

Separated Regulatory Accounts

For the year ended 31 December 2014

Sure (Guernsey) Limited

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Introduction

Sure (Guernsey) Limited (“Sure”) has prepared its Published Separated Regulatory Accounts (“Regulatory Accounts”) for the year ended 31st December 2014, for the following Business Areas:

- Local Access Network
- Core Network
- Retail
- Mobile
- Other Activities

Definitions of the Business Areas are contained in the ‘Accounting Separation: Regulatory Accounting Guidelines to Cable and Wireless Guernsey Limited [now Sure (Guernsey) Limited]’, (document no. 04/25) (the “Guidelines”), issued by the Guernsey Competition and Regulatory Authority (“the GCRA”), previously known as the Office of Utility Regulation (“the OUR”). A summary of the definitions is included within Sure’s Accounting Documents.

The Guidelines set out the framework under which the Regulatory Accounts are to be prepared. They have subsequently been amended and further defined by related correspondence between Sure and the GCRA, particularly in relation to current cost accounting.

Basis of preparation of the Regulatory Accounts

The structure of the businesses defined by the GCRA does not correspond to the way in which Sure is organised for management and accounting purposes. The Regulatory Accounts are therefore produced, to the extent reasonably practicable in all circumstances, by overlaying the requirements set out by the GCRA in the Guidelines, on the management structure and accounting records of Sure.

The Regulatory Accounts are prepared by attributing the balances in Sure’s general ledgers and other accounting records to the Business areas. As far as is reasonably possible in the circumstances revenues, costs, assets and liabilities are directly associated with a Business, activity or component using information held within Sure’s accounting records and are directly attributed to that item. Where no such direct association is possible, the remaining revenues, costs assets and liabilities are apportioned between two or more Businesses, activities or components using a fully allocated costing system and employing apportionment bases that reflect the causality of the revenue, cost, asset or liability.

The cost allocation methods used are outlined in Sure’s Accounting Documents. In selecting appropriate cost allocation methods and appropriate non-financial data for use within the accounting separation model, Sure has needed to make certain estimates and exercise reasonable judgement, having regard to the regulatory principles, including cost causality and objectivity, in order to comply with the requirements of the Guidelines. Sure will continue to review and update the cost allocation methods used on an ongoing basis and where deemed appropriate, will make necessary improvements.

The Accounting Policies are detailed in Sure’s Accounting Documents.

The Regulatory Accounts are based on Sure's 2014 accounting separation model. This model uses the statutory accounts (the "Statutory Financial Statements") for the twelve months from 1st January 2014 to 31st December 2014 as the basis for the calculations. A reconciliation statement detailing adjustments made between the Statutory Financial Statements and the figures used in the accounting separation model is included. Other than the elimination of Inter-Business turnover and costs, the main adjustments are shown below:

- Interest receivable and taxation - these are not included within the accounting separation model so as to be consistent with the calculation of cost of capital, which is pre-interest and pre-tax.
- Sure's own use of fixed and mobile telecoms services are treated as a cost and allocated appropriately to the businesses.
- Exclusion of profit and loss on disposal of assets.
- Current cost accounting supplementary depreciation and holding gains/losses.
- Customer equipment subsidies - treated as a reduction of income in the Statutory Financial Statements, but as a cost in the Regulatory Accounts.
- Sales commissions - treated as a reduction of income in the Statutory Financial Statements, but as a cost in the Regulatory Accounts.

Reference Offer Based Costs

The Reference Offer Statements – where the results of Sure's non-network businesses are shown on the basis of costs that would have incurred had Sure's Reference Offer rates been applied. These rates can be found within the Wholesale Portal of Sure's website (<http://international.sure.com/wholesale>).

It should be noted that the Reference Offer rates used were not those calculated by Sure, but are those stipulated by the GCRA. These published rates were in place throughout the relevant accounting period.

In each case, where adjustment was required, the calculated cost applied in the cost based statements (not published) was replaced with data based on the following:

- The total number of call minutes of each type for each Business
- For each call type the underlying published Reference Offer rate
- The multiplication of call minutes of each type by the Reference Offer rate
- The addition of all relevant interconnect charges

For a description of the other network transfer charge processes please refer to Section 4 of Sure's Accounting Documents.

Applicable Rate Of Return

A pre tax nominal Weighted Average Cost of Capital (WACC) of 11.6% has been applied in the 2014 period. Due to the prior period consisting of only 9 months, the cost of capital derived from the approved WACC rate has been pro-rated accordingly, resulting in an effective WACC rate of 8.7% for the 2013 period.

Statement of responsibility

Sure (Guernsey) Limited ("Sure") is required under Condition 27 of its Fixed Telecommunications licence, dated 1st October 2001 and Condition 25 of its Mobile Telecommunications Licence, dated 1st September 2011, granted by the Guernsey Competition and Regulatory Authority ("GCRA"), previously known as the Office of Utility Regulation ("OUR"), to maintain accounting records in a form which enables the activities of any business unit specified in any direction given by the GCRA to be separately identifiable, and which the Director General considers to be sufficient to show and explain the transactions of each of these business units.

The Regulatory Accounts for the year ended 31 December 2014 comprise:

For each Business Area:

- i) a profit and loss account;
- ii) a statement of mean capital employed

They also include:

- iii) Statement of costs of network service for the Core Network Business;
- iv) Reconciliation between the aggregate turnover, operating profit and capital employed of all the businesses and the turnover, operating profit and capital employed of Sure, as disclosed in its Statutory Financial Statements;
- v) Transfer charge statement;
- vi) Inter Business Costs Summary; and
- vii) Reference Offer rate assumptions.

The directors are responsible for keeping proper accounting records for each of the separate businesses that disclose, with reasonable accuracy, at any time, the financial position of each separate business to enable them to ensure that the Regulatory Accounts comply with the Licence. Sure confirms that the Regulatory Accounts for the year ended 31 December 2014 have been reconciled to the relevant Statutory Financial Statements and to the best of its knowledge have been prepared in accordance with the requirements of the relevant Conditions of its Fixed and Mobile Telecommunications Licences.



