC COMMUNICATIONS LIMITED

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

2. Accounting policies (continued)

2.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments, trade and other receivables, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

2.5 Impairment

Financial assets (including trade and other receivables)

The introduction of IFRS 9 replaces the model previously used by the company to calculate impairments of financial assets not carried at fair value under IAS 39, which was based primarily on incurred losses, with a model based on expected credit losses. The scope of the new model consistently includes all financial assets that are recognised at amortised cost.

The company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and with the exposure arising from loan commitments and financial guarantee contracts. The company recognises a loss allowance for such losses at each reporting date. The measurement of expected credit losses reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

2.6 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.

CWC COMMUNICATIONS LIMITED

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

2. Accounting policies (continued)

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.

2.7 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.

The company adopted IFRS 9, Financial Instruments on 1 January 2018. Applying IFRS 9 has resulted in changes to the measurement and disclosure of financial instruments and introduced a new expected loss impairment model, which measures expected credit losses using a lifetime expected loss allowance for all assets held at amortised cost.

We revised the methodologies we use to impair financial assets to reflect the forward-looking 'expected credit loss' model introduced by IFRS 9, in contrast to the backward-looking 'incurred credit loss' model used under IAS 39. In order to assess the impact of IFRS 9 the company reviewed the last 12 months of actual debtor impairment when calculating the impact of the expected credit loss. The company now recognises a loss allowance for all expected credit losses on initial recognition of loan receivables.

The company determined that the application of IFRS 9's impairment requirements resulted in an immaterial impairment loss related to loan receivable balance at 1 January 2018. Therefore, the company has not adjusted its opening assets or equity. The cumulative impact of the impairment losses as of 31 December 2018 has been recorded through profit and loss for the year ended 31 December 2018.

As a result, the company has not presented a reconciliation of previously reported financial statements to the comparative financial statements presented herein.

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:

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 as indicated under the expected credit loss impairment model.

Income tax provision

Judgement is required to assess the impact of possible future outcomes on the current and deferred tax positions.

4. Turnover

	2018 \$000	2017 \$000
Branding fees	13,756	12,760

CWC COMMUNICATIONS LIMITED

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

5. Operating costs

	2018	2017
	\$000	\$000
Management fees	27,057	11,066
	<u>27,057</u>	<u>11,066</u>

6. Operating (loss)/profit

The operating loss is stated after charging \$218,000 (2017 - \$nil) for bad debt provision for receivables, except for interest receivable, from group or parent undertakings.

Auditors remuneration of \$6,500 (2017 - \$5,000) represents costs allocated to the company by fellow group undertakings that pay all auditor's remuneration on behalf of the group.

No remuneration was paid to the directors for qualifying services to this company (2017: \$nil). All directors' remuneration is borne by and included in the financial statements of Cable & Wireless International HQ Ltd and Lilac Communications Inc, both fellow LLA group undertakings. The directors have considered the allocation of their total remuneration attributable to providing services to the company. This allocation is not deemed material to warrant further disclosure.

7. Staff costs

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

8. Tax

	2018	2017
	\$000	\$000
Current tax		
Current tax on (loss)/profit for the year	230	382
Total current tax	<u>230</u>	<u>382</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Tax on (loss)/profit	<u>230</u>	<u>382</u>

CWC COMMUNICATIONS LIMITED

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

8. Tax (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year is higher 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
(Loss)/profit before tax	(13,519)	1,694
(Loss)/Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	(2,669)	326
Effects of:		
Expenses not deductible for tax	42	-
DTR adjustment	-	(159)
Foreign tax credits	-	(53)
Group relief surrendered/(claimed) without payment	2,527	(114)
Withholding tax	230	382
Total tax charge for the year	230	382

Factors affecting current and future tax charges

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.

There are un-recognised deferred tax balances as at 31 December 2018 of \$15,498,299 in respect of capital losses carried forward (2017: \$16,444,000).

CWC COMMUNICATIONS LIMITED

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

9. Debtors due within one year

	2018	2017
	\$000	\$000
Amounts owed by group companies	71,783	58,437

The analysis of amounts owed by group undertakings is:

	2018	2017
	\$000	\$000
Loan receivable from group undertaking	62,336	57,654
Other intercompany receivables	9,665	784
Allowance for impairment	(218)	-
	71,783	58,438

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

At 31 December 2018 all loans with group or parent undertakings within the company's portfolio were performing with none past due or credit impaired. In calculating expected credit losses ("ECL") the company has assessed that no loans with group or parent undertakings have experienced a significant increase in credit risk. Accordingly, the expected credit losses are measured based on default events possible within the next 12 months.

	2018 ECL		
	01-Jan-18	Loss Allowance	31-Dec-18
	\$'000	\$'000	\$'000
Expected credit loss allowances	-	218	218

The company has determined the ECL allowance through a detailed market comparability analysis. The company based their analysis on the spread of credit default swaps for comparable entities, adjusting the result to take into consideration the historical performance of the ultimate parent and intermediate parent in order to determine a probability of default, which is used to develop the ECL loss allowances noted above.

CWC COMMUNICATIONS LIMITED

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

10. Creditors: amounts falling due within one year

	2018 \$000	2017 \$000
Amounts owed to group undertakings	30,655	3,560

The analysis of amounts owed to group undertakings is:

	2018 \$000	2017 \$000
Other amounts owed to group undertakings	30,655	3,560

The amounts owed to group undertakings are repayable on demand.

11. Share capital

	2018 \$	2017 \$
Allotted, called up and fully paid		
1,001 (2017 - 1,001) Ordinary shares of £1 each	1,488	1,488

12. Reserves

Profit and loss account

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

13. Parent undertaking and controlling party

The company's immediate parent undertaking is Sable Holding 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 Cable & Wireless Communications Limited ("CWC gGroup") and LLA, respectively.

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

Copies of CWC group accounts referred to above which include the results of the company are available from the company secretary, Cable & Wireless Communications Limited, Griffin House, 161 Hammersmith Road, London W6 8BS or from CWC's website: www.cwc.com.

In addition copies of the consolidated LLA accounts are available on LLA's website at www.lla.com.