

Company Registration Number: 04659719

Cable & Wireless Europe Holdings Limited
Annual Report and Financial Statements
For the Year Ended 31 March 2016

Registered Office
Vodafone House
The Connection
Newbury
Berkshire
RG14 2FN

THURSDAY



A5XZ02FC

A19

12/01/2017

#74

COMPANIES HOUSE

Company Registration Number: 04659719

Cable & Wireless Europe Holdings Limited

Contents

Company Information	1
Directors' Report	2 to 3
Income Statement	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 to 16

Cable & Wireless Europe Holdings Limited

Company Information

Directors

Vodafone Corporate Secretaries Limited

R Mullock

N Smith

Company secretary

Vodafone Corporate Secretaries Limited

Registration number

04659719

Registered office

Vodafone House

The Connection

Newbury

Berkshire

RG14 2FN

Cable & Wireless Europe Holdings Limited

Directors' Report for the Year Ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016

Principal activity and review of developments

The principal activity of the Company is to act as an investment holding company. No change in the Company's activities is envisaged in the foreseeable future.

The Company has taken advantage of the exemption in Companies Act 2006 to not present a Strategic Report.

Business Review

The profit for the year of £259,560,000 predominantly arose due to amounts written back to loans and net group interest income offset by loss on disposal of investments (2015 profit of £19,696,000 arose due to net group interest income).

The directors consider that the company has access to sufficient funding to meet its financial needs as they fall due for a period not less than 12 months from the date of these financial statements. Accordingly, the directors have prepared the financial statements on a going concern basis.

Dividends

The Directors recommend that no final dividend be paid (2015: £ nil).

Directors of the company

The directors, who held office during the year and up to the date of signing the financial statements, are as follows:

Vodafone Corporate Secretaries Limited

R Mullock

N Smith

Registered office

The registered office of the Company is Vodafone House, The Connection, Newbury, Berkshire, United Kingdom, RG14 2FN.

Financial risk management

The Company follows Group policy to manage its principal financial risks which include liquidity risk, market risk (interest rate management and foreign exchange management) and credit risk. The Group's treasury function provides a centralised treasury service to the Company, and follows a framework of policies and guidelines authorised and reviewed annually by the Group's management.

The Group's internal auditors review the internal control environment regularly. There has been no significant change during the financial year to the types of financial risks faced by the Company, or the Company's approach to the management of those risks.

Further details of the Group's policies on financial risk management can be found in the annual report and financial statements of Vodafone Group Plc for the year ended 31 March 2016.

Political Donation

There are no political donations made by the entity during the year (2015: £ nil).

Cable & Wireless Europe Holdings Limited

Directors' Report for the Year Ended 31 March 2016 (continued)

Statement of Directors' Responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements,
- state whether applicable UK Accounting Standards, including FRS 101 have been followed subject to any material departures disclosed and explained in the financial statements, and
- 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 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 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.

Indemnification of directors

In accordance with the Company's articles of association and to the extent permitted by law, the directors may be granted an indemnity from the Company in respect of liabilities incurred as a result of their office. In respect of those matters for which the directors may not be indemnified, Vodafone Group Plc maintained a directors' and officers' liability insurance policy throughout the year. This policy is renewed annually in August. Neither the Company's indemnity nor the insurance provides cover in the event that the director is proven to have acted dishonestly or fraudulently.

Events occurring after balance sheet date

The Company will closely monitor progress in relation to the impending exit of Great Britain from the membership of the European Union and regularly review the impact as part of the overall Group strategy.