Eddie Saints

Chief Executive Officer

25 September 2015

Report of the Auditor

Independent Auditors' Report to the Members of Sure (Guernsey) Limited

We have examined the Published Separated Regulatory Accounts on pages 1 to 51, for the year ended 31 December 2014, which have been prepared by the Directors of Sure (Guernsey) Limited ("the Company"), under the current cost convention and under the Company's costing methodologies which are included in the accounting documents dated 25 September 2015 (the "Accounting Documents") published with the Published Separated Regulatory Accounts. As explained on page (iii) of the Accounting Documents, these are not the statutory accounts of the Company.

The Published Separated Regulatory Accounts comprise separate current cost accounts for the year ended 31 December 2014 for each of the Businesses listed on page 2 of the Accounting Documents ("the Businesses"), and in so far as each Business has been disaggregated in terms of activities of that Business, each of the disaggregated activities listed on page 2 of the Accounting Documents ("the Activities").

Respective responsibilities of Directors and KPMG Limited

As described on page (iii) of the Published Separated Regulatory Accounts, the Directors of the Company are responsible for the preparation of the Published Separated Regulatory Accounts in accordance with the basis of preparation set out on page (iii) of the Accounting Documents. Our responsibilities, as independent auditors, are established by the Auditing Practices Board, by our profession's ethical guidance and by the terms of our engagement letter dated 8 April 2015.

Under the terms of engagement we are required to report to you our opinion as to whether the Published Separated Regulatory Accounts of each of the Businesses and each of the Activities have been properly prepared in accordance with the Accounting Documents. We also report to you if, in our opinion, the "Introduction" by the Company, setting out the basis upon which the Published Separated Regulatory Accounts have been prepared, is not consistent with the Published Separated Regulatory Accounts, if the Company has not kept proper accounting records or if we have not received all of the information and explanations we require for our examination.

We read the definitions of the Businesses on pages 2 to 4 of the Accounting Documents and consider the implications for our opinion if we become aware of any apparent misstatements or material inconsistencies with the Published Separated Regulatory Accounts.

Our opinion is given for the Company solely in connection with our engagement. It has been released to the Company on the basis that our opinion shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent. We consent to its release to the GCRA to enable it to verify that the Separated Regulatory Accounts have been independently examined.

Our opinion was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our opinion should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the

Company for any purpose or in any context. Any party other than the Company who obtains access to our opinion or a copy and chooses to rely on our opinion (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG Limited will accept no responsibility or liability in respect of our opinion to any other person or organisation.

Basis of opinion

As explained in the “Basis of Preparation of Regulatory Statements” on page (iii) of the Accounting Documents, the Company has prepared the Published Separated Regulatory Accounts by disaggregating balances recorded in the general ledgers and other accounting records of the Company maintained in accordance with the Companies (Guernsey) Law, 2008, and used, in accordance with that Law, for the preparation of the Company’s statutory financial statements for the year ended 31 December 2014 (the “Statutory Financial Statements”).

An unqualified opinion was expressed for the Statutory Financial Statements. In performing the audit of the Statutory Financial Statements, such tests were carried out of the transactions and balances recorded in the general ledgers and other accounting records of the Company as considered necessary to enable that opinion to be expressed. This included examination and evaluation of the Company’s principal accounting and control systems, analytical review of key balances, assessment of accuracy of the coding of transactions and balances, enquiries of directors and managers of the Company and substantive tests of balances and transactions recorded in the Company’s general ledger. The statutory audit work concluded upon signature of the audit opinion on the Statutory Financial Statements. In conducting our examination of the Published Separated Regulatory Accounts, and in providing the opinion below, we have not performed any additional tests of the transactions and balances recorded in the general ledger and other accounting records.

Having regard to the above:-

- (i) We conducted our audit in accordance with relevant International Standards on Auditing issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Published Separated Regulatory Accounts. It also included an assessment of the significant estimates and judgements made by the Directors in the preparation of the Published Separated Regulatory Accounts.
- (ii) We planned and performed our examination so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Published Separated Regulatory Accounts are properly prepared in accordance with the Accounting Documents and, on that basis, are free from material error, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Published Separated Regulatory Accounts.

Many of the Company’s revenues, costs, assets and liabilities are not directly identifiable with individual activities and the preparation of the Published Separated Regulatory Accounts requires a significant number of attributions. As explained in section 3 of the Accounting Documents, in selecting appropriate attribution methods and appropriate non-financial data for use within the attribution models employed in the production of the Published Separated Regulatory Accounts, the Company has had to make certain estimates and exercise its judgement, having regard to the regulatory principles specified in the

Accounting Documents, including cost causality and objectivity, in order to comply with the requirements of the Accounting Documents. The Company has decided that attribution methods and non-financial data sources will be subject to ongoing review and, where deemed appropriate, improved.

Opinion

In our opinion the Published Separated Regulatory Accounts of each of the Businesses and each of the Activities for the year ended 31 December 2014 have been properly prepared in accordance with the Accounting Documents dated 25 September 2015.

Yours faithfully,

KPMG Limited

KPMG Limited

25 September 2015

Local Access - Network Business

Profit and Loss Account

For the period ended:

	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Transfer charges to Core Network	343,088	333,109
Transfer charges to Retail	4,219,044	4,264,848
Total turnover	4,562,132	4,597,957
Operating costs		
Operating costs	2,705,102	2,856,079
Direct CCA adjustments	308,523	526,409
Total operating costs	3,013,625	3,382,488
Return	1,548,506	1,215,469

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed

For the period ended:

	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	1,548,506	1,215,469
Mean capital employed	13,349,190	13,970,910
Return on mean capital employed	11.6%	8.7%
Return on turnover	34%	26%

General notes (relevant throughout this document):

- 1 Minor rounding differences may exist within these results.
- 2 The current results relate to the annual period from January to December 2014, with the prior period covering the nine months between April and December 2013. Some revenues and costs are seasonal and as such no comparisons (on a proportional basis) should be drawn between these two sets of results.
- 3 The Weighted Average Cost of Capital (WACC) relevant to the current period is 11.6%. With the prior period covering only nine months, the cost of capital derived from the approved WACC rate was pro-rated accordingly, resulting in an effective WACC rate of 8.7%.

