

**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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



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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	L H Pegg M E Read
<b>Company secretary</b>	L H Pegg
<b>Registered number</b>	03057907
<b>Registered office</b>	Griffin House 161 Hammersmith Road London W6 8BS
<b>Independent auditor</b>	KPMG LLP 1 Sovereign Square Sovereign Street Leeds LS1 4DA

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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## CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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The directors present their report and the financial statements of Cable and Wireless (CALA Management Services) Limited ('the company') for the year ended 31 December 2018.

#### Results and dividends

The profit for the year, after tax, amounted to \$nil (2017 - \$nil).

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 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

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

#### Small companies provision

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 27 September 2019 and signed on its behalf.



L H Pegg  
Director

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## CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED

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### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

### **Opinion**

We have audited the financial statements of Cable and Wireless (CALA Management Services) Limited ("the company") for the year ended 31 December 2018 which comprise the Directors' report, profit and loss account, 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 result 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**

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Directors' report**

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

Our responsibility is to read 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 directors' report;
- in our opinion the information given in this report for the financial year is consistent with the financial statements; and
- in our opinion this report has 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED (CONTINUED)

### Directors' responsibilities

As explained more fully in their statement set out on page 2, 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.

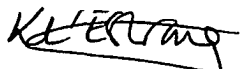
### Auditor's responsibilities

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](http://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 member 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 member 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 member 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

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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

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	<b>Note</b>	<b>2018 \$000</b>	<b>2017 \$000</b>
Turnover	4	13,439	4,408
Other operating charges	5	(13,439)	(4,408)
<b>Operating profit</b>	6	-	-
<b>Profit for the year</b>		-	-

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.

The notes on pages 8 to 13 form part of these financial statements.



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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**  
**REGISTERED NUMBER:03057907**

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**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

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	Note	2018 \$000	2017 \$000
<b>Current assets</b>			
Debtors due within one year	9	6,545	2,233
Creditors: amounts falling due within one year	10	(6,473)	(2,161)
<b>Net current assets</b>		<u>72</u>	<u>72</u>
<b>Net assets</b>		<u>72</u>	<u>72</u>
<b>Capital and reserves</b>			
Share capital	11	30,066	30,066
Profit and loss account	12	(29,994)	(29,994)
<b>Shareholder's funds</b>		<u>72</u>	<u>72</u>

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 27 September 2019.



**M E Read**  
Director

The notes on pages 8 to 13 form part of these financial statements.

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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

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	Share capital	Profit and loss account	Shareholder's funds
	\$000	\$000	\$000
At 1 January 2018	30,066	(29,994)	72
<b>Comprehensive income for the year</b>			
Profit for the year	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-
<b>At 31 December 2018</b>	<b>30,066</b>	<b>(29,994)</b>	<b>72</b>

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

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	Share capital	Profit and loss account	Shareholder's funds
	\$000	\$000	\$000
At 1 January 2017	30,066	(29,994)	72
<b>Comprehensive income for the year</b>			
Profit for the year	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-
<b>At 31 December 2017</b>	<b>30,066</b>	<b>(29,994)</b>	<b>72</b>

The notes on pages 8 to 13 form part of these financial statements.

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## CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED

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

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#### 1. Company information

Cable and Wireless (CALA Management Services) Limited ("the company") is a company incorporated, domiciled and registered in England in the UK. The registered number is 03057907 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 preparation

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](http://www.lla.com).

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.

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 Turnover

Turnover represents management fees charged to group undertakings. 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.

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## CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.3 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 on 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. Providing for loss allowances on our existing financial assets has not had a material impact on the financial statements.

##### 2.4 Deferred tax

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

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

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

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

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

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

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

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

Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

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

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## CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED

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

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**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.

**4. Turnover**

	2018 \$000	2017 \$000
Management fee charged from group undertakings	13,439	4,408

**5. Other operating charges**

	2018 \$000	2017 \$000
Management fee charged by group undertakings	13,439	4,408

**6. Operating profit**

Auditor's remuneration of \$6,500 (2017 - \$5,000) represents costs attributed to the company, all of which is borne by a fellow group company.

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.

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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

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**8. Taxation**

	2018 \$000	2017 \$000
Current tax	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>
Deferred tax		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>-</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as 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	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	-	-
<b>Effects of:</b>		
Group relief claimed	-	-
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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

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**9. Debtors**

	2018 \$000	2017 \$000
Amounts owed by group undertakings	6,545	2,233
	<u>6,545</u>	<u>2,233</u>

Amounts due from group undertakings are repayable on demand with a nil interest rate (2017 - nil). Carrying value approximates fair value.

**10. Creditors: amounts falling due within one year**

	2018 \$000	2017 \$000
Amounts owed to group undertakings	6,473	2,161
	<u>6,473</u>	<u>2,161</u>

Amounts due to group undertakings are repayable on demand with a nil interest rate (2017 - nil). Carrying value approximates fair value.

	2018 \$000	2017 \$000
Loans advanced by group undertakings	-	2,161
Other amounts due to group undertakings	6,473	-
	<u>6,473</u>	<u>2,161</u>

**11. Share capital**

	2018 \$	2017 \$
<b>Allotted, called up and fully paid</b>		
20,200,002 Ordinary shares of £1 each	30,065,657	30,065,657
	<u>30,065,657</u>	<u>30,065,657</u>

**12. Reserves**

**Profit and loss account**

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

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**CABLE AND WIRELESS (CALA MANAGEMENT SERVICES) LIMITED**

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

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**13. Parent undertaking and controlling party**

The company's immediate parent undertaking is Cable and Wireless (West Indies) 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") and LLA, respectively.

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

Copies of the 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](http://www.cwc.com).

In addition copies of the consolidated LLA accounts are available on LLA's website at [www.lla.com](http://www.lla.com).