ANNUAL REPORT 15

CABLE & WIRELESS ST. KITTS & NEVIS LIMITED

Cable&Wireless Communications

CONTENTS

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Shareholders of Cable & Wireless St. Kitts & Nevis Limited ('the Company') will be held at the Ocean Terrace Inn, Wigley Avenue, Fortlands, Basseterre on Thursday 28th January 2016 at 5:00 pm. Shareholders in Nevis can use the Teleconferencing facility at Ramsbury to view and participate in the meeting.

AGENDA

1. To read the minutes of the Twenty-ninth Annual General Meeting.

2. To receive and, if thought fit, accept the reports of the Directors and Auditors and the financial statements for the year ended 31st March 2015.

3. To re-appoint Auditors for the ensuing year and to authorize the Directors to fix their remuneration.

4. To re-elect to the Board of Directors in accordance with Articles 122 (a) to (e) Dr. Osbert Liburd who retires at the end of the Annual General Meeting but being eligible offers himself for re-election.

5. To elect to the Board of Directors, in compliance with Article 112 of the Articles of Association, Mr. Warren Harding and Mr. Alex Bremner.

Dated 17 day of November 2015
BY ORDER OF THE BOARD OF DIRECTORS

AWilliams

Valerie A. Williams
Company Secretary

One of the historic cannons that face the Caribbean Sea at Brimstone Hill Fortress National Park.

LEADERSHIP REPORT

LEADERSHIP REPORT

Cable and Wireless St. Kitts and Nevis delivered an outstanding performance in our 2014/2015 fiscal year, one in which the strategies that we pursued during the year under review produced noteworthy results. Of highest note was our return to growth heralded by Revenue uplift of EC$2.5m or 3% year on year increase, reversing the trend of the past five years. As we remain committed to seizing growth opportunities as they become available, we expect to perpetuate our growth story over the upcoming financial year and beyond.

During the reporting period we completed a major upgrade of our 4G network to the tune of EC$12m, providing unparalleled mobile coverage and capacity in the Federation. In addition, outstanding performance improvements in our internet service were realized following the migration of Broadband customers to the new BNG platform, which resulted faster speed and greater reliability. A high note of thanks is due to our loyal customers for their patience during that challenging period.

You will be happy to know that the Internet improvements will not stop there, but will be followed by further upgrades scheduled to be delivered by our Beach Head Project. This EC$13.5m Broadband expansion will enable us to offer Super-Fast Broadband (SFBB) speeds of up to 100 MBS to customers in Nevis and St. Kitts.

We are delighted to report that our mobile network received rankings as high as 2nd place on numerous occasions during fiscal 2014-15. This is quite an extraordinary feat for our 'small' market! Also remarkable was our selection as a venue for one of only a few Flagship Stores to be built in our Caribbean markets. This is testament to our success and an acknowledgement of our sterling record of retail performance.

On the commercial front, we saw signs of uplift in activity, particularly among our local business base with strategic acquisitions of the telecoms accounts for some of the largest local companies in the retail and hospitality sectors. With these contract wins, we are certain that we have planted the seeds for additional business and are confident that as we address the broader needs of our corporate segment we are now better poised for additional growth.

During the Fiscal Year 2014 – 2015, we implemented a series of high quality promotions that yielded good fruit. These included:

- 'One Flat Rate' campaign allowing our customers to call any network at any time for the same rate, thereby eliminating the need for consumers to carry two phones.
- 'Talk & Text 1000' offers the best of both worlds for our prepaid customers who get 1000 minutes of talk and 1000 text messages for one low rate.
- 'Upgrade Christmas' campaign was a colossal hit with customers who received amazing specials during the festive season. There were daily opportunities to win exciting prizes for topping up, purchasing Data Plans or using our new e-Billing Service.

In addition to the successful execution of new promotional strategies, C&W St. Kitts & Nevis undertook the building of stronger relationships with our young people. Our Primary School Graduation Gift initiative, which involved 860 primary school graduates in our Federation, recorded strong success with a high level of redemption of vouchers. Clearly, this was a fantastic venture to reward our soon to be high schoolers, while assisting in the coordination of appropriate adoption and use of technology devices for excellence in secondary education.

Other positive initiatives that were launched during the year included the innovative digital software My LIME Self Care App, designed to give customers greater access to and management of their mobile services. The company also entered into a unique partnership agreement with Deezer, one of the world's leading music streaming operators, giving our customers access to music streaming of more than 35 million songs.

Over the past year we improved our internal systems and processes for the benefit of our customers. This would not have been achieved had it not been for the dedication and hard work of our talented team. Further strengthening of our management team occurred with the advent of Anthony Morton, our new Manager of Consumer Sales and Customer Experience. We always warmly welcome new employees and customers and seek always to develop long-term partnerships with both of these important groups. We are simply delighted to have them as part of our family.

As our Federation forges ahead, your company will be a key player in these developments. This ties in well with the corporate social and responsibility commitments we make to our customers, shareholders, employees and our communities. Our support for top sporting and national events of great cultural significance in addition to our philanthropic and corporate sponsorships, are giving our brand increased visibility, which will further reinforce our reputation as an outstanding corporate citizen.

In closing, we are proud to report that Cable and Wireless St. Kitts and Nevis completed Fiscal 2014-15 in a strong position. Some significant challenges were addressed, while others await suitable solutions in 2015, but we are prepared. Our solid financial performance is indicative of our adherence to a corporate discipline that focuses on product and technology leadership, strategic management and growth. Looking ahead, we will seek to leverage the benefits of our business transformation. In this period of change our Board of Directors, Management and Staff crave the continued support of your our Shareholders. We are grateful for your investment in and patronage of our business.

Always at your service,

David Lake
General Manager

Warren Harding
Chairman

CORPORATE
SOCIAL RESPONSIBILITY

Throughout the years LIME, has undertaken to develop and foster partnerships which have been fundamental not only to our growth but also to our sustainability in this highly competitive telecommunications market. As we have grown strategically and financially, we have forgotten the need to give back to the communities in which we serve. It has indeed been our pleasure to exercise our franchise as a good corporate citizen within the Federation of St. Kitts & Nevis.

We are proud of our corporate responsibility performance during April 2014 – March 2015 and endeavour to build on and forge ahead to improve the lives of the communities in which we operate.

EDUCATION

Through our continued partnership with the Chamber of Industry and Commerce, it has been our esteemed pleasure to be a sponsor for the annual Academic Excellence Awards Ceremony, a formal event to reward the scholastic achievements of the top students of the Federation's High Schools and the CFB College who performed outstandingly in the 2014 overseas examinations.

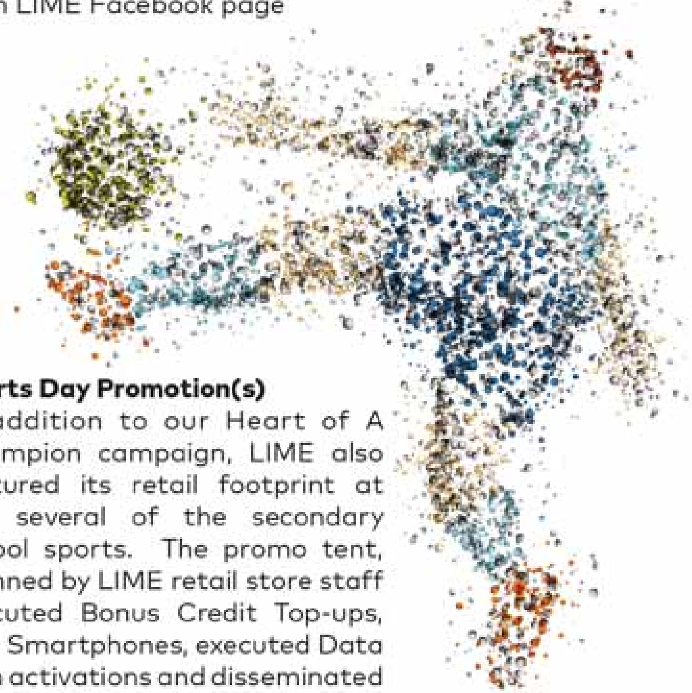
The event honoured the sterling contribution of educators who were awarded Certificates of Recognition for their dedication and commitment to raising student achievement levels; as well as the hard work and stellar performance of students from various institutions of higher learning with the Federation.
In our quest to ensure that no student is left behind, several highly intelligent primary school graduates from economically challenged families were encouraged to achieve their fullest potential through full scholarships from LIME covering books, uniforms and payment of examination fees during their tenure at high school. This project was done in collaboration with the Ministry of Education and has been ongoing for the past 27 years.

LIME was again a major sponsor of the SCASPA's Best in Class High School Quiz Competition. The Best in Class High School Quiz Competition is an annual educational event organized and sponsored by SCASPA to generate a greater interest in the operations of SCASPA and the travel industry and promote academic excellence.
We are of the view that supporting endeavours such as these will augur well for the enhancement of research skills, teamwork and problem-solving which is all vitally important in today's world.

SPORTS

The month of March is synonymous with SPORTS in the Federation. Whether it was the individual Secondary School High School Sport days, the Inter-school and or the Inter-Primary School Championships, and the CARIFTA Games; LIME pledged its continual support towards youth and sport development to all these and many more:

- **Heart of A Champion:**
  In our on-going pledge to partner and build a long-lasting relationship with the Secondary Schools in the Federation, LIME undertook to not only provide in-kind support to the individual Sports Day of these learning institutions; but to also recognize the two top outstanding athletes (male and female) from each school
  - **Text to Vote Competition**
    A text to vote (for your favorite competition) was organized for each school Sports Day; allowing patrons to text to vote for their favorite house. The net revenue from the same (which would also be matched by LIME) would be donated to the respective school
  - **Champion Athletes**
    The two athletes (male & female) would receive special recognition from LIME in the form a free LIME smartphone, starter credit, and data-plan activation
  - Profile of said athletes to also be disseminated on LIME Facebook page



- **Sports Day Promotion(s)**
  In addition to our Heart of A Champion campaign, LIME also featured its retail footprint at the several of the secondary school sports. The promo tent, manned by LIME retail store staff executed Bonus Credit Top-ups, sold Smartphones, executed Data plan activations and disseminated info on LIME products and services.