Local Access - Network Business

Statement of Mean Capital Employed

For the period ended:

	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Fixed assets		
Tangible fixed assets	12,865,885	13,651,984
Total fixed assets	12,865,885	13,651,984
Current assets		
Stocks	201,357	125,450
Debtors	105,184	91,432
Cash at bank and in hand	374,618	499,689
Total current assets	681,158	716,571
Creditors	(197,853)	(397,646)
Provisions for liabilities and charges	-	-
Mean capital employed	13,349,190	13,970,910

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Core Network Business

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
From Other Operators	4,330,381	3,246,283
Transfer charges to Mobile	1,712,658	1,257,205
Transfer charges to Retail	8,331,586	5,994,865
Transfer charges to Other Activities	679,428	303,842
Total turnover	15,054,053	10,802,196
Operating costs		
Operating costs	9,478,541	7,488,830
Direct CCA adjustments	158,878	71,477
Transfer charges from Mobile	16,306	13,867
Transfer charges from Local Access Network	343,088	333,109
Total operating costs	9,996,813	7,907,282
Return	5,057,240	2,894,913

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	5,057,240	2,894,913
Mean capital employed	9,131,990	9,183,775
Return on mean capital employed	55%	32%
Return on turnover	34%	27%

Core Network Business

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	8,654,806	9,008,481
Total fixed assets	8,654,806	9,008,481
Current assets		
Stocks	15,949	11,252
Debtors	1,013,063	895,389
Cash at bank and in hand	1,062,721	1,008,884
Total current assets	2,091,732	1,915,524
Creditors	(1,614,547)	(1,740,230)
Provisions for liabilities and charges	-	-
Mean capital employed	9,131,990	9,183,775

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Core Network Business

Summary Statement of Costs For the year ended December 2014:	Operating Costs £	CCA adjustments £	Capital Employed £	Rate of return	Capital costs £	Total costs £	Total call minutes
Concentrator (Conveyance element)	54,102	263	54,883	11.6%	6,366	60,731	158,116,586
Fixed Network Switch	620,135	855	358,376	11.6%	41,572	662,561	210,459,461
Local Transmission Link	58,723	119	79,017	11.6%	9,166	68,008	236,740,677
Local Transmission Length	126,224	14,820	712,313	11.6%	82,628	223,673	236,740,677
Outside Bailiwick Transmission	547,096	1,289	96,096	11.6%	11,147	559,532	138,699,678
Product Management Policy and Planning	56,182	2	4,961	11.6%	575	56,760	192,749,676
Outpayments	860,087	-	(271,682)	11.6%	(31,515)	828,572	
Leased Lines	2,151,707	41,885	3,401,204	11.6%	394,540	2,588,132	
Internet Backbone	1,885,543	32,338	1,765,256	11.6%	204,770	2,122,650	
Other Costs	3,118,741	67,308	2,931,567	11.6%	340,062	3,526,111	
Total conveyance	9,478,541	158,878	9,131,990		1,059,311	10,696,730	

Statement of Costs of Network Services

For the year ended December 2014:

USAGE FACTORS	TRAFFIC SENSITIVE		TRANSMISSION			ADMINISTRATION
	Concentrator (Switch element)	Fixed Network Switch	Local Transmission Link	Local Transmission Length	Outside Bailiwick Transmission	Product Management, Policy & Planning
Average costs (pence per minute)	0.038	0.315	0.029	0.094	0.403	0.029
Total costs	60,731	662,561	68,008	223,673	559,532	56,760
Usage Factors (routing)						
Retail Services:						
Local calls	2.000	1.392	1.408	1.408	-	1.000
Local internet calls	-	-	-	-	-	-
Jersey calls	1.000	1.000	1.363	1.363	0.995	1.000
National calls	1.000	1.000	1.534	1.534	0.999	1.000
International calls	1.000	1.000	1.410	1.410	1.000	1.000
Calls to Guernsey mobiles	1.000	1.114	0.483	0.483	-	1.000
Non-geographic calls free to calling customer	1.000	1.000	1.368	1.368	1.000	1.000
Non-geographic calls charged at local rate	1.000	1.000	1.406	1.406	1.000	1.000
Non-geographic calls charged at national rate	1.000	1.000	1.477	1.477	1.000	1.000
Non-geographic calls charged at premium rate	1.339	1.000	0.779	0.779	0.423	1.000
Directory Enquiry	1.000	1.000	1.523	1.523	1.000	1.000
Public Payphones	1.260	1.110	1.389	1.389	0.659	1.000
Reference Offer (RO) Conveyance Services:						
On-Island Termination	0.999	1.145	0.503	0.503	-	1.000
On-Island Origination	1.000	1.258	0.546	0.546	-	1.000
On-Island Transit	-	1.000	-	-	-	1.000
Off-Island Transit	-	1.000	1.615	1.615	1.000	1.000
On-Island Freephone Origination						
On-Island Local Call Origination						
Emergency Services						
Local Information Services						
Local Premium Services						
Time						
Local Reverse Charge Calls						
Alarm Calls						
Calls Via Operator - Jersey						
Calls Via Operator - UK						
Calls Via Operator - Irish Republic						
Local Information Services (Weather Forecast - Guernsey)						
Local Information Services (Channel Island Shipping Forecast)						
Local Information Services (Guernsey Met. Office Info Line)						

Average costs for some services are calculated after these statements have been published, as a separate requirement of the GCRA. They are used in the provision of Sure's fixed network Reference Offer (RO) document.

