

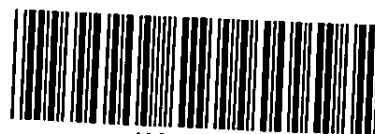
Company Registration No 03990878

**Bizspace Investments Limited**  
**(formerly Bizspace Limited)**

**Report and Financial Statements**

**31 December 2009**

TUESDAY



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29/06/2010  
COMPANIES HOUSE

# **BIZSPACE INVESTMENTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **BIZSPACE INVESTMENTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **Officers and professional advisers**

#### **Directors**

G Evans  
P Gubb  
M Megan  
H Wright

#### **Secretary**

G Evans

#### **Registered office**

Sovereign House  
1 Albert Place  
Finchley  
N3 1QB

#### **Bankers**

Barclays Bank PLC  
Pall Mall Corporate Banking Centre  
50 Pall Mall  
London  
SW1A 1QA

#### **Solicitors**

Shoosmiths  
Lock House  
Castle Meadow Road  
Nottingham  
NG2 1AG

#### **Auditors**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Southampton, United Kingdom

## BIZSPACE INVESTMENTS LIMITED

### DIRECTORS' REPORT

The directors present their annual report on the affairs of the company together with the audited financial statements for the year ended 31 December 2009. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under part 15 of the Companies Act 2006.

#### Principal activity

The principal activity of the company is as an investment company.

#### Review of the Business and Going Concern

The company holds an interest in the Bizspace Partnership and is a holding company for a number of group companies.

The company is part of the HXRUK II Limited Group (the "group") and as such is dependent upon the availability of group finance to continue in operation. During the period the directors of the group were in negotiation with the bank syndicate to renegotiate the loan facility after breaching the banking covenants in the previous period. These negotiations have now been successfully concluded with the revised loan facility agreement being signed by the group's directors on 18<sup>th</sup> July 2010. Following this successful conclusion of the group's funding arrangements the company has received confirmation from group that the funding necessary for the company's operations will be made available to the company for the foreseeable future and the directors are also satisfied that the group will be able to meet the requirements of the covenant tests of the newly provided group loan facilities for the foreseeable future.

As a result the directors are satisfied that the company remains a going concern and have prepared these accounts on the basis that the company is a going concern.

#### Directors

The present membership of the board is set out on page 1. All directors served throughout the year.

#### Provision of information to auditors

A resolution to reappoint Deloitte LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the company's auditors are unaware, and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board on 24 June 2010



G Evans

Secretary

## **BIZSPACE INVESTMENTS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIZSPACE INVESTMENTS LIMITED**

We have audited the financial statements of Bizspace Investments Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Andrew Gordon (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Southampton, United Kingdom  
25 June 2010

## BIZSPACE INVESTMENTS LIMITED

### PROFIT AND LOSS ACCOUNT For year ended 31 December 2009

	Note	2009 £'000	2008 £'000
Administrative expenses		-	(11)
<b>Operating loss</b>	3	-	(11)
(Loss)/income from fixed asset investments		(7)	13
Interest payable and similar charges	4	-	20
<b>(Loss)/profit on ordinary activities before taxation</b>		(7)	33
Tax charge on profit on ordinary activities	5	-	-
<b>(Loss)/profit for the financial year</b>		(7)	22

There are no recognised gains and losses for the current and prior year other than as stated in the profit and loss account. Accordingly a statement of total recognised gains and losses has not been prepared.

All activities are derived from continuing operations.

# BIZSPACE INVESTMENTS LIMITED

## BALANCE SHEET 31 December 2009

		Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
	Note		
<b>Fixed assets</b>			
Investment in non-quoted company		1,110	1,110
Investment in subsidiary undertakings		14,749	14,749
Investment in Limited Partnership		1	1
		<u>15,860</u>	<u>15,860</u>
<b>Current assets</b>			
Debtors	6	39,538	40,149
<b>Creditors</b>			
Creditors amounts falling due within one year	7	(31)	-
<b>Net current assets</b>		<u>39,507</u>	<u>40,149</u>
<b>Net assets</b>		<u>55,367</u>	<u>56,009</u>
<b>Capital and reserves</b>			
Called up share capital	8	4,275	4,366
Share premium account	9	19,426	19,987
Profit and loss account	9	562	552
Other reserve	9	31,104	31,104
<b>Shareholders' funds</b>	9	<u>55,367</u>	<u>56,009</u>

These financial statements of Bizspace Investment Limited, registration number 03990878, were approved by the Board of Directors on 24 June 2010

Signed on behalf of the Board of Directors



G Evans

Director



**NOTES TO THE ACCOUNTS**

**For year ended 31 December 2009**

**1. ACCOUNTING POLICIES**

The principal accounting policies, which have been applied consistently throughout the current year and prior year, are summarised below

**Basis of preparation**

The financial statements have been prepared on the going concern basis. As set out in the directors report on page 2 the group funding facilities have been renegotiated. These facilities are for a period until December 2014 and the company's parent company HXRUK II Limited has confirmed that it is able to meet all the covenant tests required by the bank syndicates for the foreseeable future and it is able to provide to the company the necessary funding for the company's operations for the foreseeable future. As a result the directors are satisfied that the company is a going concern.

