

COMPANY REGISTRATION NUMBER 04937421

186K LIMITED
ABBREVIATED ACCOUNTS
31 AUGUST 2011



HW (LEEDS) LLP
CHARTERED ACCOUNTANTS

186K LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2011

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186K LIMITED

**INDEPENDENT AUDITOR'S REPORT TO 186K LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of 186k Limited for the year ended 31 August 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



PETER BANCROFT BA FCA
(Senior Statutory Auditor)
For and on behalf of
HW (LEEDS) LLP
Chartered Accountants
& Statutory Auditor

Sterling House
Sheepscar Court
Meanwood Road
Leeds
LS7 2BB

20 December 2012

186K LIMITED
ABBREVIATED BALANCE SHEET
31 AUGUST 2011

	Note	2011 £	2010 £
FIXED ASSETS	2		
Intangible assets		327,854	513,780
Tangible assets		4,250,346	4,775,176
Investments		350,000	902,810
		<u>4,928,200</u>	<u>6,191,766</u>
CURRENT ASSETS			
Debtors		1,232,751	2,856,440
Cash at bank and in hand		51,285	139,552
		<u>1,284,036</u>	<u>2,995,992</u>
CREDITORS: Amounts falling due within one year	3	<u>4,239,026</u>	<u>6,739,324</u>
NET CURRENT LIABILITIES		<u>(2,954,990)</u>	<u>(3,743,332)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,973,210</u>	<u>2,448,434</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	2,699,900	2,699,900
Share premium account		6,230,174	6,230,174
Revaluation reserve		-	118,117
Profit and loss account		(6,956,864)	(6,599,757)
SHAREHOLDERS' FUNDS		<u>1,973,210</u>	<u>2,448,434</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 11 December 2012, and are signed on their behalf by

D J RICHARDS
DIRECTOR

Company Registration Number 04937421



The notes on pages 3 to 6 form part of these abbreviated accounts.

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2011

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Going concern

The directors confirm that they believe the company is still a going concern and that they will undertake to ensure that adequate financial resources are provided to the company to enable it to meet its liabilities as they fall due

Turnover

The turnover shown in the profit and loss account represents amounts due in respect of services provided by the company in the year, exclusive of Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill	- 20% Straight Line
Intellectual Property	- 20% Straight Line

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	- 2% Straight Line
Fixtures & Fittings	- 25% Straight Line
Equipment	- 25% Straight Line

Certain assets within equipment are depreciated over 6 years straight line as they have a longer useful economic life

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSE which, unlike the Companies Act, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2011

1. ACCOUNTING POLICIES (*continued*)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

186K LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2011

2 FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investments £	Total £
COST				
At 1 September 2010	929,632	5,356,288	3,220,853	9,506,773
Additions	—	545	—	545
Revaluation	—	(204,920)	—	(204,920)
At 31 August 2011	929,632	5,151,913	3,220,853	9,302,398
DEPRECIATION AND AMOUNTS WRITTEN OFF				
At 1 September 2010	415,852	581,112	2,318,043	3,315,007
Charge for year	185,926	320,455	552,810	1,059,191
At 31 August 2011	601,778	901,567	2,870,853	4,374,198
NET BOOK VALUE				
At 31 August 2011	327,854	4,250,346	350,000	4,928,200
At 31 August 2010	513,780	4,775,176	902,810	6,191,766

The company owns 100% of the issued share capital of the companies listed below, all of which are registered in England and Wales

	2011 £	2010 £
Aggregate capital and reserves		
Mailbox Internet Limited	(156,407)	(156,949)
Invade International Limited	33,800	(70,666)
Elite Internet Services Limited	89,581	52,463
Profit and (loss) for the year		
Mailbox Internet Limited	542	(18,607)
Invade International Limited	104,466	(34,423)
Elite Internet Services Limited	37,118	72,933

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	—	311,054

4. TRANSACTIONS WITH THE DIRECTORS

Included within debtors at the year end is £9,411 (2010 £15,570) due from D J Richards, one of the company's directors. This loan is unsecured, interest free and repayable on demand. The maximum balance outstanding during the year was £15,570 (2010 £15,570)

186K LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 AUGUST 2011**

5. SHARE CAPITAL**Allotted, called up and fully paid:**

	2011		2010	
	No	£	No	£
6,999,000 Ordinary shares of £0.10 each	6,999,000	699,900	6,999,000	699,900
2,000,000 Preferred Ordinary shares of £1 each	2,000,000	2,000,000	2,000,000	2,000,000
	<u>8,999,000</u>	<u>2,699,900</u>	<u>8,999,000</u>	<u>2,699,900</u>

The holders of the ordinary shares shall be entitled to one vote per share in any circumstances. The ordinary shares confer the right to dividend payments or any other distribution and to participate in a distribution arising from a winding up of the company.

The holders of the preferred ordinary shares shall not be entitled to receive notices of or to attend or vote at general meetings of the company. The preferred ordinary shares do not confer the right to receive any dividends. On a return of capital on winding up, capital reduction or otherwise the holders of the preferred ordinary shares shall be entitled to be repaid the nominal value of their preferred ordinary shares in priority to any payment to the holders of any other class of shares in the company but shall have no further right to participate in the assets of the company. On a sale the holders of the preferred ordinary shares shall be entitled to be paid an amount equal to the nominal value of their preferred ordinary shares.

6. CONTROL

The company was under the control of D Marrocco throughout the current and previous year. Mr D Marrocco is the managing director and majority shareholder.