Details of Sure's current RO charges are available to the GCRA and Other Guernsey Licenced Operators via:
<http://international.sure.com/wholesale>

Statement of Costs of Network Services

For the year ended December 2014:

AVERAGE COST PER MINUTE	TRAFFIC SENSITIVE		TRANSMISSION			ADMINISTRATION
	Concentrator (Switch element)	Fixed Network Switch	Local Transmission Link	Local Transmission Length	Outside Ballwick Transmission	Product Management, Policy & Planning
Average costs (pence per minute)	0.038	0.315	0.029	0.094	0.403	0.029
Retail Services						
Local calls	0.077	0.438	0.040	0.133	-	0.029
Local internet calls	-	-	-	-	-	-
Jersey calls	0.038	0.315	0.039	0.129	0.401	0.029
National calls	0.038	0.315	0.044	0.145	0.403	0.029
International calls	0.038	0.315	0.041	0.133	0.403	0.029
Calls to Guernsey mobiles	0.038	0.351	0.014	0.046	-	0.029
Non-geographic calls free to calling customer	0.038	0.315	0.039	0.129	0.403	0.029
Non-geographic calls charged at local rate	0.038	0.315	0.040	0.133	0.403	0.029
Non-geographic calls charged at national rate	0.038	0.315	0.042	0.140	0.403	0.029
Non-geographic calls charged at premium rate	0.051	0.315	0.022	0.074	0.170	0.029
Directory Enquiry	0.038	0.315	0.044	0.144	0.403	0.029
Public Payphones	0.048	0.349	0.040	0.131	0.266	0.029
Reference Offer (RO) Conveyance Services:						
On-Island Termination	0.038	0.360	0.014	0.048	-	0.029
On-Island Origination	0.038	0.396	0.016	0.052	-	0.029
On-Island Transit	-	0.315	-	-	-	0.029
Off-Island Transit	-	0.315	0.046	0.153	0.403	0.029
On-Island Freephone Origination						
On-Island Local Call Origination						
Emergency Services						
Local Information Services						
Local Premium Services						
Time						
Local Reverse Charge Calls						
Alarm Calls						
Calls Via Operator - Jersey						
Calls Via Operator - UK						
Calls Via Operator - Irish Republic						
Local Information Services (Weather Forecast - Guernsey)						
Local Information Services (Channel Island Shipping Forecast)						
Local Information Services (Guernsey Met. Office Info Line)						

Average costs for some services are calculated after these statements have been published, as a separate requirement of the GCRA. They are used in the provision of Sure's fixed network Reference Offer (RO) document.

Details of Sure's current RO charges are available to the GCRA and Other Guernsey Licenced Operators via:
<http://international.sure.com/wholesale>

Retail Business

Profit and Loss Account		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Turnover		
Connection & rental charges	15,957,304	11,814,936
Call charges	3,159,825	2,274,924
From other operators	20,327	14,130
Transfer charges to other Businesses	-	-
Other	117,510	75,449
Total turnover	19,254,966	14,179,438
Operating costs		
Operating costs specific to Retail	3,907,247	2,836,429
Direct CCA adjustments	68	66
Transfer charges from Core Network	8,331,586	5,994,865
Transfer charges from Mobile	173,061	188,109
Transfer charges from Local Access Network	4,219,044	4,264,848
Total operating costs	16,631,005	13,284,317
Return	2,623,961	895,121

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Return	2,623,961	895,121
Mean capital employed	4,588,769	3,464,347
Return on mean capital employed	57%	26%
Return on turnover	14%	6%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail Business

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	1,558,731	1,252,220
Total fixed assets	1,558,731	1,252,220
Current assets		
Stocks	11,274	7,658
Debtors	2,957,498	2,307,996
Cash at bank and in hand	730,503	695,909
Total current assets	3,699,275	3,011,563
Creditors	(669,237)	(799,436)
Provisions for liabilities and charges	-	-
Mean capital employed	4,588,769	3,464,347

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Mobile Business

Profit and Loss Account		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Turnover		
From other operators	876,394	783,628
Connection & rental charges	5,412,534	4,651,371
Usage charges	11,449,191	8,029,056
Transfer charges to other Businesses	189,367	201,976
Total turnover	17,927,486	13,666,031
Operating costs		
Operating costs specific to Mobile	16,167,786	12,306,908
Direct CCA adjustments	(251,572)	(134,172)
Transfer charges from Core Network	1,712,658	1,257,205
Total operating costs	17,628,873	13,429,942
Return	298,614	236,089
IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.		
Return on Mean Capital Employed		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Return	298,614	236,089
Mean capital employed	5,446,926	5,830,951
Return on mean capital employed	5%	4%
Return on turnover	2%	2%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Mobile Business

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months) £
Fixed assets		
Tangible fixed assets	7,634,259	7,154,801
Total fixed assets	7,634,259	7,154,801
Current assets		
Stocks	11,026	34,254
Debtors	3,252,733	5,194,197
Cash at bank and in hand	1,338,272	1,357,610
Total current assets	4,602,032	6,586,061
Creditors	(6,789,364)	(7,909,911)
Provisions for liabilities and charges	-	-
Mean capital employed	5,446,926	5,830,951

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Other Activities Business

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover	16,286,848	10,780,773
Total turnover	16,286,848	10,780,773
Operating costs		
Operating costs specific to Other Activities	13,748,866	11,752,504
Direct CCA adjustments	828	577
Transfer charges from Core Network	679,428	303,842
Total operating costs	14,429,121	12,056,924
Return	1,857,727	(1,276,151)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	1,857,727	(1,276,151)
Mean capital employed	7,522,095	8,243,503
Return on mean capital employed	25%	(15%)
Return on turnover	11%	(12%)

Other Activities Business

Statement of Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Fixed assets		
Tangible fixed assets	5,250,048	6,270,616
Total fixed assets	5,250,048	6,270,616
Current assets		
Stocks	411,377	619,715
Debtors	1,884,117	1,350,592
Cash at bank and in hand	1,200,701	1,355,223
Total current assets	3,496,195	3,325,530
Creditors	(1,224,148)	(1,352,644)
Provisions for liabilities and charges	-	-
Mean capital employed	7,522,095	8,243,503

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Exchange line rental & connection

Profit and Loss Account		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Turnover		
Connection charges	114,865	82,833
Rental charges	6,493,802	4,903,803
Transfer charges to all other Businesses	17,023	12,767
Other	-	-
Total turnover	6,625,690	4,999,403
Operating costs		
Operating costs specific to Retail	874,398	718,265
Direct CCA adjustments	14	20
Transfer charges from Local Access Network	4,219,044	4,264,848
Transfer charges from Core Network	27,202	23,488
Total operating costs	5,120,658	5,006,622
Return	1,505,033	(7,219)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Return	1,505,033	(7,219)
Mean capital employed	586,616	421,280
Return on mean capital employed	257%	(2%)
Return on turnover	23%	(0%)