Athletics
Continuing our tradition of promoting athletics and athletic development within the Federation, LIME not only partnered with the St. Kitts-Nevis Amateur Athletics Association (SKNAAA) in the hosting of the annual Inter School Athletics Championships, but also the Nevis Amateur Athletics Association in the hosting of the Nevis Primary Schools Championships.

The #1 Network provider LIME was also the Official Telecommunications provider for CARIFTA 44, hosted in St. Kitts (Apr 3rd – Apr 6th).

In our continuing effort to promote and support Sports and its development within the Federation, LIME partnered with the SKNAAA in its hosting of the 44th CARIFTA Games in St. Kitts.

The sponsorship valued at $50,000.00 XCD in both cash and kind, facilitated the Federation in not only hosting the games, but also through our network infrastructure facilitated its LIVE (televised) streaming (as well as technology support towards the Event Manager Software, and video stream to the onsite jumbo-tron video display).

Football
In 2015, LIME maintained its support of the Elvis "Star" Browne Female Football League.
Underscoring the need to foster the development of Female Football, the company renewed its support of the league that was the brain-child of one of the Federation's Elder Statesmen of the Game the late Elvis "Star" Browne. It was again a unique opportunity us to support all the participants in this league and the opportunities it offers.
As always, LIME is committed to playing a leading role in the development of women's football and is delighted to be a key enabler of women empowerment and gender equity through football.

Tennis
The Federation's Full-Service Telecommunications; LIME formally handed over tennis equipment valued at over $2,000; included 30 junior rackets, 100 balls and 2 ball hoppers, which will all be utilized in the advancement of the Department of Sports Tennis program across the primary schools in St. Kitts.
LIME in making the presentation expressed its firm commitment to the advancement of our youth through programs such as this one.

Our mission has always been to understand and deliver to our communities. We are extremely proud to have donated this equipment to the Department of Sports. LIME is not only proud to partner with the Department of Sports, but also applauds the Dept. in endeavoring to foster additional avenues for athletic and sports development beyond the traditional Track and Field events that were all accustomed to for our youth".

Kite Making
During the traditional Easter vacation, we once again engaged in a creative collaboration with Mr. Curvis Jeffers and his annual Kite Making Workshop. We are well aware that today the love of kites is enormous and the rich cultural tradition of Easter Kite Flying in St. Kitts-Nevis continues to become more and more spectacular each year.

Ever since 2011, LIME has partnered with Mr. Jeffers as he tries to maintain the tradition and skill of local kite making. As with all previous years, we express our thanks to this renowned kite master, and the hundreds of children have mastered these skills and joined in the aerial fun and grandeur, hoisting their colourful and striking locally made kites.

COMMUNITY DEVELOPMENT

Festivals
For the 19th Annual St. Kitts Music Festival, LIME was once again Corporate Partner and Official Platinum Sponsor/Official Telecom Provider for the Festival.
LIME continued in its support of this Entertainment and Tourism product for the Federation.

Our platinum sponsorship of local festivals did not end here...

LIME also committed its support of the 43rd Edition of National Carnival of St. Kitts & Nevis (Sugar Mas 43) and 41st Anniversary of the Nevis Culturama Festival.

Most notably during the celebration of Sugar Mas 43 two of LIME's Brand Ambassadors Janos "Mr. Bagnall" Bagnall and Leslie "Sugar Bowl" Morton captured both Soca Monarch Titles.

Mr. Bagnall, who was also featured in LIME's regional "One Flat Rate" Campaign, secured the top position for the Groovy Segment with his runaway hit "Carnival Boss". Sugar Bowl, with his competition debut, also followed suit and wowed the audience with the crowd favourite, "What You Gonna Do" dominating the Power Segment.

Morton and Bagnall, are the producers and hosts of the very popular Pep-TV Powered by LIME, were signed as Brand Ambassadors since 2001 and April 2014 respectively.

Our support of communal festivals is still ongoing, with partnerships and very close associations with festivals such as, Black San Bang-a-Lang in Sandy Point, Green Valley Festival in Cayon, East Fest in Newtown East Basseterre.

Our support of the highly acclaimed and anticipated St. Kitts Latin Festival also continued. This cultural exchange has become a hallmark of the cultural calendar of the Federation as it celebrates, fosters and promotes the cultural expression and identity of both the Caribbean and Latin culture.

HEALTH

As a part of its ongoing commitment to support community empowerment, LIME St. Kitts & Nevis Ltd. collaborated with the Reach for Recovery Breast Cancer Support Group RFRSKB to host Pink Zone 2014.

Pink Zone is a staple activity for Breast Cancer Awareness Month in the Federation and provides information and free educational material to educate the Kittitian and Nevisian populace about breast cancer and what can be done to prevent and treat this dreadful disease.

Each day from 2:00pm until closing, persons may visit the LIME Flag Ship store on Cayon Street for a free breast examination and to learn how to do their own Breast Self-Examinations (BSE).
Three medical professionals, including RFRSBSG member Deborah Cool volunteered to give the free breast examinations and encouraged the partakers to continue to do their monthly BSE.

Having commenced on Friday October 10th, a total of forty-six (46) men and women were checked with three (3) women being issued free mammograms where anomalies were detected.

Further to this, was our sponsorship of Vibes Beach Bar for the "Vibes Turns Pink 2" fundraising event.

In a very fun and vibrant atmosphere at the famous Frigate Bay Strip, patrons bought raffle tickets for great prizes which included an Alcatel Smart Phone compliments LIME St. Kitts Nevis.

The event was able to raise six thousand four hundred ($6,400.00) which will be donated to the Reach for Recovery SKB Breast Cancer Support Group.

In addition to our involvement with Breast Cancer month, LIME was also proud to partner with Miss. LIME and former Miss. St. Kitts National Carnival Queen (Miss. Kaeve Armstrong) in spreading a little Christmas Cheer to children warded at both the paediatric and maternity wards at the JNF Hospital.

Throughout the year, LIME teamed has up with various community-based groups and other corporate partners to assist in programs that directly benefited children in St. Kitts and Nevis.
We have been giving back in various ways for the entire Christmas/Carnival season, but we are especially pleased to value every moment spent with the children.

This year's Christmas Cheer was even more special as the initiative was driven by the 2013/2014 Miss LIME. She wanted to ensure that the children warded at the JNF Hospital were not forgotten during the Holidays, and we assisted her in purchasing the gifts which are both fun and educational for them".

Kaeve Armstrong was very excited to speak about her experience and explained that this is one of the many Music Educational initiatives she undertook during her reign.

She asserted, "Staying true to my platform – "Music Education for All", I was ecstatic to present musical toys and LIME gifts to the children of the Paediatric Ward. I also visited the Maternity Ward where I met this year's Christmas baby and gave gift bundles to all the new mothers. It was truly a heartwarming experience!"
Nurse Adams, (the hospital Matron) and Nurse Miranda were overwhelmed by the kindness of LIME and Ms. St Kitts-Nevis 2013/2014 and the reigning Miss Jaycees International.

LIME St. Kitts-Nevis Ltd continues in its support of numerous community-based initiatives and remains committed to educational, cultural and social development within the Federation.

"Unity is strength... when there is teamwork and collaboration, wonderful things can be achieved!"

-Mattie J.T. Stepanek

MANAGEMENT
DISCUSSION & ANALYSIS

Introduction

Our 2014/15 performance indicates that we are starting to grow the business again. Revenue growth of $2.5m or 3% represents the first year on year growth for the business in five years. We reported revenue growth on all lines of business with mobile and enterprise sales contributing significantly to this turn around. Our strategic focus to invest in our business with capital investment of $17.4m has resulted in improved customer experience on our mobile network which now offers our customers the fastest mobile data speeds anywhere in the Federation with speeds in excess of 10mb in some areas.

The investment in our fixed network is ongoing and we also expect to launch the best broadband network in the federation during the 2015/16 financial year offering customers the fastest most reliable internet speeds. Our customers would have experienced some service issues prior to the upgrade, but we can assure our customers that the results of this investment will provide them with a world class internet experience.

These strategic actions have resulted in improved revenues for the Company and we expect that this will continue as we strive to ensure that everyone within the Federation will be able to connect seamlessly to the internet at home with our Superfast Broadband and on the go with our world class mobile data service. To further empower our customers, we introduced our Hero handset initiative that provided smart phones at affordable rates.

Turnover

The Company reported revenue increase of $2.5m or 3% over the previous year with growth being reflected on all lines of business.

Mobile revenue grew by $0.4m with growth reflected in both voice and data revenues. Enterprise revenue grew by $1.3m or 13% representing the largest revenue growth in any of the service lines. This was driven by our renewed focus on continuing to provide unmatched service to our corporate customers backed by our superior corporate products and technical support. Broadband revenue also increased by $0.4m or 4 %. This was very encouraging given that we had not completed our broadband upgrade project. We expect this service line to continue growing as we rollout the most advance network in the Federation. Fixed voice revenue also reflected growth of $0.3m or 1% despite the competing alternative VOIP technologies that continue to be released.

Outpayments

Total outpayments and direct costs increased by $0.2m or 1% which indicate that our costs are growing at a slower rates compared to our revenue growth. This is driven by the continued declined in Blackberry usage and the renegotiated roaming agreements.

Operating Costs

Total operating expenses excluding Depreciation and Amortization declined by $1.1m or 2% which is as a result of our continued focus on exercising cost discipline in all areas of the business and the cost initiatives that were executed.

Exceptional costs of $1.5m were incurred pertaining to the restructuring programme which commenced in the previous year. The costs incurred related to employee exit and staff benefits.

Capital Expenditure

Capital expenditure for the year was $17.4m compared to $2.5m in the previous year, an increase of $14.9m (+500%). This increase in capital expenditure is in line with the Cable and Wireless Communications project Marlin investments in HSPA+ to provide the business with the most advance networks in the Federation. This investment will continue into the years 2016/17 with work continuing on the fixed network.