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A change in the rate of corporation tax was announced in the 2009 Finance Act. From 1 April 2009, the UK corporation tax rate has reduced from 30% to 28%.

**Investments**

Fixed asset investments are shown at cost less provision for impairment.

**Cash flow statement**

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement since it is a wholly owned subsidiary of a parent company which has produced a cash flow statement.

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

Three of the Directors are paid by Highcross (P Gubb, M Megan, H Wright). It is not practical to split out the costs of their services for the purpose of these accounts. Details of their remuneration are disclosed in the accounts of Highcross Strategic Advisors Limited which are publically available. One of the Directors is paid by Bizspace Ltd (G Evans) and it is not practical to split out the costs of this service for the purpose of these accounts. Details of his remuneration are disclosed in the accounts of Bizspace Ltd which are publically available.

## BIZSPACE INVESTMENTS LIMITED

### NOTES TO THE ACCOUNTS

For year ended 31 December 2009

#### 3 OPERATING LOSS

The fee element for audit services provided to Bizspace Investments Limited accounts for £2,000 (2008 £2,000) of the total audit fee

#### 4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
Interest payable	-	(20)

#### 5. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
UK corporation tax at 28% (2008 28%)	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2008 28%)  
The actual tax charge for the current year and the previous financial period varies from the standard rate for the reasons set out below

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
(Loss)/profit on ordinary activities before tax	(7)	22
Tax on (loss)/profit on ordinary activities at standard rate	(2)	6
<i>Effects of</i>		
Other timing differences	2	-
Group relief for no charge	-	(6)
Current tax credit for year	-	-

# BIZSPACE INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS For year ended 31 December 2009

### 6. DEBTORS

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
Amounts owed by Group undertakings	39,538	39,690
Corporation tax	-	459
	<u>39,538</u>	<u>40,149</u>

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
Corporation tax	31	-
	<u>31</u>	<u>-</u>

### 8. SHARE CAPITAL

	Year ended 31 December 2009 £'000	Year ended 31 December 2008 £'000
<b>Authorised:</b> 106,800,000 ordinary shares of 5 pence each	<u>5,340</u>	<u>5,340</u>
<b>Called up, allotted and fully paid:</b> 85,471,649 ordinary shares of 5 pence each	<u>4,275</u>	<u>4,366</u>

## BIZSPACE INVESTMENTS LIMITED

### NOTES TO THE ACCOUNTS For year ended 31 December 2009

#### 9 RECONCILIATION OF MOVEMENTS IN RESERVES AND SHAREHOLDERS' FUNDS

	Share capital £'000	Share premium account £'000	Profit and loss account £'000	Other Reserve £'000	Total £'000	2008 £'000
Opening shareholders' funds	4,366	19,987	552	31,104	56,009	55,987
(Loss)/profit for the year	-	-	(7)	-	(7)	22
Dividends received on investment in the unit trust	-	-	17	-	17	-
Adjustment to share capital	(91)	(561)	-	-	(652)	-
Closing shareholders' funds	<u>4,275</u>	<u>19,426</u>	<u>562</u>	<u>31,104</u>	<u>55,367</u>	<u>56,009</u>

There was an error on the share capital from 2006 that has been adjusted within the 2009 accounts. Previously the number of shares were reported as 87,334,813 whereas the corrected figure is 85,471,649.

On 30 November 2007 all properties were sold to Bizspace Limited Partnership, a group entity in which the company holds a fixed asset investment. At this date, the revaluation reserve was transferred into another reserve which is non-distributable until cash payment is received or the properties are sold outside the group. The loss for the year represents the reversal of an incorrect distribution made by Bizspace Limited Partnership to Bizspace Investment Limited in the prior year.

#### 10 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by paragraph 3(c) of Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions due to the availability of the group financial statements of Highcross (Bugatti) Limited which, as immediate parent, controls greater than 90% of the company's share capital and which eliminates such transactions on consolidation.

#### 11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Highcross Bugatti Limited. HXRUK II Limited is the controlling party and ultimate parent of the company. HXRUK II Limited is owned by two Limited Partnerships, which are registered in the United States of America. These partnerships, which were formed to invest in regional UK commercial property for investors, are managed by a General Partner, Highcross Strategic Partners II LLC, a Delaware limited liability company.

The smallest group into which the results of the company are consolidated is Highcross Bugatti Limited, a company incorporated in the United Kingdom. The largest group into which the results of the company are consolidated is HXRUK II Limited, a company registered in Jersey.