

IKM Network Communications Limited

Registered number: 02996443

Abbreviated accounts

For the year ended 31 March 2014



IKM NETWORK COMMUNICATIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO IKM NETWORK COMMUNICATIONS 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 IKM Network Communications Limited for the year ended 31 March 2014 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 Auditors' 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 director and auditors

The director is 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. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in this 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 and the company's members as a body for our work, for this report, or for the opinions we have formed.

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 are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our Auditors' Report on the full financial statements.

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.



Lesley Fox (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

8 New Fields
2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

18 December 2014

IKM NETWORK COMMUNICATIONS LIMITED

Registered number: 02996443

ABBREVIATED BALANCE SHEET AS AT 31 MARCH 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	2		27,477		32,217
Current assets					
Stocks		230,751		243,413	
Debtors		885,978		823,007	
Cash at bank		713		48,199	
		<u>1,117,442</u>		<u>1,114,619</u>	
Creditors: amounts falling due within one year	3	(910,307)		(929,382)	
Net current assets			207,135		185,237
Total assets less current liabilities			<u>234,612</u>		<u>217,454</u>
Creditors: amounts falling due after more than one year			(400,000)		(180,000)
Net (liabilities)/assets			<u>(165,388)</u>		<u>37,454</u>
Capital and reserves					
Called up share capital	4		100		100
Profit and loss account			(165,488)		37,354
Shareholders' (deficit)/funds			<u>(165,388)</u>		<u>37,454</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by:



J W Jervis
Director

Date: 17 December 2014

The notes on pages 3 to 6 form part of these financial statements.

IKM NETWORK COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The company made an operating loss of £191k in the year and has net liabilities of £165k.

The company meets its day to day working capital requirements through the continued financial support of its parent company. The parent company has given assurances of its continued financial support and on this basis the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

1.3 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	straight line over the life of the lease
Plant & machinery	-	3 years straight line
Motor vehicles	-	3 years straight line
Fixtures & fittings	-	3 years straight line

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

IKM NETWORK COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting Policies (continued)

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Long-term contract balances included in stocks comprise costs that include all direct material and labour costs incurred in bringing a contract to its state of completion at the year end. Provisions for estimated losses on contracts are made in the period in which such losses are foreseen.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

IKM NETWORK COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

2. Tangible fixed assets

	£
Cost	
At 1 April 2013	142,715
Additions	12,151
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At 31 March 2014	154,866
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Depreciation	
At 1 April 2013	110,498
Charge for the year	16,891
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At 31 March 2014	127,389
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Net book value	
At 31 March 2014	27,477
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At 31 March 2013	32,217
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3. Creditors: Amounts falling due within one year

The aggregate amount of debts at the period end in respect of which security has been given are £Nil (2013 - £53,722).

4. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
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5. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transaction.

The company had the following transactions with the directors during the year:

IKM NETWORK COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

	2014 £	2013 £
Directors loans to the company during the year		
J W Jervis	-	215,000
Non-current liability		
J W Jervis	50,000	50,000
Interest payments		
J W Jervis	-	2,000

6. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is CTG Holdings Limited, a company registered in England and Wales. The company's ultimate parent undertaking is CA Ventures Limited, a company registered in England and Wales. The ultimate controlling party is J Leon & Company Limited.