Profit

Income on ordinary activities after taxation of $12.0m was $3.8m or 45% higher than the previous year as a result of the 3% revenue growth and improved cost discipline.

David Lake
General Manager

Michael Davis
Senior Financial Analyst

Financial Higlights

The Directors of Cable & Wireless St Kitts & Nevis Limited are pleased to present their report to the Thirtieth Annual General Meeting of Shareholders, together with the audited Financial Statements of the Company for the financial year ended 31st March 2015.

PRINCIPAL ACTIVITIES

Cable & Wireless St Kitts & Nevis Limited supplies telecommunications services and facilities to the Federation of St Kitts and Nevis. The Company's main business is the provision and operation of the public telecommunication services in the Federation of St Kitts and Nevis under an agreement dated 7th April 2001, which replaced a 25 year franchise granted by Government that would have expired on 30 November 2015. Following this agreement, the Company applied for new licenses and was granted non-exclusive licenses that will expire in 1 year.

RESULTS AND DIVIDENDS

	2015	2014
	EC$'000	EC$'000
Profit for the year after taxation	11,969	8,206
Added: Retained earnings brought forward	29,184	24,291
Amount available for distribution	41,153	32,497
It is recommended that this be dealt with as follows:		
Dividends: Final paid for previous fiscal (10 cents per Share)	-	-
Interim paid (10 cents per share)	(1,514)	(3,313)
Total	(1,514)	(3,313)
Retained earnings carried forward	39,639	29,184

DIRECTORS

In accordance with Article 122 (a) to (e), the Director retiring by rotation is Dr. Osbert Liburd who being eligible offers himself for re-election. Directors to be elected are Mr. Warren Harding and Mr. Alex Bremner who were appointed by the Board to replace Mr. Lawrence McNaughton and Mr. Davidson Charles who resigned on October 10th 2014 and January 23rd 2015 respectively.

Directors who served during the year were: Mr. Warren Harding, Mr. Alex Bremner, Mr. Davidson Charles, Mr. David Lake, Dr. Osbert Liburd, Miss Lyra Richards, and Miss Patricia Walters.

AUDITORS

Pursuant to the Company's Articles, the retiring auditors are KPMG Eastern Caribbean. A resolution proposing the reappointment of KPMG Eastern Caribbean will be put before the next Annual General Meeting on Thursday 28th January 2016.

APPRECIATION

The Directors wish to express their sincere thanks and gratitude to all who have contributed to the continuing success of the company over the past year, in particular to the loyal and dedicated employees and their families. The Directors also wish to convey their gratitude to those employees who have left the company during the year for their years of service and support and wish them the very best for the future.

BY ORDER OF THE BOARD OF DIRECTORS

David Lake
Director

Miss. Patricia Walters
Director

Dated: 17th November 2015

Cayon Street
Basseterre
St Kitts
West Indies

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARTION OF FINANCIAL STATEMENTS

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements, the Directors are required to:

(a) select suitable accounting policies and then apply them consistently;
(b) make judgments and estimates that are reasonable and prudent;
(c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
(d) prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose, with reasonable accuracy, at any time the financial position of the company and to enable them to ensure that the financial statements comply with Generally Accepted Accounting Standards as required by s. 104(2) of the St Kitts and Nevis Companies Act 1996 which states the following:

"The accounts shall be prepared in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the company for the period and of the state of the company's affairs at the end of the period and comply with any other requirements of this Act."

They 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.

Erected in 1883, the Berkeley Memorial celebrated its 100th anniversary the same year that St. Kitts & Nevis gained its Independence.

KPMG

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Independent Auditors' Report

To the Shareholders of
CABLE & WIRELESS (ST. KITTS AND NEVIS) LIMITED

We have audited the accompanying financial statements of Cable and Wireless (St. Kitts and Nevis) Limited (the "Company"), which comprise the statement of financial position as at 31 March 2015, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG

Chartered Accountants
July 24, 2015

Antigua and Barbuda

The Brimstone Hill Fortress National Park is now a UNESCO World Heritage Site of historical, cultural and architectural significance.

FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

	Note	2015	2014
Revenue	4	77,628	75,165
Operating costs before depreciation and amortisation	5a	(48,737)	(49,837)
Depreciation	5a	(8,795)	(9,233)
Amortisation	5a	(106)	(37)
Operating profit before exceptional items		**19,990**	**16,058**
Impairment		(542)	-
Operating exceptional items [1]	5b	(1,479)	(3,363)
Operating profit after exceptional items		**17,969**	**12,695**
Finance income	6	310	141
Finance expense	6	(92)	(414)
Profit before income tax		**18,187**	**12,422**
Income tax expense	7	(6,218)	(4,216)
Profit for the year being total comprehensive profit for the year		**11,969**	**8,206**

[1] Further detail on exceptional items is set out in note 5b and in the relevant note for each item.

The notes on pages 9 to 27 are an integral part of these financial statements.

Statement of Financial Position

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

	Note	2015	2014
ASSETS			
Non-Current Assets			
Intangible assets	9	389	446
Property, plant and equipment	10	67,738	63,993
Other - non-curent assets		1,339	1,793
		69,466	**66,232**
Current Assets			
Trade and other receivables	11	11,005	15,082
Inventories	12	1,569	1,438
Cash and cash equivalents	13	1,133	1,147
Due from related parties	21	18,615	10,028
Assets held for sale	23	4,255	-
		36,577	**27,695**
Total assets		**106,043**	**93,927**
LIABILITIES			
Current Liabilities			
Trade and other payables	14	14,184	13,380
Due to related parties	21	5,573	2,074
Bank overdraft	13	58	-
Tax liability		173	3,082
Deferred income	15	849	930
Provisions	17	1,937	1,125
		22,774	**20,571**
Non-Current Liabilities			
Deferred tax liability	16	4,866	5,706
Deferred income	15	515	562
Provisions	17	2,110	1,765
		7,491	**8,033**
Net Assets		**75,778**	**65,323**
EQUITY			
Share capital	18	33,130	33,130
Share Premium		3,009	3,009
Retained earnings		39,639	29,184
Total equity		**75,778**	**65,323**

The notes on pages 9 to 27 are an integral part of these financial statements. The financial statements on pages 5 to 8 were approved by the Board of Directors on 24 July, 2015 and signed on its behalf by:

Warren Harding
Chairman

Dr Osbert Liburd
Director

Statement of Changes in Equity

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at 1 April 2013	**33,130**	**3,009**	**24,291**	**60,430**
Total comprehensive income for the year	-	-	8,206	8,206
Dividend declared for year	-	-	(3,313)	(3,313)
Balance at 31 March 2014	**33,130**	**3,009**	**29,184**	**65,323**
Total comprehensive loss for the year	-	-	11,969	11,969
Dividend declared for year			(1,514)	(1,514)
Balance at 31 March 2015	**33,130**	**3,009**	**39,639**	**75,778**

The notes on pages 9 to 27 are an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

	Note	2015	2014
Profit before income tax for the year		**18,187**	**12,422**
Adjustments for:			
Depreciation	5a,10	8,795	9,234
Amortisation	5a, 9	106	36
Impairment and accelerated depreciation	5a, 10	542	-
Loss on disposal of property, plant and equipment		27	-
Finance income	6	(310)	(141)
Finance expense	6	92	413
Operating cash flows before working capital changes		**27,439**	**21,964**
Changes in working capital			
(Increase)/decrease in inventories		(131)	238
(Increase)/decrease in trade and other receivables		(4,084)	(345)
(Decrease)/increase in deferred income		(128)	664
Increase in asset retirement obligation		(759)	331
Decrease in trade and other payables		6,239	(12,832)
Cash generated from operations		**28,576**	**10,020**
Interest paid		(92)	(413)
Interest received		310	141
Income tax paid		(9,939)	(4,216)
Net cash from operating activities		**18,855**	**5,532**
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(17,413)	(2,479)
Net cash used in investing activities		**(17,413)**	**(2,479)**
Cash flows from financing activities			
Dividends paid		**(1,514)**	(3,313)
Net cash used in financing activities		**(1,514)**	(3,313)
Net increase in cash and cash equivalents		**(72)**	(260)
Cash and cash equivalents at 1 April		**1,147**	1,407
Cash and cash equivalents at 31 March	**13**	**1,075**	**1,147**

The notes on pages 9 to 27 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

1. General information/Company and Regulatory Information

Cable and Wireless St. Kitts and Nevis Limited ("the Company") is registered under the laws of the Federation of St. Kitts and Nevis. The Company is a subsidiary of Cable and Wireless (West Indies) Limited which owns 77% (77% - 2012) of the issued and outstanding shares. The Company's registered office is Basseterre, St. Kitts. The ultimate parent company is Cable & Wireless Communications Plc, a company incorporated in the United Kingdom. The annual report and accounts of Cable & Wireless Communications Plc are available at 3rd Floor, 26 Red Lion Square, London, WC1R 4HQ, United Kingdom.

On 19th March, 2010, the Cable & Wireless Group effected a group reorganization whereby Cable & Wireless Communications Plc was inserted as a new holding company for the Cable & Wireless Group via a Scheme of Agreement. Cable & Wireless Communications Plc therefore replaced Cable and Wireless Plc (now Cable & Wireless Limited) as the parent company of the Cable & Wireless Group at this date. On 22nd March 2010, the entire ordinary share capital of Cable and Wireless Plc was cancelled and shareholders were given one ordinary share and one B share of Cable & Wireless Communications Plc for every share of Cable and Wireless Plc held on that date. At this time, the Cable & Wireless Group was renamed the Cable & Wireless Communications Group. Cable & Wireless Communications group companies are referred to in these financial statements as "related companies".

On January 31, 2008, the Company was listed in the Eastern Caribbean Securities Exchange.