Retail - Exchange line rental & connection

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	296,941	248,184
Total fixed assets	296,941	248,184
Current assets		
Stocks	-	-
Debtors	403,794	365,577
Cash at bank and in hand	77,390	82,044
Total current assets	481,183	447,621
Creditors	(191,508)	(274,525)
Provisions for liabilities and charges	-	-
Mean capital employed	586,616	421,280

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Local calls

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	281,471	246,591
Total turnover	281,471	246,591
Operating costs		
Operating costs specific to Retail	30,340	23,606
Direct CCA adjustments	0	1
Transfer charges from Core Network	304,862	245,220
Total operating costs	335,202	268,827
Return	(53,732)	(22,236)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(53,732)	(22,236)
Mean capital employed	184,314	162,414
Return on mean capital employed	(29%)	(14%)
Return on turnover	(19%)	(9%)

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Since 1st June 2013 Sure has provided free off-peak local calls as part of the exchange line rental service (in compliance with the GCRA's Price Control framework).

Retail - Local calls

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	11,986	10,617
Total fixed assets	11,986	10,617
Current assets		
Stocks	-	-
Debtors	171,825	152,031
Cash at bank and in hand	4,247	4,101
Total current assets	176,072	156,132
Creditors	(3,744)	(4,335)
Provisions for liabilities and charges	-	-
Mean capital employed	184,314	162,414

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Local Internet calls

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	-	0
Total turnover	-	0
Operating costs		
Operating costs specific to Retail	-	0
Direct CCA adjustments	-	0
Transfer charges from Core Network	-	-
Total operating costs	-	0
Return	-	0

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	-	0
Mean capital employed	-	0
Return on mean capital employed	0%	0%
Return on turnover	0%	0%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Sure's dial-up Internet service, which has been superseded by broadband, was ceased on 1st December 2012.

Retail - Local Internet calls

Statement of Mean Capital Employed		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Fixed assets		
Tangible fixed assets	-	0
Total fixed assets	-	0
Current assets		
Stocks	-	-
Debtors	-	0
Cash at bank and in hand	-	0
Total current assets	-	0
Creditors	-	(0)
Provisions for liabilities and charges	-	-
Mean capital employed	-	0

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Jersey calls

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	63,662	47,351
Total turnover	63,662	47,351
Operating costs		
Operating costs specific to Retail	7,083	4,716
Direct CCA adjustments	0	0
Transfer charges from Core Network	15,266	11,147
Transfer charges from Mobile	234	197
Total operating costs	22,584	16,060
Return	41,078	31,290

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	41,078	31,290
Mean capital employed	41,701	31,201
Return on mean capital employed	99%	100%
Return on turnover	65%	66%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Jersey calls

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months) £
Fixed assets		
Tangible fixed assets	2,716	2,045
Total fixed assets	2,716	2,045
Current assets		
Stocks	-	-
Debtors	38,863	29,194
Cash at bank and in hand	979	808
Total current assets	39,842	30,001
Creditors	(858)	(845)
Provisions for liabilities and charges	-	-
Mean capital employed	41,701	31,201

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - National calls

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	681,134	504,270
Total turnover	681,134	504,270
Operating costs		
Operating costs specific to Retail	75,802	49,896
Direct CCA adjustments	1	1
Transfer charges from Core Network	143,652	127,982
Transfer charges from Mobile	624	484
Total operating costs	220,079	178,363
Return	461,055	325,907

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	461,055	325,907
Mean capital employed	446,165	332,261
Return on mean capital employed	103%	98%
Return on turnover	68%	65%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - National calls

Statement of Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	29,062	21,765
Total fixed assets	29,062	21,765
Current assets		
Stocks	-	-
Debtors	415,809	310,906
Cash at bank and in hand	10,474	8,564
Total current assets	426,284	319,470
Creditors	(9,181)	(8,974)
Provisions for liabilities and charges	-	-
Mean capital employed	446,165	332,261

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - International calls

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	304,952	232,102
Total turnover	304,952	232,102
Operating costs		
Operating costs specific to Retail	34,699	32,510
Direct CCA adjustments	0	1
Transfer charges from Core Network	45,571	44,387
Total operating costs	80,271	76,897
Return	224,681	155,204

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	224,681	155,204
Mean capital employed	199,799	208,502
Return on mean capital employed	112%	74%
Return on turnover	74%	67%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - International calls

Statement of Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	13,030	13,693
Total fixed assets	13,030	13,693
Current assets		
Stocks	-	-
Debtors	186,166	195,015
Cash at bank and in hand	4,752	5,505
Total current assets	190,918	200,520
Creditors	(4,149)	(5,711)
Provisions for liabilities and charges	-	-
Mean capital employed	199,799	208,502

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Calls to Guernsey Mobiles

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	1,324,965	833,164
Total turnover	1,324,965	833,164
Operating costs		
Operating costs specific to Retail	170,530	108,072
Direct CCA adjustments	2	2
Transfer charges from Core Network	118,829	95,318
Transfer charges from Mobile	169,631	184,944
Total operating costs	458,993	388,336
Return	865,972	444,828

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	865,972	444,828
Mean capital employed	881,875	569,082
Return on mean capital employed	98%	78%
Return on turnover	65%	53%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Calls to Guernsey Mobiles

Statement of Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	57,547	36,993
Total fixed assets	57,547	36,993
Current assets		
Stocks	-	-
Debtors	809,002	513,833
Cash at bank and in hand	36,333	37,225
Total current assets	845,334	551,057
Creditors	(21,005)	(18,968)
Provisions for liabilities and charges	-	-
Mean capital employed	881,875	569,082

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as CCA adjustments.