Approved by the Board on 13 December 2016 and signed on its behalf by:



R Mullock
Director

Cable & Wireless Europe Holdings Limited

Income Statement for the Year Ended 31 March 2016

	Note	2016 £'000	2015 £'000
Amounts written back/(written off) to loans		231,056	(1)
(Loss)/ profit on disposal of investments		(4,716)	12
Operating profit		226,340	11
Net Finance Income	5	41,537	26,914
Profit on ordinary activities before taxation		267,877	26,925
Income tax charge on ordinary activities	6	(8,317)	(7,229)
Profit for the financial year		259,560	19,696

The above results for the year are derived entirely from continuing operations

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents

The notes on pages 8 to 16 form an integral part of these financial statements

Company Registration Number: 04659719

Cable & Wireless Europe Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 March 2016

The Company has not recognised any other comprehensive income/ (expense) and therefore no separate statement of comprehensive income has been prepared in respect of either year

The notes on pages 8 to 16 form an integral part of these financial statements

Cable & Wireless Europe Holdings Limited

Statement of Financial Position as at 31 March 2016

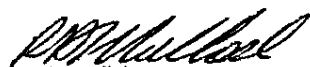
	Note	2016 £ '000	2015 £ '000
Fixed assets			
Investments	7	102,248	17,073
Current assets			
Debtors	8	1,221,457	1,373,460
Cash		870	-
		1,222,327	1,373,460
Creditors amounts falling due within one year	9	(643,982)	(969,500)
Net current assets		578,345	403,960
Net assets		680,593	421,033
Capital and reserves			
Called up share capital	10	-	-
Share premium		1,148,524	1,148,524
Retained earnings		(467,931)	(727,491)
Total shareholders' funds		680,593	421,033

For the year ending 31 March 2016 the company was entitled to exemption under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The Directors acknowledge their responsibilities for (a) ensuring the Company keeps accounting records which comply with section 386 of the Companies Act 2006, and (b) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 393 of the Act, and which otherwise comply with the requirement of Companies Act relating to accounts, so far as applicable to the Company.

The financial statements on pages 4 to 16 were authorised for issue by the board of directors on 13 December 2016 and were signed on its behalf



R Mullock
Director

The notes on pages 8 to 16 form an integral part of these financial statements

Cable & Wireless Europe Holdings Limited

Statement of Changes in Equity for the Year Ended 31 March 2016

	Called up share capital	Share premium	Retained earnings	Total
	£ '000	£'000	£'000	£'000
Balance as at 1 April 2014	-	1,148,524	(747,187)	401,337
Profit for the financial year	-	-	19,696	19,696
Balance as at 31 March 2015	<u>-</u>	<u>1,148,524</u>	<u>(727,491)</u>	<u>421,033</u>
Balance as at 1 April 2015	-	1,148,524	(727,491)	421,033
Profit for the financial year	-	-	259,560	259,560
Balance as at 31 March 2016	<u>-</u>	<u>1,148,524</u>	<u>(467,931)</u>	<u>680,593</u>

The notes on pages 8 to 16 form an integral part of these financial statements

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1. General Information

The principal activity of the Company is to act as an investment holding company

The company is a public limited company limited by shares incorporated in United Kingdom and domiciled in England

The address of its registered office is:
Vodafone House
The Connection
Newbury
Berkshire
RG14 2FN

Company Registration Number 04659719

These financial statements were authorised for issue by the Board on ... ¹³ December 2016

2. Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention as modified by derivative financial assets and liabilities measured at fair value through profit or loss and in accordance with the UK Companies Act 2006, as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

In these financial statements, the company has adopted FRS 101 for the first time. The company's date of transition to FRS 101 is 1 April 2014. Note 14 provides an explanation of how the transition to FRS 101 has affected the reported financial position and performance of the company.

The Company's functional and presentational currency is Pounds sterling '£'.

Cash flow statement

Under IAS 7, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A consolidated cash flow statement is included in the financial statements of Vodafone Group Plc in which the Company is consolidated and which are publicly available from the address in note 12.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

2 Summary of significant accounting policies and key accounting estimates (continued)

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of.
 - (i) paragraph 79(a)(iv) of IAS 1,
- The following paragraphs of IAS 1, 'Presentation of financial statements'.
 - 10(d), (statement of cash flows)
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third statement of financial position)
 - 111 (cash flow statement information), and
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Changes in accounting policy and disclosures

None of the standards, interpretations and amendments effective for the first time from 1 April 2015 have had a material effect on the financial statements. Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for the company to classify items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

Going concern

The financial statements have been prepared on a going concern basis. The directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' report on page 2.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

2. Summary of significant accounting policies and key accounting estimates (continued)

Exemption from preparing group accounts

The financial statements contain information about Cable and Wireless Europe Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of its ultimate parent, Vodafone Group Plc, a company incorporated in United Kingdom

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income.'