Cable & Wireless St Kitts & Nevis Limited supplies telecommunications services and facilities to the federation of St Kitts and Nevis. The Company's main business is the provision and operation of public telecommunication services in the Federation of St Kitts and Nevis under a 15-year agreement dated 07 April 2001, which replaced a 25 year franchise granted by Government that would have expired on 30 November 2015. The new 15-year agreement, which grants the Company new non-exclusive licenses, will expire in 1 year.

The Company has 41 employees as at 31 March 2015 (2014: 46).

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as they apply to the financial statements of the Company for the year ended 31 March 2015, interpretations adopted by the International Accounting Standards Board (IASB).

These financial statements are presented in Eastern Caribbean dollars ($XCD) and rounded to the nearest thousands. They have been prepared on the historical cost basis.

The Directors have prepared the accounts on a going concern basis.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. They form the basis of judgements about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future periods affected. Critical judgements and areas where the use of estimates is significant are discussed in note 3.
The accounting policies have been applied consistently by the Company.Critical judgements and areas where the use of estimates is significant are discussed in note 3.

The accounting policies have been applied consistently by the Company.

2.2 Application of recently issued International Financial Reporting Standards (IFRS)

The Company considered the implications of the following amendments to IFRS during the year ended 31 March 2015:

- Amendments to IAS 32 Financial statements: presentation – Provides clarifications on the application of offsetting of assets and liabilities;
- Amendments to IAS 36 Recoverable amount disclosures for non-financial assets – Reverses the unintended requirement in IFRS 13 Fair Value Measurements to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite-lived intangible assets have been allocated. The recoverable amount is required to be disclosed only when an impairment loss has been recognised or reversed;

The above were first effective for the Company in the year beginning 1 April 2014 and have been adopted by the Company for 2014/15. There was no material impact on the Company upon adoption of any amendments.

New and amended standards and interpretations, to be adopted by the Company for 2015/16:

Title	Effective date	Description and impact on the [Group]
IAS 36 Property, plant and equipment	Annual periods beginning on or after 1 July 2014	Clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.
IAS 38 *Intangible Assets*	Annual periods beginning on or after 1 July 2014	Clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

There are no other new or amended standards that are considered to have a material impact on the Company. There are no standards that are not yet effective that would be expected to have a material impact on the Company.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.2 Application of recently issued International Financial Reporting Standards (IFRS) (continued)

New and amended standards and interpretations to be adopted by the Company for 2017/18:

Title	Effective date	Description and impact on the [Group]
IFRS 15 *Revenue from Contracts with Customers*	Annual periods beginning on or after 1 January 2017 with early adoption permitted	Establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes*

2.3 Foreign currencies

a) Functional currency

Amounts included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency).

b) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised through profit or loss.

2.4 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. The cost of property, plant and equipment includes labour and overhead costs arising directly from the construction or acquisition of an item of property, plant and equipment. Plant and equipment represents the Company's network infrastructure assets.

The estimated costs of dismantling and removing assets, typically cell sites and network equipment, and restoring land on which they are located are included in the cost of property, plant and equipment. The corresponding obligation is recognised as a provision in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits will flow to the Company and the cost can be measured reliably. All other subsequent costs (primarily repairs and maintenance) are charged to profit or loss as incurred.

Depreciation is not recognised on freehold land or assets under construction. Depreciation is provided to write-off the cost of property, plant and equipment, on a straight line basis over the estimated useful lives of the assets as follows:

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

	Lives
Cables and transmission equipment	up to 20 years
Network equipment	3 to 25 years
Office equipment and computers	4 to 10 years
Plant and machinery	5 to 40 years
Computer equipment	4 years
Ducting	40 years
Freehold buildings	40 years
Leasehold buildings	up to 40 years or term of lease if less

Asset useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down to its recoverable amount if the carrying amount is greater than its recoverable amount through sale or use.

2.5 Intangible assets

Costs that are directly associated with the purchase and implementation of identifiable and unique software products by the Company are recognised as intangible assets. Expenditures that enhance and extend the benefits of computer software programs beyond their original specifications and lives are recognised as a capital improvement and added to the original cost of the software.

The Company's intangible assets that do not have indefinite useful lives are amortised on a straight line basis over their respective lives which are usually based on contractual terms. These intangible assets are stated at cost less amortisation.

	Lives
Software	3 to 5 years
Licences	Up to 25 years or the licence term if less

2.6 Financial instruments

Financial assets

The Company classifies its financial assets into the following categories: cash and cash equivalents; trade and other receivables; financial assets at fair value through profit or loss; available-for-sale financial assets; and held-to-maturity investments. The classification depends on the purpose for which the assets are held. The Company does not currently classify any assets as financial assets at fair value through profit or loss, available-for-sale or held-to-maturity investments.

Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date for financial assets other than those held at fair value through profit or loss.

Financial assets and liabilities are offset and the net amount reported when the Company has the legally enforceable right to set off the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.6 Financial instruments (continued)

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and at bank and short-term deposits. They are highly liquid monetary investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The carrying value of cash and cash equivalents in the statement of financial position is considered to approximate fair value. Bank overdrafts are included within borrowings and classified in current liabilities on the statement of financial position.

Trade and other receivables
Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a third party with no intention of trading the receivable. Trade and other receivables are presented in current assets in the statement of financial position, except for those with maturities greater than one year after the reporting date.

Receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amounts considered recoverable (amortised cost).

Financial liabilities
The Company classifies its financial liabilities into the following categories: trade and other payables; borrowings; and financial liabilities at fair value.

Management determines the classification of its financial liabilities at initial recognition and re-evaluates this designation at every reporting date for financial liabilities other than those held at fair value.

2.7 Impairment of assets

Financial assets
The Company assesses at each reporting date whether there is objective evidence that a financial asset not carried at fair value through profit or loss or a group of those financial assets is impaired.

An impairment allowance is established for trade receivables when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Non-financial assets
Assets that have indefinite useful lives are not subject to amortisation and are tested annually for impairment. All other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The Company determines any impairment by comparing the carrying values of each of the Company's assets (or the cash-generating unit to which it belongs) to their recoverable amounts, which is the higher of the asset's fair value less costs to sell and its value in use. Fair value represents market value in an active

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.7 Impairment of assets (continued)

Non-financial assets (continued)

market. Value in use is determined by discounting future cash flows arising from the asset. Future cash flows are determined with reference to the Company's own projections using pre-tax discount rates.

Impairment reviews involve management making assumptions and estimates, which are highly judgemental and susceptible to change.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is the price paid less any rebates, trade discounts or subsidies. It also includes delivery charges and import duties, but does not include value added taxes or advertising and administration costs. Cost is determined on the weighted average basis. For inventories held for resale, net realisable value is determined as the estimated selling price in the ordinary course of business less costs to sell. Provision is made for obsolete and slow-moving inventories as required.

2.9 Share capital

Incremental costs directly attributable to the issue of new shares or the repurchase of shares are recognised in equity.

2.10 Leases

All Company leases are operating leases. Payments made under operating leases, net of lease incentives or premiums received, are charged through profit or loss on a straight-line basis over the period of the lease.

2.11 Employee benefits

Defined contribution pensions

A defined contribution plan is a pension plan under which the Company pays fixed contributions to a third party. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as operating costs as they are incurred through profit or loss.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits within other provisions when it is demonstrably committed to the action leading to the employee's termination.

Bonus plans

The Company recognises a liability in the statement of financial position in relation to bonuses payable to employees where contractually obliged or where there is a past practice that has created a constructive obligation.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.12 Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised through profit or loss except to the extent that it relates to items recognised directly in other comprehensive income and equity, in which case it is recognised in other comprehensive income or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using rates that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except where the difference arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or liability in a transaction other than a business combination, affecting neither accounting nor taxable profit.

Deferred tax is calculated using tax rates that are expected to apply to the period when the temporary differences reverse, based on rates that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and interests in joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

2.13 Provisions

Provisions are liabilities of uncertain timing or amount. They are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are presented in the statement of financial position at the present value of the estimated future outflows expected to be required to settle the obligation. Provision charges and reversals are recognised through profit or loss. Discount unwinding is recognised as a finance expense

2.14 Revenue recognition

Company revenue, which excludes discounts, value added tax and similar sales taxes, represents the amount receivable in respect of services and goods provided to customers. It includes sales between group companies. Revenue is recognised only when payment is probable.

Revenue from services is recognised as the services are provided. In respect of services invoiced in advance, amounts are deferred until provision of the service.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.14 Revenue recognition (continued)

Amounts payable by and to other telecommunications operators are recognised as the services are provided. Charges are negotiated separately and are subject to continual review. Revenue generated through the provision of these services is accounted for gross of any amounts payable to other telecommunications operators for interconnect fees.

Revenue from mobile, broadband, and fixed line products comprises amounts charged to customers in respect of monthly access charges, airtime and usage, messaging and other telecommunications services. This includes data services and information provision and revenue from the sale of equipment, including handsets.

Monthly access charges from mobile, broadband, and fixed line products are invoiced and recorded as part of a periodic billing cycle. Airtime, either from contract customers as part of the invoiced amount or from prepaid customers through the sale of prepaid credit, is recorded in the period in which the customer uses the service. Unbilled revenue resulting from services provided to contract customers from the billing cycle date to the end of each period is accrued. Unearned monthly access charges relating to periods after each accounting period are deferred.

The Company earns revenue from the transmission of content and traffic on its network originated by third-party providers. Third-party dealers and partners are also used to facilitate the sale and provision of some services and equipment sold by the Company. We assess whether revenue should be recorded gross as principal or net as agent, based on the features of such arrangements including the following factors:

- Whether the Company holds itself out as an agent;
- Whether the Company has latitude for establishing the price, either directly or indirectly, for example by providing additional services;
- Provision of customer remedies;
- Whether the Company has the primary responsibility for providing the services to the customer or for fulfilling the order; and
- Assumption of credit risk.

Revenue from sales of telecommunications equipment is recognised upon delivery to the customer.

