

Schedule 1

FORM ECSRC – K

ANNUAL REPORT PURSUANT TO SECTION 98 OF THE SECURITIES ACT OF 2001

For the financial year ended: *March 31<sup>st</sup> 2012*

Issuer Registration number: *002216*

**Cable & Wireless St. Kitts & Nevis Limited**

(Exact name of reporting issuer as specified in its charter)  
**St. Kitts and Nevis**

(Territory of incorporation)

**Cayon Street, Basseterre, St. Kitts**

(Address of principal office)

Reporting issuer's: Valerie Williams

Telephone number (including area code): 246-292-1363

Fax number: \_\_\_\_\_

Email address: Valerie.Wiliams@lime.com

(Provide information stipulated in paragraphs 1 to 14 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by Sections 98 of the Securities Act of 2001 during the preceding 12 months

Yes x

No \_\_\_\_\_

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report.

CLASS	NUMBER
Ordinary Shares	33,130,418


SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

David Lake



Signature

9/4/2013

Date

Name of Director:

Dr. Osbert Liburd



Signature

9/4/2013

Date

Name of Chief Financial Officer: (Finance  
Manager)

Michael Davis



Signature

26/3/2013

Date

## INFORMATION TO BE INCLUDED IN THE REPORT

### 1. Business.

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuer's business need only include developments since the beginning of the financial year for which this report is filed.

*The company has three main lines of business, namely Mobile, Fixed Line and Broadband. Whilst there are growth on the mobile and broadband revenues, the legacy product stream i.e. domestic fixed line and international outgoing continues to decline over the years. This decline in domestic fixed line revenue is mainly as a result of a shift in the use of fixed to fixed local calls to mobile to mobile calls. The emergence of new technology contributed to the decline in international outgoing revenues.*

### 2. Properties.

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed off since the beginning of the financial year for which this report is filed.

Details	Opening Cost	Acquisition	Retirement/ Disposals	Transfers	Closing Cost	Comments
	EC\$m	EC\$m	EC\$m	EC\$m	EC\$m	
Land	1.063				1.063	
Building - Structure	46.530	0.120		0.071	46.721	
Long Leaseholds	1.792				1.792	
Vehicles	2.769	0.237	(0.258)		2.748	
Office furniture	1.067	0.112		0.039	1.217	
Plant and Equipments	103.549	10.019	(19.913)	2.631	96.286	Note 1
Cable and transmission equipments	22.689	0.622	(1.594)		21.717	
Computer Hardware	5.776	-			5.776	
Licenses	1.878	0.087			1.965	
Work In progress	3.074	2.541		(2.741)	2.875	
<b>Total</b>	<b>190.188</b>	<b>13.738</b>	<b>(21.766)</b>	<b>-</b>	<b>182.160</b>	

*Note 1:*

*Retirement of network equipments under the network modernization project.*

### 3. Legal Proceedings.

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

*No legal proceedings noted.*

**4. Submission of Matters to a Vote of Security Holders.**

If any matter was submitted during the financial year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise, furnish the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.  
*Annual meeting held on December 6<sup>th</sup> 2012*
- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.  
*In accordance with Article 122(a) to (e) the Directors retiring by rotation are Mr. Lawrence McNaughton and Dr. Osbert Liburd who being eligible offered themselves for re-election.  
Directors who served during the year were: Mr. Lawrence McNaughton, Mr. Davidson Charles, Mr. David Lake, Dr. Osbert Liburd, Ms. Lyra Richards and Ms. Patricia Walters*
- (c) A brief description of each other matter voted upon at the meeting and state the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.
- (d) A description of the terms of any settlement between the registrant and any other participant.
- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.  
*Items C-E not applicable*

**5. Market for Reporting issuer's Common Equity and Related Stockholder Matters.**

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report.

*N/A*

**6. Financial Statements and Selected Financial Data.**

Provide audited Financial Statements, Statement of Retained Earnings and Changes in Financial Position for the year ended. The relevant financial data items to be used in constructing the financial statements are provided in Parts A-D.

Include the following documents with the financial statement:

- (i) Auditor's report;
- (ii) A balance sheet as of the end of each of the two most recent financial years.
- (iii) Consolidated statements of income, statements of cash flows, and statements of other stockholders' equity for each of the two financial years preceding the date of the most recent audited balance sheet being filed.
- (iv) Financial statements for the most recent financial year.
- (v) Notes to Financial Statements

*A copy of the 2012 Financial Statements is attached which provides the information requested.*

**7. Disclosure About Risk Factors.**

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements and only include factors that are unique to the company. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

*Risk Factors are:*

- *Loss of market share as a result of competition in internet, mobile and fixed line services.*
- *Erosion of fixed line revenue as a result of the change in customer calling patterns, coupled by the emergence of new technology.*
- *Reductions in customers' telecom spend due to reduction in disposable income as a result of the decline in economic activities.*

**8. Changes in Securities and Use of Proceeds.**

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities. *N/A*
- (b) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:
  - Offer opening date (provide explanation if different from date disclosed in the registration statement)
  - Offer closing date (provide explanation if different from date disclosed in the registration statement)
  - Name and address of underwriter(s)
  - Amount of expenses incurred in connection with the offer

- Net proceeds of the issue and a schedule of its use
- Payments to associated persons and the purpose for such payments

*N/A*

- (c) Report any working capital restrictions and other limitations upon the payment of dividends.

**9. Defaults Upon Senior Securities.**

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 percent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report. *N/A*
- (b) If any material arrears in the payment of dividends has occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency. *N/A*

**10. Management's Discussion and Analysis of Financial Condition and Results of Operation.**

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

This section should be completed as per instructions for completing the MD&A.

***Liquidity:***

*No known trends, commitments, demands or events exists that may result in the company liquidity increasing or decreasing in any material way.*

***Capital Resources:***

*For the year ended March 2012 the following amounts were allocated to capital expenditure:*

<b><i>Details</i></b>	<b><i>EC\$m</i></b>
<i>Fixed Line</i>	<i>1.285</i>
<i>Mobile</i>	<i>9.196</i>
<i>Internet</i>	<i>0.206</i>
<i>Other</i>	<i>3.051</i>
<b><i>Total</i></b>	<b><i>13.738</i></b>

***Results from Operation:***

- *As a result of the change in customer calling pattern (A shift from fixed to mobile voice and data), domestic revenue for the period 2011/2012 declined by 13% over the prior year. It is expected that fixed line customers will continue to migrate to mobile as the technology evolves.*
- *Mobile revenue declined by 18% as a result of a 15% decline in market share when compared to 10/11. This was as result of increased competition and negative customer experience from the network issues.*
- *Internet revenue declined by 5% as a result of a 7% decrease in revenue per line despite a 4% increase in internet customer base. This decline was driven by discounted internet promotional package sold during the period.*

**11. Changes in and Disagreements With Auditors on Accounting and Financial Disclosure.**

Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure. *N/A*

**12. Directors and Executive Officers of the Reporting Issuer.**

Furnish biographical information on directors and executive officers indicating the nature of their expertise. *Listed in Annual Report*

**13. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC - MC report (related to disclosure of material information), with respect to which information is not otherwise called for by this form. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC - MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC - K report.

**14. List of Exhibits**

List all exhibits, financial statements, and all other papers and documentation filed with this report.

*Financial statements for the period ended March 31<sup>st</sup> 2012 enclosed*