Current income tax

Current tax including UK Corporation tax and foreign tax is provided at amounts expected to be paid or recovered, using the tax rates and laws that have been entered or substantially enacted at the balance sheet date

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Earned income from the disposal of an investment is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

At each balance sheet date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

(continued)

2 Summary of significant accounting policies and key accounting estimates (continued)

Debtors

Debtors are amounts due from Vodafone Group companies for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using an effective interest method less provision for impairment. Estimates are based on the ageing of the debt balances and historical experience. Receivables are written off when management considers them to be irrecoverable.

Creditors

Creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below,

(a) Impairment of amounts owed by group undertakings

The company makes an estimate of the recoverable value of these debtors. When assessing impairment of these debtors, management considers factors including aging profile of debtors, historical experience and the level of group support.

(b) Impairment of investment in subsidiary

In making the judgement for impairment of investment in subsidiary, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the subsidiary, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

4. Employees and directors

The company had no employees during the year (2015: nil). Directors did not receive any emoluments from the company in respect of their services during the year (2015: £nil).

5. Net Finance Income

	2016 £'000	2015 £'000
Interest receivable from group undertakings	34,259	32,065
Interest on loans from group undertakings	(4,316)	(4,403)
Bank interest receivable	-	28
Net foreign exchange gain/ (loss)	11,603	(724)
Bank loans and overdrafts	(9)	(52)
	<u>41,537</u>	<u>26,914</u>

6. Tax Charge on profit on ordinary activities

	2016 £'000	2015 £'000
UK Corporation Tax at 20 % (2015: 21%)	8,307	5,652
Double taxation relief	(79)	(25)
UK Corporation Tax at 20 % (2015: 21%) after double tax relief	8,228	5,627
Prior year adjustment for under provision	10	1,577
Overseas tax charge	79	25
Total tax charge	<u>8,317</u>	<u>7,229</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 20% (2015: 21%). The actual tax charge for the current and previous year differ from the tax charge at the standard rate for the reasons set out in the following reconciliation.

	2016 £'000	2015 £'000
Profit on the ordinary activities before tax	<u>267,877</u>	<u>26,925</u>
Tax on profit on ordinary activities before tax at standard rate of 20% (2015: 21%)	53,575	5,654
Factors affecting tax charge for the year.		
Expenses not deductible for tax purposes	(45,268)	(2)
Foreign tax expensed	79	25
Double tax relief	(79)	(25)
Prior year adjustments	10	1,577
Total tax charge for the year	<u>8,317</u>	<u>7,229</u>

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

7. Investments

Shares in group undertakings

	Subsidiary undertakings £'000
Cost	
At 1 April 2015	29,995
Additional Investment	85,175
Disposals	-
At 31 March 2016	<u>115,170</u>
Provision for Impairment	
At 1 April 2015	(12,922)
Eliminated on disposal	-
At 31 March 2016	<u>(12,922)</u>
Net Book Value	
At 31 March 2016	<u>102,248</u>
At 31 March 2015	<u>17,073</u>

Details of the subsidiaries as at 31 March 2016 are as follows:

Subsidiary Undertaking	Class	Ownership	Country of Incorporation	Principal activity
Ipergy Communications NV *	Ordinary Shares	100%	Belgium	Dormant
Vodafone Belgium, SA/NV *	Ordinary Shares	100%	Belgium	Telecommunications
Vodafone Enterprise Global Network HK Ltd *	Ordinary Shares	50%	Hong Kong	Telecommunications
Vodafone Enterprise Luxembourg S.A	Ordinary Shares	100%	Luxembourg	Telecommunications
European Networks B.V.	Ordinary Shares	100%	Netherlands	Dormant
Vodafone Enterprise Austria GmbH	Ordinary Shares	100%	Austria	Telecommunications
Vodafone Enterprise Denmark A/S	Ordinary Shares	100%	Denmark	Telecommunications
Vodafone Enterprise Europe (UK) Limited	Ordinary Shares	100%	United Kingdom	Telecommunications

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

Details of the subsidiaries as at 31 March 2016 are as follows: (continued)

Subsidiary Undertaking	Class	Ownership	Country of Incorporation	Principal activity
Vodafone Enterprise Europe (UK) Limited - Czech Branch *	Ordinary Shares	100%	Czech Republic	Telecommunications
Vodafone Enterprise Europe (UK) Limited - Dubai Branch *	Ordinary Shares	100%	U A E	Telecommunications
Vodafone Enterprise France SAS	Ordinary Shares	100%	France	Telecommunications
Vodafone Enterprise Italy S.r.L	Ordinary Shares	100%	Italy	Telecommunications
Vodafone Enterprise Netherlands B V	Ordinary Shares	100%	Netherlands	Telecommunications
Vodafone Enterprise Spain SLU	Ordinary Shares	100%	Spain	Telecommunications
Vodafone Enterprise Spain SLU, - Portugal Branch *	Ordinary Shares	100%	Portugal	Telecommunications
Vodafone Enterprise Sweden AB	Ordinary Shares	100%	Sweden	Telecommunications
Cable and Wireless Nominee Limited	Ordinary Shares	100%	United Kingdom	Telecommunications
Vodafone Enterprise Bahrain W L L	Ordinary Shares	20%	Bahrain	Telecommunications
MediaOne Limited	Ordinary Shares	22.50%	Ireland	Telecommunications

*Denotes indirect holdings

8. Debtors

	2016 £'000	2015 £'000
Amounts owed by group undertakings	1,221,457	1,373,460
	<u>1,221,457</u>	<u>1,373,460</u>

The amounts due from group undertakings bear interest of LIBOR plus 3.50%. The loans and any interest accrued thereon are repayable in full on the last day of each borrowing period or immediately upon demand.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

9. Creditors: amount falling due within one year

	2016	2015
	£'000	£'000
Bank loans and overdrafts	-	13
Amounts owed to group undertakings	635,675	963,835
Group relief payable	8,307	5,652
	<u>643,982</u>	<u>969,500</u>

The amounts due to group undertakings are unsecured and bear interest of LIBOR. The loans and any interest accrued thereon become repayable in full on the last day of each borrowing period or immediately upon demand of the lender.

10. Called up share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11. Related party disclosures

The Company has taken advantage of the exemption granted under paragraphs 8 'FRS 101', reduced disclosure, Related Party Disclosures, not to disclose transactions with Vodafone Group Plc group companies.

12. Controlling parties

The Company's immediate parent company is Cable and Wireless UK Holdings Limited, a company registered in England and Wales. The Directors regard Vodafone Group plc, a company registered in England and Wales, as the ultimate parent company and controlling party.

A copy of the financial statements of Vodafone Group Plc for the year ended 31 March 2016 may be obtained from the company's website www.vodafone.com or from The Company Secretary, Vodafone Group Plc, Vodafone House, The Connection, Newbury, Berkshire RG14 2FN, England.

13. Events after the end of the reporting period

The Company will closely monitor progress in relation to the impending exit of Great Britain from membership of the European Union and regularly review the impact as part of the Group's overall strategy.

Cable & Wireless Europe Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (continued)

14 Explanation of transition to FRS 101

This is the first year that the Company has presented its financial statements under FRS 101. The last financial statements under a previous GAAP (old UK GAAP) were for the year ended 31 March 2015 and the date of transition to FRS 101 was therefore 1 April 2014.

There has been no impact on the financial statements as a result of the transition from old UK GAAP to FRS 101.