The total consideration on arrangements with multiple revenue generating activities (generally the sale of telecoms equipment and ongoing service) is allocated to those components that are capable of operating independently, based on the estimated fair value of the components. The fair value of each component is determined by amounts charged when sold separately and by reference to sales of equivalent products and services by third parties.

Revenue arising from the provision of other services, including maintenance contracts, is recognised over the periods in which the service is provided.

Customer acquisition costs including dealer commissions and similar payments are expensed as incurred.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

2. Summary of significant accounting policies (continued)

2.15 Exceptional items

Exceptional items are material items within profit or loss that derive from individual events that fall within the ordinary activities of the Company that are identified as exceptional items by virtue of their size, nature or incidence.

3. Critical accounting estimates and judgements

A number of estimates and assumptions have been made relating to the reporting of results of operations and the financial condition of the Company. Results may differ significantly from those estimates under different assumptions and conditions. The Directors consider that the following discussion addresses the Company's most critical accounting estimates. These particular policies require subjective and complex assessments, often as a result of the need to make estimates about the effect of matters that are uncertain.

3.1 Impairment

The Directors assess property, plant and equipment and intangible assets (excluding goodwill) for impairment whenever events or changes in circumstances indicate that the carrying value is less than its recoverable amount. Factors that are considered important and that could trigger an impairment review include the following:

- Obsolescence or physical damage;
- Significant changes in technology and regulatory environments;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the use of the assets or the strategy of the overall business;
- Significant negative industry or economic trends; and
- Significant decline in the market capitalisation relative to net book value for a sustained period.

In addition, the Directors test other intangible assets with an indefinite life at least annually for impairment.

The identification of impairment triggers is a key judgement. Where an impairment review is required, the Company generally determines recoverable amount based on value in use. The key estimates used in calculating value in use are the discount rate, revenue growth, operating cost margin and capital expenditure. Estimates are based on extrapolated approved three-year business plans.

3.2 Receivables allowance

The impairment allowance for trade receivables reflects the Company's estimates of losses arising from the failure or inability of the Company's customers to make required payments. The allowance is based on the ageing of customer accounts, customer creditworthiness and the Company's historical write-off experience. Changes to the allowance may be required if the financial condition of the Company's customers improves or deteriorates. An improvement in financial condition may result in lower actual write-offs. Historically, changes to the estimate of losses have not been material to the Company's financial position and results.

3.3 Revenue recognition

Judgement is required in assessing the application of revenue recognition principles and the specific guidance in respect of Company revenue. This includes the allocation of revenue between multiple

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

3. Critical accounting estimates and judgements (continued)

3.3 Revenue recognition (continued)

deliverables, such as the sale v value of telecommunications equipment and ongoing service, where such items are sold as part of a bundled package. See note 2.16.

3.4 Exceptional items

Judgement is required in assessing the classification of items as exceptional and assessing the timing of recognising exceptional provisions. The Company has established criteria for assessing the classification and a consistent approach is applied each period.

3.5 Tax

The calculation of the Company's total tax charge involves a degree of estimation in respect of certain items where the tax treatment cannot be finally determined until a resolution has been reached with the relevant tax authority or, if necessary, through a formal legal process. The final resolution of some of these items may give rise to material income statement and/or cash flow variances.

The resolution of issues is not always within the control of the Company and is often dependent on the efficiency of the administrative and legal processes in the relevant tax jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge through profit or loss and tax payments made.

4. Revenue

Accounting policy detailed in note 2.14.

The Company is an integrated telecommunications service provider. It offers mobile, broadband, data, and domestic and international fixed line services to residential and business customers. Mobile includes prepaid and post-paid services and sale of handsets. Broadband includes Dial-up and ADSL internet services. Domestic voice includes local fixed line services and related rental and
installation charges. International voice includes all international calls and related interconnect services.

Enterprise, data and other includes leased circuit, MPLS, frame relay, CPE sales and directory services.

Revenue from external customers analysed by product/lines of business below:

	2015	2014
Mobile	37,476	37,038
Broadband	10,140	9,726
Fixed voice	19,100	18,760
Enterprise, data and other	10,912	9,641
Total	**77,628**	**75,165**

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

5. Operating costs and other operating income and expenses

5a. Operating costs

Detailed below are the key expense items charged in arriving at our operating profit. Outpayments amounts paid to other operators when our customers call customers connected to a different network. Operating costs are stated net of credits or charges arising from the release or establishment of accruals.

An analysis of the operating costs from incurred by the Company is presented below, classified by the nature of the cost:

	2015	2014
Outpayments and direct costs	13,670	13,463
Employee and other staff expenses (see note 5c)	4,173	6,899
Other administrative expenses	19,989	18,749
Network costs	6,991	7,335
Property and utility costs	3,914	3,391
Operating costs before depreciation, amortisation and impairment	**48,737**	**49,837**
Depreciation of property, plant and equipment	8,795	9,233
Impairment	542	-
Amortisation of intangible assets	106	37
Operating costs	**58,180**	**59,107**

5b. Exceptional items

Exceptional items are material items within profit or loss that derive from individual events that fall within the ordinary activities of the Company. They are identified as exceptional items by virtue of their size, nature of incidence.

Accounting policy detailed in note 2.15.

During the financial year 2014/15, the Company further recorded $1.479 million of exceptional charges pertaining to the approved restructuring programme. The exceptional loss recognized in the prior financial year 2013/14 comprised of restructuring costs for employee termination and other staff benefits and/or legal costs aggregating to $3.3 million.

There were no exceptional items within operating costs before depreciation and amortisation.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

5. Operating costs and other operating income and expenses (continued)

5c. Employee and other staff expenses

	2015	2014
Wages and salaries	3,147	4,322
Social security costs	268	358
Other benefits and allowances	681	2,281
Pension costs:		
- defined contribution plans	242	358
	4,338	**7,319**
Less: Staff costs capitalised	(165)	(420)
Total Staff costs	**4,173**	**6,899**

Directors' and key management remuneration

Key management are represented by key management personnel having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any external director of the Company.

Included within employee costs is key management remuneration as follows:

	2015	2014
Directors' emoluments	58	58
Other key management personnel – short-term employment benefits	1,187	1,162
Post-employment benefits	5	1
Termination benefits	-	528
Total Key management remuneration	**1,250**	**1,749**

6. Finance income and expense

Finance income is mainly comprised of interest received from external bank deposits. Financing costs mainly arise from interest due on external bank loans, related party loans and transactional foreign exchange losses.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

6. Finance income and expense (continued)

The finance income and expense are set out below.

	2015	2014
Finance income		
Interest income	310	141
Total finance income	**310**	**141**
Finance expense		
Interest expense	92	83
Unwinding of discounts on provisions	-	331
Total finance expense	**92**	**414**

7. Income tax expense

This section explains how our Company tax charge arises. The current and deferred tax charges or credits in the year together make up the total tax charge in the Statement of Profit and Loss. The deferred tax section also provides information on our expected future tax charges. A reconciliation of profit or loss before tax to the tax charge is also provided.

Accounting policy detailed in note 2.12.

	2015	2014
Current tax charge		
Corporation tax at 33% (2013/14 – 33%)	6,557	5,688
Adjustments relating to prior year tax	459	(942)
Total current tax charge	**7,016**	**4,746**
Withholding tax	**42**	20
Deferred tax credit		
Origination and reversal of temporary differences	(37)	(410)
Adjustments relating to prior years	(803)	(140)
Total deferred tax credit	**(840)**	**(550)**
Total income tax charge	**6,218**	**4,216**

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

7. Income tax expense (continued)

Reconciliation of actual tax expense

	2015	2014
Profit before income tax	**18,187**	**12,422**
Income tax charge at tax rate: 33% (2013/14 – 33%)	6,002	4,099
Effect of capital allowances on non-current assets	(245)	561
Disallowed expenses and other capital adjustments	468	1,028
Deferred tax	(840)	(550)
Withholding tax	42	20
Adjustments relating to prior year tax	791	(942)
Total income tax charge	**6,218**	**4,216**
Income tax charge on exceptional items	**(641)**	**(1,110)**
Pre-exceptional income tax charge	**6,856**	**5,326**
Pre-exceptional effective tax rate on profit	**34.1%**	**33.7%**
Effective tax rate on profit	**34.2%**	**33.9%**

For analysis of the Company's deferred tax liability as at the reporting date, including factors affecting the future tax rates see note 15.

8. Impairment review

Impairment occurs when the carrying value of an asset or group of assets is greater than the present value of the cash they are expected to generate.

We consider the carrying value of other assets at least annually. If there are impairment triggers that indicate an impairment of other assets is possible, we then perform a full impairment review.

Accounting policy detailed in note 2.7.

Property, plant and equipment

The Company has identified that an impairment charge of $542 was considered necessary at 31 March 2015 (2013/14: based on judgement, no impairment was recognized).

Other fixed assets and intangibles

There were no other events or changes in circumstances during the year to indicate that the carrying value of the other fixed assets and other intangible assets had been impaired.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

9. Intangible assets

The following section shows the non-physical assets used by the Company to generate revenues and profits.

These assets include software and licenses and operating agreements. Within license and operating agreements we include the cost of any acquired spectrum we use for our mobile services. The cost of intangible assets is the amount that the Company has paid.

The value of other intangible assets reduces over the number of years the Company expects to use the asset via an annual amortisation charge. Should an asset's value fall below its carrying value an additional one-off impairment charge is made against profit.

Accounting policy detailed in note 2.5.

	Intangibles
Cost	
At 1 April 2013	**3,085**
Transfers from Projects under construction/WIP	142
Disposals	(137)
At 31 March 2014	**3,090**
Transfers from Projects under construction/WIP	49
At 31 March 2015	**3,139**
Amortisation and impairment	
At 1 April 2013	**2,745**
Charge for the year	36
Disposals	(137)
At 31 March 2014	**2,644**
Charge for the year	106
Disposals	-
At 31 March 2015	**2,750**
Net book value	
At 31 March 2015	**389**
At 31 March 2014	**446**

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

10. Property, plant and equipment

The following section shows the physical assets used by the Company to generate revenues and profits. We make significant investments in network plant and equipment and infrastructure – the technology and base stations required to operate our networks – that form the majority of our tangible assets.