Retail - Non-geographic calls free to calling customer

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
From Other Operators	20,327	14,130
Total turnover	20,327	14,130
Operating costs		
Operating costs specific to Retail	11,324	5,633
Direct CCA adjustments	0	0
Transfer charges from Core Network	17,677	12,588
Total operating costs	29,001	18,221
Return	(8,674)	(4,091)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(8,674)	(4,091)
Mean capital employed	2,746	865
Return on mean capital employed	(316%)	(473%)
Return on turnover	(43%)	(29%)

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Non-geographic calls free to calling customer

Statement of Mean Capital Employed		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Fixed assets		
Tangible fixed assets	2,411	921
Total fixed assets	2,411	921
Current assets		
Stocks	-	-
Debtors	455	216
Cash at bank and in hand	956	620
Total current assets	1,411	837
Creditors	(1,076)	(893)
Provisions for liabilities and charges	-	-
Mean capital employed	2,746	865

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Non-geographic calls charged at local rate

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	229,911	189,511
Total turnover	229,911	189,511
Operating costs		
Operating costs specific to Retail	25,054	18,273
Direct CCA adjustments	0	0
Transfer charges from Core Network	117,221	110,333
Total operating costs	142,275	128,606
Return	87,636	60,905

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	87,636	60,905
Mean capital employed	150,567	124,826
Return on mean capital employed	58%	49%
Return on turnover	38%	32%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Non-geographic calls charged at local rate

Statement of Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	9,796	8,156
Total fixed assets	9,796	8,156
Current assets		
Stocks	-	-
Debtors	140,351	116,839
Cash at bank and in hand	3,491	3,166
Total current assets	143,842	120,005
Creditors	(3,071)	(3,335)
Provisions for liabilities and charges	-	-
Mean capital employed	150,567	124,826

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Non-geographic calls charged at national rate

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	27,489	16,943
Total turnover	27,489	16,943
Operating costs		
Operating costs specific to Retail	3,029	1,701
Direct CCA adjustments	0	0
Transfer charges from Core Network	8,366	3,167
Total operating costs	11,395	4,868
Return	16,093	12,075

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	16,093	12,075
Mean capital employed	18,004	11,165
Return on mean capital employed	89%	108%
Return on turnover	59%	71%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Non-geographic calls charged at national rate

Statement of Mean Capital Employed		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Fixed assets		
Tangible fixed assets	1,172	731
Total fixed assets	1,172	731
Current assets		
Stocks	-	-
Debtors	16,781	10,446
Cash at bank and in hand	420	290
Total current assets	17,201	10,737
Creditors	(369)	(303)
Provisions for liabilities and charges	-	-
Mean capital employed	18,004	11,165

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Non-geographic calls charged at premium rate

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	189,271	149,942
Total turnover	189,271	149,942
Operating costs		
Operating costs specific to Retail	101,640	60,150
Direct CCA adjustments	1	1
Transfer charges from Core Network	74,802	78,925
Transfer charges from Mobile Business	2,295	2,183
Total operating costs	178,738	141,258
Return	10,533	8,683

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	10,533	8,683
Mean capital employed	241,627	237,872
Return on mean capital employed	4%	4%
Return on turnover	6%	6%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Non-geographic calls charged at premium rate

Statement of Mean Capital Employed		
For the period ended:	Dec 2014 (12 months)	Restated Dec 2013 (9 months)
	£	£
Fixed assets		
Tangible fixed assets	121,482	141,862
Total fixed assets	121,482	141,862
Current assets		
Stocks	-	-
Debtors	117,140	92,989
Cash at bank and in hand	10,648	8,786
Total current assets	127,788	101,775
Creditors	(7,642)	(5,765)
Provisions for liabilities and charges	-	-
Mean capital employed	241,627	237,872

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Internet

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Connection & rental charges	6,034,402	4,354,335
Other	41,105	31,435
Total turnover	6,075,507	4,385,770
Operating costs		
Operating costs specific to Retail	1,757,625	1,263,351
Direct CCA adjustments	30	28
Transfer charges from Core Network	5,038,136	3,405,615
Total operating costs	6,795,791	4,668,994
Return	(720,284)	(283,224)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(720,284)	(283,224)
Mean capital employed	1,284,617	1,044,873
Return on mean capital employed	(56%)	(27%)
Return on turnover	(12%)	(6%)

Retail - Internet

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	694,216	566,334
Total fixed assets	694,216	566,334
Current assets		
Stocks	5,253	1,637
Debtors	371,723	323,600
Cash at bank and in hand	504,862	477,849
Total current assets	881,838	803,087
Creditors	(291,437)	(324,549)
Provisions for liabilities and charges	-	-
Mean capital employed	1,284,617	1,044,873

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Directory Enquiry

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	49,688	43,396
Total turnover	49,688	43,396
Operating costs		
Operating costs specific to Retail	5,328	4,156
Direct CCA adjustments	0	0
Transfer charges from Core Network	50,244	34,157
Total operating costs	55,573	38,313
Return	(5,885)	5,083

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(5,885)	5,083
Mean capital employed	32,535	28,582
Return on mean capital employed	(18%)	18%
Return on turnover	(12%)	12%

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Directory Enquiry

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	2,115	1,867
Total fixed assets	2,115	1,867
Current assets		
Stocks	-	-
Debtors	30,332	26,755
Cash at bank and in hand	747	722
Total current assets	31,079	27,477
Creditors	(659)	(762)
Provisions for liabilities and charges	-	-
Mean capital employed	32,535	28,582

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Public Payphones

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Call charges	7,283	11,654
Total turnover	7,283	11,654
Operating costs		
Operating costs specific to Retail	19,062	31,619
Direct CCA adjustments	1	1
Transfer charges from Core Network	773	890
Transfer charges from Mobile	277	301
Transfer charges from Retail - Exchange Lines	17,023	12,767
Total operating costs	37,136	45,578
Return	(29,854)	(33,924)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(29,854)	(33,924)
Mean capital employed	17,589	20,940
Return on mean capital employed	(170%)	(162%)
Return on turnover	(410%)	(291%)

These results are based on the GCRA's stipulated treatment of network transfer charges and do not represent the calculated costs of the Separated Regulatory Accounts of Sure (Guernsey) Limited.

