

Knowle Nets Ltd

Unaudited Abbreviated Accounts

for the Year Ended 31 December 2013

M W Burrough & Co
Chartered Accountants
10 South Street
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Knowle Nets Ltd

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The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Knowle Nets Ltd
for the Year Ended 31 December 2013**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Knowle Nets Ltd for the year ended 31 December 2013 set out on pages from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the Board of Directors of Knowle Nets Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Knowle Nets Ltd and state those matters that we have agreed to state to them, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Knowle Nets Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Knowle Nets Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Knowle Nets Ltd. You consider that Knowle Nets Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Knowle Nets Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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M W Burrough & Co
Chartered Accountants
10 South Street
Bridport
Dorset
DT6 3NJ
2 May 2014

Knowle Nets Ltd
(Registration number: 04624729)
Abbreviated Balance Sheet at 31 December 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets		36,000	40,000
Tangible fixed assets		<u>21,387</u>	<u>4,037</u>
		<u>57,387</u>	<u>44,037</u>
Current assets			
Stocks		101,988	66,898
Debtors		3,652	3,766
Investments		-	20,000
Cash at bank and in hand		<u>394,794</u>	<u>403,115</u>
		500,434	493,779
Creditors: Amounts falling due within one year		<u>(77,351)</u>	<u>(36,868)</u>
Net current assets		<u>423,083</u>	<u>456,911</u>
Total assets less current liabilities		480,470	500,948
Provisions for liabilities		<u>(3,475)</u>	<u>-</u>
Net assets		<u><u>476,995</u></u>	<u><u>500,948</u></u>
Capital and reserves			
Called up share capital	<u>3</u>	150	150
Profit and loss account		<u>476,845</u>	<u>500,798</u>
Shareholders' funds		<u><u>476,995</u></u>	<u><u>500,948</u></u>

For the year ending 31 December 2013 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime .

Approved by the Board on 2 May 2014 and signed on its behalf by:

.....
Mr Jeremy John Tweed
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

Knowle Nets Ltd
Notes to the Abbreviated Accounts for the Year Ended 31 December 2013
..... continued

1 Accounting policies

Basis of preparation

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).

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	over 20 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% straight line

Current asset investments

Current asset investments are included at the lower of cost and net realisable value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE. Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Knowle Nets Ltd
Notes to the Abbreviated Accounts for the Year Ended 31 December 2013

..... continued

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 January 2013	80,000	55,789	135,789
Additions	<u>-</u>	<u>20,877</u>	<u>20,877</u>
At 31 December 2013	<u>80,000</u>	<u>76,666</u>	<u>156,666</u>
Depreciation			
At 1 January 2013	40,000	51,752	91,752
Charge for the year	<u>4,000</u>	<u>3,527</u>	<u>7,527</u>
At 31 December 2013	<u>44,000</u>	<u>55,279</u>	<u>99,279</u>
Net book value			
At 31 December 2013	<u>36,000</u>	<u>21,387</u>	<u>57,387</u>
At 31 December 2012	<u>40,000</u>	<u>4,037</u>	<u>44,037</u>

3 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100
Ordinary A of £1 each	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.