

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010
FOR
PACNET NETWORK (UK) LTD

SATURDAY



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COMPANIES HOUSE

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FOR THE YEAR ENDED 31 DECEMBER 2010

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PACNET NETWORK (UK) LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2010

DIRECTORS:	Mr Brett Larry Lay Ms Ho Pui Sin
SECRETARY:	Jordan Company Secretaries Limited
REGISTERED OFFICE:	20-22 Bedford Row London WC1R 4JS
REGISTERED NUMBER:	03947900 (England and Wales)
AUDITORS:	M R Salvage (Partnership) LLP Chartered Accountants and Registered Auditors 7/8 Eghams Court Boston Drive Bourne End Buckinghamshire SL8 5YS

REPORT OF THE INDEPENDENT AUDITORS TO
PACNET NETWORK (UK) LTD
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages three to five, together with the full financial statements of Pacnet Network (UK) Ltd for the year ended 31 December 2010 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 directors and auditors

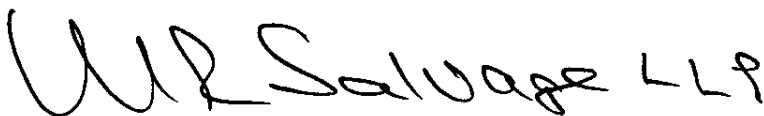
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated 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.

 M R Salvage LLP

John Taylor (Senior Statutory Auditor)
for and on behalf of M R Salvage (Partnership) LLP
Chartered Accountants
and Registered Auditors
7/8 Eghams Court
Boston Drive
Bourne End
Buckinghamshire
SL8 5YS

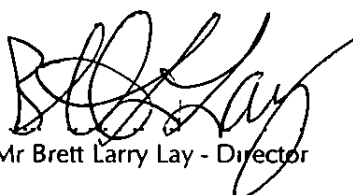
Date 25th March 2011

ABBREVIATED BALANCE SHEET
31 DECEMBER 2010

	2010 \$	2009 \$
CREDITORS		
Amounts falling due within one year	<u>217,123,672</u>	<u>223,438,916</u>
NET CURRENT LIABILITIES	<u>(217,123,672)</u>	<u>(223,438,916)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>(217,123,672)</u>	<u>(223,438,916)</u>
CAPITAL AND RESERVES		
Called up share capital	2	3
Profit and loss account	<u>(217,123,675)</u>	<u>(223,438,919)</u>
SHAREHOLDERS' FUNDS	<u>(217,123,672)</u>	<u>(223,438,916)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 21/3/2011 and were signed on its behalf by


Mr Brett Larry Lay - Director

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared on the going concern basis as the ultimate parent company Pacnet Ltd has agreed to provide continuing financial support to the company. Related companies Pacnet Network (Philippines) Inc, Pacnet Services (UK) Ltd and immediate parent company Pacnet Network Limited have undertaken not to recall within 12 months from the date of signing these accounts amounts due to them totalling US\$217,107,640 that the company cannot repay out of its own cashflows.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Preparation of consolidated financial statements

The financial statements contain information about Pacnet Network (UK) Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

The financial statements have been prepared in United States dollars as this represents the functional currency of the company.

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

Investments

Investments in subsidiaries, joint ventures and associated companies are stated at cost less accumulated impairment losses in the company's balance sheet. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. Due to the lack of records to support investments at cost, all investments have been written down to a nil value in prior years.

2 CALLED UP SHARE CAPITAL

Allotted, Number	issued and fully paid Class	Nominal value	2010 \$	2009 \$
2	Ordinary	£1	<u>3</u>	<u>3</u>

3 ULTIMATE PARENT COMPANY

The company's immediate parent company is Pacnet Network Ltd, incorporated in Bermuda.

The ultimate holding company is Pacnet International Limited, incorporated in Bermuda. Copies of the consolidated financial statements of Pacnet International Limited can be obtained from Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2010

4 SIGNIFICANT SUBSIDIARIES HELD BY THE COMPANY

Name of company	Principal activities	Country of incorporation	Equity holding (2010)	Equity holding (2009)
Pacnet Network (Japan) Ltd	Telecommunication services	Japan	100%	100%
Pacnet Network (Philippines) Inc	Construction, management and monitoring, operations, administration and maintenance of cable landing stations, specified cable segments, transmission equipment and ancillaries relating to said cable landing stations	Philippines	100%	100%
Pacnet Network (Korea) Ltd	Telecommunication services	Korea	100%	100%

All of the above investments have been fully impaired