Retail - Public Payphones

Statement of Mean Capital Employed		
For the period ended:	Dec 2014	Restated
	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	8,925	12,915
Total fixed assets	8,925	12,915
Current assets		
Stocks	6,021	6,021
Debtors	944	529
Cash at bank and in hand	3,151	5,051
Total current assets	10,115	11,601
Creditors	(1,451)	(3,576)
Provisions for liabilities and charges	-	-
Mean capital employed	17,589	20,940

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Leased Lines

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Connection & rental charges	3,305,702	2,463,715
Total turnover	3,305,702	2,463,715
Operating costs		
Operating costs specific to Retail	567,292	391,325
Direct CCA adjustments	10	9
Transfer charges from Core Network	2,340,951	1,776,737
Total operating costs	2,908,253	2,168,071
Return	397,449	295,644

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	397,449	295,644
Mean capital employed	372,720	232,988
Return on mean capital employed	107%	127%
Return on turnover	12%	12%

Retail - Leased Lines

Statement of Mean Capital Employed	Dec 2014	Restated
For the period ended:	(12 months)	Dec 2013
	£	(9 months)
		£
Fixed assets		
Tangible fixed assets	233,374	150,016
Total fixed assets	233,374	150,016
Current assets		
Stocks	-	-
Debtors	196,091	165,570
Cash at bank and in hand	50,134	44,732
Total current assets	246,225	210,301
Creditors	(106,879)	(127,330)
Provisions for liabilities and charges	-	-
Mean capital employed	372,720	232,988

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Retail - Remaining activities

Profit and Loss Account For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Turnover		
Connection & rental charges	8,533	10,250
Other	76,405	44,014
Total turnover	84,938	54,263
Operating costs		
Operating costs specific to Retail	224,041	123,156
Direct CCA adjustments	8	1
Transfer charges from Core Network	28,032	24,912
Total operating costs	252,080	148,069
Return	(167,142)	(93,806)

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown. It should be noted that these adjustments may influence values on this page other than those shown as direct CCA adjustments.

Return on Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Return	(167,142)	(93,806)
Mean capital employed	127,892	37,496
Return on mean capital employed	(131%)	(250%)
Return on turnover	(197%)	(173%)

Retail - Remaining activities

Statement of Mean Capital Employed For the period ended:	Dec 2014 (12 months) £	Restated Dec 2013 (9 months) £
Fixed assets		
Tangible fixed assets	73,959	36,122
Total fixed assets	73,959	36,122
Current assets		
Stocks	-	-
Debtors	58,223	4,495
Cash at bank and in hand	21,918	16,446
Total current assets	80,141	20,941
Creditors	(26,208)	(19,567)
Provisions for liabilities and charges	-	-
Mean capital employed	127,892	37,496

IMPORTANT NOTE: The reported results of this business represent current costs and revenues in accordance with the CCA methodology as described in Section 5 of the Accounting Documents. As such they are not reflective of the actual costs incurred and revenues received by Sure during the periods shown.

Reconciliation of the Retail Businesses

For the year ended December 2014:

	Connection & rental charges	Call charges	Other	From Other Operators	Transfer charge to Public Payphones	Transfers to all other Businesses	Total Turnover	Current Cost Accounting adjustments	Operating costs specific to Retail	Exceptional operating costs	Transfer charges from Core Network	Transfer charges from Mobile	Transfer charges from Local Access- Network	Transfer charges from Retail-Exchange Lines and Connections	Transfer charges from Internet	Transfer charges from Leased Lines	Total Operating Costs	Return
Retail - Exchange line rental & connection	6,608,667	-	-	-	17,023	-	6,625,690	14	874,398	-	27,202	-	4,219,044	-	-	-	5,120,658	1,505,033
Retail - Local calls	-	281,471	-	-	-	-	281,471	0	30,340	-	304,862	-	-	-	-	-	335,202	(53,732)
Retail - Local internet calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail - Jersey calls	-	63,662	-	-	-	-	63,662	0	7,083	-	15,266	234	-	-	-	-	22,584	41,078
Retail - National calls	-	681,134	-	-	-	-	681,134	1	75,802	-	143,652	624	-	-	-	-	220,079	461,055
Retail - International calls	-	304,952	-	-	-	-	304,952	0	34,699	-	45,571	-	-	-	-	-	80,271	224,681
Retail - Calls to Guernsey Mobiles	-	1,324,965	-	-	-	-	1,324,965	2	170,530	-	118,829	169,631	-	-	-	-	458,993	865,972
Retail - Non-geographic calls free to calling customer	-	-	-	20,327	-	-	20,327	0	11,324	-	17,677	-	-	-	-	-	29,001	(8,674)
Retail - Non-geographic calls charged at local rate	-	229,911	-	-	-	-	229,911	0	25,054	-	117,221	-	-	-	-	-	142,275	87,636
Retail - Non-geographic calls charged at national rate	-	27,489	-	-	-	-	27,489	0	3,029	-	8,366	-	-	-	-	-	11,395	16,093
Retail - Non-geographic calls charged at premium rate	-	189,271	-	-	-	-	189,271	1	101,640	-	74,802	2,295	-	-	-	-	178,738	10,533
Retail - Internet	6,034,402	-	41,105	-	-	-	6,075,507	30	1,757,625	-	5,038,136	-	-	-	-	-	6,795,791	(720,284)
Retail - Directory Enquiry	-	49,688	-	-	-	-	49,688	0	5,328	-	50,244	-	-	-	-	-	55,573	(5,885)
Retail - Public Payphones	-	7,283	-	-	-	-	7,283	1	19,062	-	773	277	-	17,023	-	-	37,136	(29,854)
Retail - Leased Lines	3,305,702	-	-	-	-	-	3,305,702	10	567,292	-	2,340,951	-	-	-	-	-	2,908,253	397,449
Retail - Remaining activities	8,533	-	76,405	-	-	-	84,938	8	224,041	-	28,032	-	-	-	-	-	252,080	(167,142)
Total	15,957,304	3,159,825	117,510	20,327	17,023	-	19,271,989	68	3,907,247	-	8,331,586	173,061	4,219,044	17,023	-	-	16,648,029	2,623,961
Less Intra Business Turnover and Costs	-	-	-	-	(17,023)	-	(17,023)	-	-	-	-	-	-	(17,023)	-	-	(17,023)	-
Retail Business	15,957,304	3,159,825	117,510	20,327	-	-	19,254,966	68	3,907,247	-	8,331,586	173,061	4,219,044	-	-	-	16,631,006	2,623,961