Depreciation is calculated by estimating the number of years the Company expects the asset to be used (useful economic life). If there has been a technological change or decline in business performance the Directors review the value of the assets to ensure they have not fallen below their depreciated value. If an asset's value falls below its depreciated value an additional one-off impairment charge is made against profit.

Accounting policy detailed in note 2.4.

	Freehold land and buildings	Plant and Machinery	Other Fixed Assets	Work in Progress	Total
Cost					
At 1 April 2013	**51,221**	**123,545**	**11,979**	**210**	**186,955**
Additions	-	-	-	2,479	2,479
Disposals	(153)	(1,748)	(18)	-	(1,919)
Transfers to intangible assets	-	-	-	(142)	(142)
Transfers from Projects under construction	1,397	(80)	152	(1,469)	-
At 31 March 2014	**52,465**	**121,717**	**12,113**	**1,078**	**187,373**
Additions	-	-	-	17,413	17,413
Adjustment	-	1,294	(101)	-	1,193
Transfers to intangible assets	-	-	-	(49)	(49)
Transfers from Projects under construction	150	11,997	86	(12,233)	-
Transfers to assets held for sale	(1,288)	(6,594)	-	-	(7,882)
Disposals	-	-	(2,198)	-	(2,198)
At 31 March 2015	**51,327**	**128,414**	**9,900**	**6,209**	**195,850**
Depreciation					
At 1 April 2013	**30,191**	**75,473**	**10,401**	**-**	**116,065**
Charge for the year	2,558	6,066	610	-	9,234
Disposals	(153)	(1,748)	(18)	-	(1,919)
At 31 March 2014	**32,596**	**79,791**	**10,993**	**-**	**123,380**
Charge for the year	2,336	6,020	439	-	8,795
Adjustment	-	1,195	-	-	1,195
Impairment	-	542	-	-	542
Transfers to assets held for sale	(32)	(3,595)	-	-	(3,627)
Disposals	-	-	(2,173)	-	(2,173)
At 31 March 2015	**34,900**	**83,953**	**9,259**	**-**	**128,112**
Net book value at 31 March 2015	**16,427**	**44,461**	**641**	**6,209**	**67,738**
Net book value at 31 March 2014	**19,869**	**41,926**	**1,120**	**1,078**	**63,993**

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

11. Trade and other receivables

Our trade and other receivables mainly consist of amounts owed to us by customers and amounts that we pay to our suppliers in advance. Trade receivables are shown net of allowance for bad or doubtful debts.

Accounting policy detailed in note 2.6.

	2015	2014
Gross trade receivables	7,396	13,534
Impairment allowance	(1,643)	(2,640)
Net trade receivables	**5,753**	**10,894**
Other receivables	2,951	2,043
Prepayments and accrued income	2,301	2,145
Trade and other receivables – current	**11,005**	**15,082**

The maximum exposure to credit risk for receivables is equal to their carrying value. There is no material difference between the carrying value and fair value of trade and other receivables presented.

Concentrations of credit risks with respect to trade receivables are small as the Company customer base is large and unrelated. Receivables predominantly relate to retail customers, governments and corporate entities as well as other telecommunications operators.

Credit risk procedures vary depending on the size or type of customer. These procedures include such activities as credit checks, payment history analysis and credit approval limits. Based on these procedures, management assessed the credit quality of those receivables that are neither past due nor impaired as low risk. There have been no significant changes to the composition of receivables counterparties within the Company that indicate this would change in the future. During the periods presented there was a continued economic weakness in the market in which the Company operate. This would indicate an increased credit risk on receivables that are neither past due nor impaired. However, management assessed this risk and, after providing valuation allowance where necessary, continued to support the assessment of credit quality as low risk.

An ageing analysis of the current 'trade receivables' and current 'other receivables' that are not impaired is as follows (excludes prepayments and accrued income and taxation and social security):

	2015	2014
Not yet due	4,735	4,323
Overdue 30 days or less	717	789
Overdue 31 to 60 days	252	431
Overdue 61 to 90 days	200	611
Overdue 91 days to 180 days	193	326
Overdue 181 days or more	6,551	11,242
	12,648	**17,722**

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

11. Trade and other receivables (continued)

Based on historic default rates, the Company believes that no impairment allowance is necessary in respect of trade and other receivables not past due or past due by up to 30 days. Due to the nature of the telecommunications industry, balances relating to interconnection with other carriers often have lengthy settlement periods. Generally, interconnection agreements with major carriers result in both receivables and payables balances with the same counterparty. Industry practice is that receivable and payable amounts relating to interconnection revenue and costs for a defined period are agreed between counterparties and settled on a net basis. An analysis of movements in the trade receivables impairment allowance during the year is as follows:

	2015	2014
At 1 April	(2,640)	(2,816)
Bad debts (recovered)/ written off - net	464	258
Decrease / (Increase) in allowance	533	(82)
At 31 March	**(1,643)**	**(2,640)**

In the Company's operations it is customary and practice to collect security deposits from customers as collateral. These are recorded as liabilities within other payables.

12. Inventories

Our inventory primarily consists of mobile handsets, equipment and consumables and is presented net of allowance for obsolete products.

Accounting policy detailed in note 2.8.

Inventories of $1.6 million (2013/14 – $1.4 million) are presented net, after recording an allowance of $0.9 million (2013/14 – $0.8 million) made against slow moving or obsolete items. Amount of inventory written off through other administrative expenses during the year was $0.1 million (2013/14: $0.1 million).

Inventories of the Company are not pledged as security or collateral against any of the Company's borrowings.

13. Cash and cash equivalents

The majority of the Company's cash is held in bank.

Accounting policy detailed in note 2.6.

	2015	2014
Cash at bank and in hand	1,133	1,147
Bank overdraft	(58)	-
Cash and cash equivalents represented in cashflow	**1,075**	**1,147**

The maximum exposure to credit risk for cash and cash equivalents is equal to the carrying value of those financial instruments.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

14. Trade and other payables

Our trade and other payables mainly consist of amounts we owe to our suppliers that have been invoiced or are accrued. Taxes and social security amounts are due in relation to our role as an employer.

	2015	2014
Trade payables	1,375	5,480
Accruals	9,182	5,245
Other payables	3,627	5,517
Trade and other payables	**14,184**	**16,242**

There is no material difference between the carrying value and fair value of trade and other payables presented. For liquidity risk exposure analysis purposes, the carrying amount of trade and other payables is the same as the contractual cash flows, with the contractual maturities of these financial liabilities all due in less than one year.

15. Deferred Income

The amount represents unused prepaid mobile sales transactions deferred up to the date of use.

16. Deferred tax

Accounting policy detailed in note 2.12.

The movements in deferred tax assets during the year are as follows:

	Capital allowances on non-current assets	Financial position offset	Total
Deferred tax asset	-	43	43
Deferred tax liability	(6,299)	-	(6,299)
At 1 April 2013	**(6,299)**	**43**	**(6,256)**
Credit / (Charge) to profit or loss	565	(15)	550
At 31 March 2014	**(5,734)**	**28**	**(5,706)**
Deferred tax asset	-	28	28
Deferred tax liability	(5,734)	-	(5,734)
At 1 April 2014	**(5,734)**	**28**	**(5,706)**
Credit / (Charge) to profit or loss	846	(6)	840
At 31 March 2015	**(4,888)**	**22**	**(4,866)**
Deferred tax asset	-	22	22
Deferred tax liability	(4,888)	-	(4,888)

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

17. Provisions

Accounting policy detailed in note 2.13.

	Property	Redundancy costs	Asset retirement obligations	Legal and other	Total
At 1 April 2013	**-**	**-**	**1,434**	**-**	**1,434**
Provisions made during year	324	2,998	-	41	3,363
Provisions used during year	-	(2,238)	-	-	(2,238)
Effect of discounting	-	-	331	-	331
At 31 March 2014	**324**	**760**	**1,765**	**41**	**2,890**
Additional provisions	-	(462)	-	1,941	1,479
Cash payments	-	(297)	-	(25)	(322)
Effect of discounting	-	-	-	-	-
At 31 March 2015	**324**	**1**	**1,765**	**1,957**	**4,047**
Provisions – current	**324**	**1**	**-**	**1,612**	**1,937**
Provisions – non-current	**-**	**-**	**1,765**	**345**	**2,110**

Property

As a result of outsourcing and other redundancies associated with the structural reorganisation, seating capacity adjustment is required to accommodate all current staff in a central location.

Redundancy

Provision has been made for the total employee related costs of redundancies announced within the LIME Caribbean restructuring programme. Amounts provided for and spent during the period presented primarily relate to transformation activities.

Asset retirement obligations

Provision has been made for the best estimate of the asset retirement obligation associated with office sites, technical sites, mobile cell sites, domestic and sub-sea cabling. This provision is expected to be used at the end of the life of the related asset on which the obligation arises.

Legal and other

Legal and other provisions include amounts relating to specific legal claims against the Company together with amounts in respect of certain other staff costs and unbilled service charges. The timing of the utilisation of the provision is uncertain and is largely outside the Company's control, for example, where matters are contingent upon litigation.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

18. Equity

Share capital

	2015	2014
Authorised: 50,000,000 Ordinary shares of $1		
Issued, called up and fully paid shares: 33,130,418 Ordinary shares	33,130	33,130

The Company defines capital as share capital, share premium, and retained earnings. The management of capital is achieved through a combination of the requirements of the Company and Cable & Wireless Group strategy, which has remained unchanged from the prior year.

Included within the number of shares disclosed above are treasury shares. No treasury shares of the Company were cancelled during the periods presented.

19. Commitments and contingent liabilities

Commitments

A commitment is a contractual obligation to make a payment in the future. These amounts are not recorded in the company statement of financial position since we have not yet received the goods or services from the supplier. We have a number of commitments, mainly in relation to leases and agreements to buy fixed assets. The amounts below are the minimum we are committed to pay.

Capital commitments at the end of the financial year for the Company relating to the purchase of plant and equipment of $2,456 (2013/14 – $6,802). No provision has been made for these commitments.

The Company leases land and buildings and networks under various operating lease agreements. The leases have varying terms, escalations, clauses and renewal rights. The aggregate future minimum lease payments under non-cancellable operating leases are as follows:

	2015	2014
No later than one year	519	507
Later than one year but not later than five years	266	547
Later than five years	194	212
Total minimum operating lease payments	**979**	**1,266**

Contingent liabilities

Contingent liabilities are potential future cash outflows where the likelihood of payment is considered more than remote but is not considered probable or cannot be measured reliably. As at the reporting date, the Company has no other significant contingent liabilities, except for the legal cases mentioned in note 20.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

20. Legal proceedings

In the ordinary course of business, the Company is involved in litigation proceedings, regulatory claims, investigations and reviews. The facts and circumstances relating to particular cases are evaluated in determining whether it is more likely than not that there will be a future outflow of funds and, once established, whether a provision relating to a specific case is necessary or sufficient. Accordingly, significant management judgement relating to provisions and contingent liabilities is required since the outcome of litigation is difficult to predict. The Company does not expect the ultimate resolution of the actions to which it is a party to have a significant adverse impact on the financial position of the Company.

21. Related party transactions

The related parties identified by the Directors include associated undertakings, investments and key management personnel.

To enable users of our financial statements to form a view about the effects of related party relationships on the Company we disclose the related party relationship when control exists, irrespective of whether there have been transactions between the related parties.

Transactions with key management personnel
Remuneration paid to key management personnel for services rendered during the year.

Key management remuneration is disclosed in note 5c.

Transactions with other related parties

(a) Related party Profit & Loss Statement transactions

The Company, together with other Cable and Wireless group companies, owns and operates international cable and microwave systems. International telecommunications traffic to and from St. Kitts is transmitted and received via such systems and in respect of this traffic payments are made and revenues received.

Inter group revenue for the year with regard to international telecommunications traffic was $3,909 (2013/14: $2,743). Other related party transactions for the year are:

	2015	2014
Cost of sales	1,362	1,292
Head Office support costs [1]	3,175	3,175
Net recharges into the company [2]	8,064	9,459
Interest income	(310)	(130)
At 31 March	**12,291**	**13,796**

1 - Transactions include the provision of technical, financial and administrative support by the Company's head office.
2 – Recharges are the inter-business unit cost of services consumed by the Company when performing its business processes.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

21. Related party transactions (continued)

Transactions with other related parties (continued)

(b) Due from related companies

	2015	2014
Cable & Wireless (CWI Caribbean) Ltd	6,549	4,802
Cable & Wireless Jamaica (Cayman) Finance	5,140	638
Cable & Wireless (BVI) Ltd	1,824	1,959
Cable & Wireless Anguilla Ltd	724	654
Cable & Wireless (Jamaica) Ltd.	559	380
Cable & Wireless (Barbados) Ltd	3,025	822
Bahamas Telecommunications Company Ltd	599	580
Other	195	193
At 31 March	**18,615**	**10,028**

The amounts due from Cable & Wireless (CWI Caribbean) Ltd ("CWIC") and Cable & Wireless Jamaica (Cayman) Finance ("CWJCF") represent revolving treasury service facility agreements entered into during prior periods. The agreement enables the Company to make short term deposits or obtain short term loans at competitive rates for cash management purposes. On the CWIC facility, interest is earned at minimum savings rate plus 500 basis points on the daily net balance and interest is capitalized to the balance. On the CWJFC facility interest is earned at LIBOR + 300 basis points on the daily net balance and interest is capitalized to the balance. There are no limits of the amount the Company can deposit with CWJCF. The Company is limited to USD equivalent $2 million in its deposits with CWIC.

(c) Due to related companies

	2015	2014
Cable & Wireless (CWI Caribbean) Ltd	912	1,809
Cable & Wireless Dominica Ltd	142	113
Cable & Wireless (EWC) Limited (BVI)	4,205	-
Other	314	152
At 31 March	**5,573**	**2,074**

These represent balances with other Cable & Wireless group companies, principally for telecommunications traffic and services provided under a Support Services Agreement.

Support Services Agreement
The Company entered into a Support Services Agreement effective 1 April 2009 with a related company to provide Management and Operational Support Services. These services include Finance Support delivered through a Finance Shared Service Centre located in Jamaica and Centres of Excellence that provide technical support on Tax, Treasury, Procurement and Supply Chain Management. The agreement also provides for Support for Sales and Marketing, Customer Operational Services, Technology and Property Services, Strategic and Business Advisory Services as well as Legal, Regulatory and Public Policy Services. Human Resources Support Services are provided through a Human Resource Shared Service Centre which is also located in Jamaica.

All related party transactions were entered into in the ordinary course of business.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

22. Financial risk management

This note details our treasury management and financial risk management objectives and policies. We discuss the exposure and sensitivity of the Company to credit, liquidity, interest and foreign exchange risk, and the policies in place to monitor and manage these risks.

Treasury policies have been approved by the Board for managing each of these risks including levels of authority on the type and use of financial instruments.

Treasury policy

The Company's activities exposes it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company falls under the Cable & Wireless Communications Plc Group's overall risk management programme which seek to minimise potential adverse effects on the Company's financial performance.

To the extent that the Company undertake treasury transactions, these are governed by group policies and delegated authorities. Material positions are monitored by Group Treasury and the Jamaica Regional Treasury Centre. Where appropriate, transactions are reported to the Board. The Company is required to report details of their cash and debt positions to Group and Regional Treasury on a monthly basis.

The key responsibilities of Group and Regional Treasury include funding, investment of surplus cash and the management of interest rate and foreign currency risk. The majority of the Company's cash resources (including facilities) and borrowings are managed centrally by Group.

Exchange rate risk

The Company is exposed to foreign currency risk on the majority of intercompany transactions and settlement of trade and other receivables and payables which are not denominated in Eastern Caribbean dollars. The risk is minimised as the majority of these transactions occur in US Dollars which is fixed to the Eastern Caribbean dollar. The Company does not use foreign exchange contracts and other derivatives and financial instruments to minimise the exposure to these transactions.

Interest rate risk

The Company is not significantly exposed to interest rate risk on its surplus cash as it is remitted to Regional Treasury, and short term financing is also supplied by Regional Treasury. However, the Company is exposed to movements in interest rates on its variable rate "Revolver" loans. Treasury may seek to reduce volatility by fixing a proportion of this interest rate exposure whilst taking account of prevailing market conditions as appropriate.

The Company has no borrowings.

Financial liabilities on which no interest is paid comprise accounts payable, current portion of provisions and amounts owed to related companies in the normal course of business.

Credit risk

Cash deposits and similar financial instruments give rise to credit risk, which represents the loss that would be recognised if a counterparty failed to perform as contracted. The carrying amount of the financial assets of the Company represents the maximum credit exposure of the Company. Management seeks to reduce this credit risk by ensuring the counterparties to all but a small proportion of the Company's financial instruments are the core relationship banks.

For the year ended 31st March 2015 (Expressed in thousands of Eastern Caribbean Dollars)

22. Financial risk management (continued)

Credit risk (continued)

The Group's Treasury policy approved by the Board contains limits on exposure and prescribes the types of instrument used for investment of funds.

Liquidity risk

The Company manages operational liquidity supported by Regional Treasury to manage liquidity in-order to meet its financial obligations of servicing and repaying external debt and strategic initiatives.

At 31 March 2015, the Company had cash and cash equivalents of $1,075. These amounts are highly liquid and are a significant component of the Company's overall liquidity and capital resources. Liquidity forecasts are produced on a regular basis to ensure the utilisation of current facilities is optimised, to ensure covenant compliance and that medium-term liquidity is maintained and for the purpose of identifying long-term strategic funding requirements. The Directors also regularly assess the balance of capital and debt funding of the Company.

Approximately 100% of the Company's cash is invested in short-term bank deposits (2014 – 100%).

23. Non-current assets held for sale

During the year ended 31 March 2015, management remains committed to a plan to transfer their International Wholesale Capacity assets to a related party. Accordingly, the International Wholesale Capacity assets are presented as assets held for sale. The transfer of those assets is expected in April 2015.

At 31 March 2015, the assets were stated at their carrying value, which equates to the transfer price and comprised of property, plant and equipment of $4,255.

24. Events after the reporting period

When the Company receives information in the period between 31 March 2015 and the date of this report about conditions related to certain events that existed at the year end, we update our disclosures that relate to those conditions in light of the new information. Such events can be categorised as adjusting or non-adjusting depending on whether the condition existed at 31 March 2015. If nonadjusting events after the year end are material, non-disclosure could influence the economic decisions that users make on the bases of the financial statements.

Accordingly, for each material category of non-adjusting event after the reporting period we disclose in this section the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made.

Accounts approval

These accounts were approved by the Board of Directors on July 24, 2015 and authorised for issue.

Warren Harding, Chairman

Warren Harding was appointed Chairman of the Company on July 13th 2015. He joined Cable & Wireless in 2013 and brings bring a wealth of experience to the business having been involved in senior management positions in the telecommunications industry since 2003. In his current role, Mr. Harding is Director of Carrier Services with responsibility for 15 markets around the Caribbean and Panama and has successfully centralised the management of the function and maximised the benefit to the CWC Group. In previous positions, Mr. Harding has amongst other things negotiated the first mobile network sharing agreement in Ireland and was a member of the senior management team at Eircom Wholesale, a $300m dollar business in Ireland.