Transfer Charge Statement

For the year ended December 2014:

FROM:	TO	Local Access Network	Core Network	Retail	Exchange Line rental and connection	Local calls	Local internet calls	Jersey calls	National calls	International calls	Calls to Guernsey mobiles	Non-geographic calls free to calling customer	Non-geographic calls charged at local call rate	Non-geographic calls charged at national call rate	Non-geographic calls charged at premium rate	Internet	Directory Enquiry	Public payphones	Leased lines	Remaining Activities	Mobile Business	Other Activities Business	Total (£)
Local Access Network		343,088			4,219,044																		4,562,132
Core Network					27,202	304,862	-	15,266	143,652	45,571	118,829	17,677	117,221	8,366	74,802	5,038,136	50,244	773	2,340,951	28,032	1,712,658	679,428	10,723,672
Retail																							-
Mobile		16,306						234	624		169,631				2,295			277					189,367
Other Activities																							-
TOTAL		-	359,394	-	4,246,246	304,862	-	15,500	144,276	45,571	288,460	17,677	117,221	8,366	77,097	5,038,136	50,244	1,050	2,340,951	28,032	1,712,658	679,428	15,475,170

Inter Business Costs Summary

For the year ended December 2014:

£	TO:	Access	Network	Retail	Mobile	Other	Total
FROM:							
Access			343,088	4,219,044			4,562,132
Network				8,331,586	1,712,658	679,428	10,723,672
Retail	-	-	-		-	-	-
Mobile			16,306	173,061			189,367
Other							-
TOTAL	-	359,394	12,723,690	1,712,658	679,428		15,475,170

Reconciliation Statement for the Profit and Loss Account

Regulatory Profit and Loss Account		2014			
		Revenue	Costs	CCA	Return
For the year ended December 2014:		£	£	£	£
		Notes			
Business					
Local Access Network Business		4,562,132	2,705,102	308,523	1,548,506
Core Network Business		15,054,053	9,837,935	158,878	5,057,240
Retail Business		19,254,966	16,630,937	68	2,623,961
Mobile Business		17,927,486	17,880,444	(251,572)	298,614
Other Activities Business		16,286,848	14,428,293	828	1,857,727
Total		73,085,485	61,482,712	216,726	11,386,048
Adjustments					
Elimination of inter-business turnover and costs		(15,475,170)	(15,475,170)		0
Own network rental/calls & equipment subsidies	1	(2,807,677)	(2,807,677)		0
Current Cost Accounting (CCA) adjustments				(216,727)	216,727
Non-trading adjustments	2	161,324	3,008,782		(2,847,458)
Miscellaneous adjustments		-	0 -	0 -	0
As in Statutory Financial Statements		54,963,962	46,208,646	0	8,755,316

Notes:

- 1 Adjustments to address statutory accounting presentation.
- 2 Adjustments to recognise non-trading items, including profit/loss on disposal of fixed assets and interest income and tax (netted off).

General Note: It is possible that the values on this page do not cross-cast exactly, due to minor rounding differences.

Reconciliation Statement for the Balance Sheet

Mean Capital Employed (MCE)		Assets					Mean Capital Employed
For the year ended December 2014:		Non-current	Stock	Debtors	Cash	Liabilities	£
Notes		£	£	£	£	£	£
Local Access Network Business		12,865,885	201,357	105,184	374,618	(197,853)	13,349,190
Core Network Business		8,654,806	15,949	1,013,063	1,062,721	(1,614,547)	9,131,990
Retail Business		1,558,731	11,274	2,957,498	730,503	(669,237)	4,588,769
Mobile Business		7,634,259	11,026	3,252,733	1,338,272	(6,789,364)	5,446,926
Other Activities Business		5,250,048	411,377	1,884,117	1,200,701	(1,224,148)	7,522,095
Total MCE, Separated Regulatory Accounts		35,963,729	650,982	9,212,595	4,706,815	(10,495,149)	40,038,972
Adjustments							
CCA adjustments	1	(9,163,997)					(9,163,997)
Cash (incl. intercompany adjustments)	2			215,599	3,121,732		3,337,331
Non-trading adjustments	3	4,214,461				(2,043,823)	2,170,638
Miscellaneous adjustments		-	1 -	0 -	0 -	0 -	1
Total MCE, Statutory Accounts		31,014,191	650,982	9,428,193	7,828,547	(12,538,972)	36,382,941
Statutory Financial Statements							
For the year ended December 2014:							
		Non-current	Stock	Debtors	Cash	Liabilities	Mean Capital Employed
		£	£	£	£	£	£
Opening Capital Employed at 1 January 2014		27,215,818	823,000	10,196,849	6,351,041	(14,931,981)	29,654,727
Closing Capital Employed at 31 December 2014		34,812,564	478,964	8,659,537	9,306,053	(10,145,963)	43,111,155
Total MCE, Statutory Accounts		31,014,191	650,982	9,428,193	7,828,547	(12,538,972)	36,382,941

Notes:

- 1 Net impact on Fixed Asset values through the application of Current Cost Accounting.
- 2 For regulatory accounting purposes Sure calculates an 'allowable cash' balance that reflects the cash it requires to hold only for working capital purposes. Further details can be seen in section 3.5.5 of the accompanying Accounting Documents. Intercompany adjustments are also included and are shown as debtors and/or liabilities..
- 3 Adjustments to recognise non-trading items such as retirement benefit liability and tax.

General Note: It is possible that the values on this page do not cross-cast exactly, due to minor rounding differences.

2014 Reference Offer (RO) rate assumptions:

RO Rates (ppm):		Network component value & usage:			
		Concentrator	Fixed Switch	Transmission Link	Transmission Length
Model cost:		60,731	662,561	68,008	223,673
On-Island Transit:	0.299	Details no longer required			
On-Island Origination:	0.472	0.030	0.299	Details no longer required	
On-Island Termination:	0.428	Details no longer required			
Off-Island Transit:	0.481	Details no longer required			

Methodology:

On-Island Transit cost relates to one use of a Switch only.

The Concentrator component cost for call origination is calculated by using that Switch cost and then apportioning the balance over the other components, based on its respective calculated cost.