David Lake, General Manager & Director

David Lake became a Director of C&W St. Kitts & Nevis Ltd in March 2011. Mr. Lake graduated with honours from the University of the West Indies, St. Augustine with a Bachelor of Science Degree in Industrial Engineering. Upon graduating he worked at the St. Kitts Bottling Company Limited where he distinguished himself as an innovative Plant Manager. While there he took a sabbatical to pursue a Master's Degree in Integrated Management Systems at the University of Birmingham, UK. In April 1999 Mr. Lake joined Cable & Wireless St. Kitts & Nevis Limited as Head of Customer Services. He was quickly transferred to the role of Vice President of Mobile, Consumer Sales and Marketing. Following a successful tenure in that role, Mr. Lake was promoted to Country Manager of Cable and Wireless St. Kitts and Nevis Limited (now trading as Flow) in November 2008. David Lake is the erstwhile President of the St Kitts-Nevis Chamber of Industry and Commerce and a Member of the Council of Management for the Brimstone Hill Fortress National Park Society.

Lyra Richards, Director

Ms. Lyra Richards was appointed a Director of Cable & Wireless St. Kitts & Nevis Limited in December 2007. Ms. Richards has been in the banking sector from 1968. She worked at Barclays Bank, (DCO, PLC and International Ltd), until 1994. During that time she had a two year stint as a Training Instructor in Barbados and a further two years as Manager of the Soufriere Branch in St. Lucia. From 1994, she moved on to the Bank of Nevis Ltd and retired in December 2012.

Ms. Richards served as President and Treasurer of the Nevis Historical and Conservation Society, President of the Nevis Dramatic and Cultural Society (NEDACS) and is a founding member of Culturama, Nevis' Summer Festival. She is currently serving as a Trustee to the Nevis Historical & Conservation Trust, the body which oversees the preservation of Cottle Church, the first church in which slaves were permitted to worship.

Dr Osbert Liburd, Director

Dr. Osbert Liburd joined the Board of Cable & Wireless St. Kitts & Nevis Limited in December 2007. Previously, Dr. Liburd served as Chairman of the Board of Cable & Wireless St. Kitts & Nevis Limited from October 2000 to January 2005. He is an experienced International Scientist and has conducted research in Africa, the USA and the Caribbean. He holds a B.A. in Biology from the UVI and a Masters and Ph.D in Plant Pathology from Cornell University, USA. He served as a Senior Diplomat as St. Kitts and Nevis' Ambassador to the United States and Permanent Representative to the Organisation of American States (OAS) from 1995 to 2000. Earlier in his professional career he served as Team Leader, Caribbean Agriculture Research and Development Institute (CARDI) and Director of Agricultural Services and Rural Development, Agricultural Missions, USA.

Patricia Walters, Director

Patricia Walters has been a member of the Board of Directors for Cable &Wireless St Kitts & Nevis Limited since 2004. Miss Walters is currently the Senior Vice President Customer Operations for Bahamas Telecommunications Company Limited, a position which she has held since 2011.
Ms. Walters is a Fellow of the Association of Certified Chartered Accountants, a graduate of the University of Humberside in the UK, and is also a Melvin Jones Fellow of the Lions International Service Club. She started with Cable & Wireless in the United Kingdom and then held positions of Financial Controller, Director, and Company Secretary of Cable & Wireless Cayman Islands, Financial Controller of Cable & Wireless St. Kitts & Nevis Limited, Chief Financial Officer at the Telecommunication Services of Trinidad and Tobago (TSTT), Chief Executive Officer of Cable and Wireless St. Kitts & Nevis Limited and former Executive Vice President Customer Operations, LIME.

Alexander Bremner, Director

Alex Bremner was appointed to the Board of Directors for Cable &Wireless St Kitts & Nevis Limited in 2015. Mr. Bremner is currently the Chief Financial Officer for the North Caribbean businesses of Cable & Wireless Communications, a position which he has held since November 2013 and is located in Antigua.

Mr. Bremner is an Associate of the Chartered Institute of Management Accountants and holds a Bachelor's degree in Economics and Law from the University of Leicester in the UK. He has over 20 years of experience with the Cable & Wireless group, including 12 years within the Caribbean operations having served as Head of Finance in Cable & Wireless Anguilla, Head of Finance and Corporate Affairs for Cable & Wireless St. Kitts & Nevis Limited and Finance Development Director for the Eastern Caribbean in St. Lucia. He has also held a number of senior finance positions in the Cable & Wireless group in the UK.

Valerie Williams, Company Secretary

Valerie Williams joined Cable & Wireless (Barbados) Limited in 1991 and has been Company Secretary of the St. Kitts & Nevis business for a number of years. In addition to the Corporate Secretarial function, she has managed a number of other portfolios including Facilities, Health & Safety, Risk Management and Pensions in the Barbados business. She currently provides corporate secretarial assistance to a number of other Cable & Wireless companies in the Caribbean. Prior to joining the Company, Ms. Williams spent a number of years in the Corporate Secretarial department of Price Waterhouse, now PWC and the Caribbean Examinations Council.

Michael Davis, Senior Analyst

Michael Davis, heads the Financial Planning and Analysis (FP&A) team for the Cables and Wireless Northern Caribbean region which comprises Antigua, BVI, Turks & Caicos, Montserrat, Anguilla and St. Kitts & Nevis. Mr. Davis is a qualified Accountant, earning his ACCA membership in 2010 and also holds a Bachelor's Degree in Accounting from UWI. He worked in external audit for over five years in several industries. He migrated to St. Kitts in 2011 having worked for five years in the audit department of KPMG Jamaica as a Senior Auditor. He later joined PWC St. Kitts where he also displayed his diverse knowledge by leading the Audit teams for the SIDF, Kittitian Hill and NEVLEC. Mr. Davis Joined Cable and Wireless St. Kitts and Nevis Limited as the Finance Manager in 2012 and was later asked to take on the FP&A role in 2014 when the company restructured. Mr. Davis has commanded the respect of both his peers and his supervisors acting as the primary DOA for the General Manager for the St. Kitts & Nevis business and his supervisor, the Finance Director of the Northern Caribbean businesses.

Kevin Edwards, Marketing & Corporate Communications Manager

Kevin Edwards joined the Company in December 2013. Mr. Edwards graduated from the University of Cincinnati with a BBA in Marketing, Product Information & Supply Management. Upon graduating, he honed his skills in the field of Sales and Marketing having served in several senior management positions both locally and regionally handling brand portfolios such as Angostura Distillers, Mount Gay Rum, British American Tobacco, Remy Martin and Coca Cola. His career also includes experience in the Offshore Real Estate and Financial services sector having serviced as Zone Manager for Stewart Title Eastern Caribbean (for the Northern Caribbean). Mr. Edwards entered the Telecommunications sector in 2007 working first as Marketing Manager then as Office Manager for UTS CaribGlobe. He has also held the position of Market Manager (Country Manager) for Digicel St. Kitts & Nevis. Kevin is a member of Rotary Club of St. Kitts & Nevis, a devoted father of two and husband.

Clyde Richardson, Manager Managed Service Operations

Mr. Clyde Richardson, Manager of Service Operations, has been with the company since 1998. Mr. Richardson has held several positions during his time at Cable and Wireless, serving as the IT manager for 10 years and as a project manager for the Cable and Wireless region for 3 years. Mr. Richardson graduated with honours from the University of the West Indies with a Bachelor of Science degree in 1995. In 2005, he graduated from the University of Phoenix with a Masters in Business Administration.

Merlese Maynard, Credit & Collections Cluster Lead

Merlese Maynard is the Credit & Collections Lead for the North Cluster. Merlese is a Member of the Association of Accounting Technicians, (MAAT) UK, and has been an employee of Cable & Wireless since 1986. She has held senior positions in Finance over the years, most recently, Manager Billing & Credit Control.

Karen Blackett, Business Support Officer

Karen Blackett has been employed by Cable & Wireless St. Kitts and Nevis Ltd since April 1989. Karen graduated with honours from the University of the West Indies with a Bachelor of Science Degree in Management Studies. During her 26 years of service she worked in Customer Services, Human Resources and Customer Operations but spent most of her tenure in the Human Resources department. In her current role she supports the General Manager and the Human Resource function.

COMPANY INFORMATION

DIRECTORS AND ADVISORS

DIRECTORS

Mr. Warren Harding, Chairman
Ms. Patricia Walters B.A. (Hons), FCCA
Mr. David Lake B.Sc. (Hons), M.Sc.(Eng.)
Dr. Osbert Liburd B.A., Ph.D.
Ms. Lyra Richards
Mr. Alex Bremner

MANAGEMENT EXECUTIVES AND OFFICERS

Mr. David Lake B.Sc. (Hons), M.Sc. (Eng.)
General Manager

Ms. Valerie Williams ACIS
Company Secretary

Mr. Michael Davis B.Sc, ACCA
Senior Analyst

Mrs. Karen Blackett B.Sc (Hons)
Manager, Human Resources

Mr. Kevin Edwards B.B.A.
Manager, Marketing & Corporate Communications

AUDITOR

KPMG Eastern Caribbean

ATTORNEYS-AT-LAW

Kelsick, Wilkin & Ferdinand

REGISTRAR AND TRANSFER AGENT

Eastern Caribbean Central Securities Registry (ECCSR)

REGISTERED OFFICE

Cayon Street,
Basseterre
P.O. Box 86
St. Kitts

PROXY FORM

I/We ____

of ____

being a shareholder of Cable & Wireless St. Kitts & Nevis Limited hereby appoint ____________________

____

of ____

as my/our proxy to vote for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the shareholders of the said Company to be held on Thursday 28th January 2016 or at any adjournment thereof in the same manner, to the same extent and with the same powers as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.

Dated this ________ day of ________________ 2016

Signature of Shareholder ______________________

NOTES

1. A proxy must be executed in writing by the shareholder or his/her attorney authorized in writing.
2. A person appointed by proxy need not be a shareholder.
3. In the case of a shareholder who is a body corporate or association, votes at meetings of shareholders may be given by an individual authorized by a resolution of the directors or governing body of that body corporate to represent it at meetings of shareholders of the Company.
4. Proxy appointments are required to be deposited at the registered office of the Company not less than 24 hours before the time fixed for holding the meeting or adjourned meeting.

Cable & Wireless St. Kitts & Nevis Limited
Basseterre
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