

Magus Investments Limited

**Directors' report and accounts
for the year ended 31 March 2014**

Company Number: 05679336

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Magus Investments Limited

Company information

Directors RA Pearce Gould

Secretary IW Gill

Registered Office 63 Church Street
Harston
Cambridge
CB22 7NP

Auditors Henderson Loggie
Royal Exchange
Panmure Street
Dundee
DD1 1DZ

Bankers Nat West
118 High Street
Slough
Berkshire
SL1 1JH

Magus Investments Limited

Director' report for the year ended 31 March 2014

The director present their annual report and the audited accounts of the company for the year ended 31 March 2014.

Principal activity

The principal activity of the company during the year was property letting.

On 25 September 2012, the bankers to the tenant and parent company, Newsfax International Limited, appointed administrators under the terms of a debenture. On 26th September 2012 a receiver was appointed to the property owned by the company under a legal charge dated 8 January 2008 and the receiver has been responsible for the operations of the property (see note 1.1 of the attached accounts).

On 22nd October 2012, the National Westminster Bank charged the Company £1,959,641 for closing out the hedge position referred to in Note 8.

Directors

The directors who held office during the year are shown on page 3.

Following the appointment of Administrators to the tenant of the property the Director has reviewed the carrying value of the property and taken an impairment charge to reflect the expected market value of its principal asset as at March 2012. This was based on valuations carried out for third parties in 2009 and 2011.

Audit

As the parent company is now in administration, the Director is of the opinion that there is no requirement for the parent company or any other group company to produce consolidated accounts. On this basis and following the adoption of the lower carrying value of the assets, the Company has availed itself of the exemption provided by the Small Companies Requirements for auditing its accounts; consequently the company accounts have not been audited (see also note 13).

This report, which has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime, was approved by the board on 30 December 2014 and signed on its behalf by:



RA Pearce Gould
Director

Magus Investments Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the year.

In preparing those accounts, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgement and estimates that are reasonable and prudent; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The director confirms that he has complied with the above requirements in preparing the accounts.

The director are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

Magus Investments Limited

Profits and loss account for the year ended 31 March 2014

		31 March 2014 £000	31 March 2013 £000
	Note		
Turnover	1,2	159	158
Administrative expenses		(199)	(203)
Operating profit/(loss)	3	(40)	(45)
Interest payable and related costs		(204)	(2190)
Interest received		-	-
Profit on ordinary activities before taxation		(244)	(2234)
Taxation	4	--	--
Profit for the financial period	10	(244)	(2234)
		=====	=====

All amounts relate to operations.

A statement of reserve is given in note 10.

The notes on pages 8 -12 form part of these accounts.

Magus Investments Limited

Balance sheet at 31 March 2014

		2014		2013	
	Note	£000	£000	£000	£000
Fixed assets					
Tangible assets	5		2838		3020
Current assets					
Debtors and prepayments	6	7		8	
Cash at Bank		-		--	
Creditors					
Amounts falling due within one year	7	(11125)		(11064)	
Net current liabilities			(11118)		(11056)
Total assets less current liabilities			(8280)		(8036)
Creditors					
Amounts failing due after more than one year	8		nil		nil
Provision for liabilities					
Deferred tax	4		nil		nil
Net assets			(8280)		(8036)
Capital and reserves					
Called up share capital			--		--
Revaluation Reserve			(6279)		(6279)
Profit and loss account	10		(2001)		(1757)
Total shareholders' funds			(8280)		(8036)

For the year ended 31 March 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006

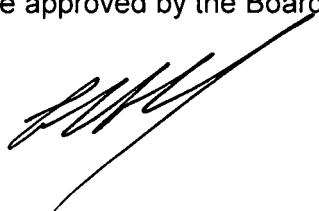
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The director acknowledges their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

The accounts were approved by the Board on 30 December 2014 and signed on its behalf by:

RA Pearce Gould
Director



Magus Investments Limited

Notes to the accounts

1 Accounting policies

1.1 Accounting convention

The accounts are prepared under the historical cost convention.

These accounts have been prepared on a going concern basis, the validity of which depends on the financial support of its bankers and Newsfax International Limited (in administration) and its administrator. The Bank has a legal mortgage over property at Beam Reach 5 Business Park, London Riverside, Dagenham (the "Property") which is owned by the Company. The Bank served formal demand in September 2012 for repayment of its loan and other facilities advanced to the Company and subsequently it appointed KPMG as fixed charge Receiver over the Property. The Property has not yet been sold but at the present time it is not the Bank's intention to take any further action against the Company to recover its debt pending the sale of the Property, however, the Bank's rights remain fully reserved.

1.2 Compliance with accounting standards

The accounts are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Rental income is invoiced in advance and recognised as it falls due.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold Land	over 100 years
Buildings	over 50 years

1.5 Taxation

The tax charge represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Magus Investments Limited

Notes to the accounts (cont'd)

Deferred tax is measure on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used on the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable profits will be available. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2 Turnover

The company's turnover originates entirely within the United Kingdom. In the opinion of the director the company carries on one class of business.

3 Operating profit

	12 months to 31 March 2014 £000	12 months to 31 March 2013 £000
Operating profit is stated after charging:		
Directors' emoluments	--	--
Depreciation	182	182
Auditor's remuneration	--	--
	=====	=====

As from 26 September 2012 all costs of administration of the Company have been charged to the receivers. In the year to 31 March 2014 the Receivers paid £4k to a company controlled by the Director for general accounting and administration services provided.

4 Taxation

The charge for tax on profit on ordinary activities for the year was nil as all profits or losses will be subject to relief against losses and allowances or result in taxable losses to be carried forward:

	12 months to 31 March 2014 £000	12 months to 31 March 2013 £000
Corporation tax		
Current year	Nil	Nil
Offset against allowances and reliefs	Nil	Nil

The Company has non-trade taxation losses to carry forward, the use of which may be restricted.

Magus Investments Limited

Notes to the accounts (cont'd)

Note 4 (cont'd)

Deferred taxation:

Current year	--	--
Prior year	--	--
	-----	-----
Tax on profit on ordinary activities (charge)/credit	Nil	Nil
	=====	=====
 Profit on ordinary activities before tax	 Nil	 Nil
	=====	=====
Rate	N/A	N/A
	=====	=====

5 Tangible fixed assets

	Long Leasehold		
	Land	Buildings	Total
	£000	£000	£000
Cost			
At 1 April 2013 (net of impairment charge)	857	3096	3953
Additions	--	--	--
	-----	-----	-----
At 31 March 2014	857	3096	3953
	=====	=====	=====
Depreciation			
At 1 April 2013	80	853	933
Charge for the period	23	159	182
	-----	-----	-----
At 31 March 2014	103	1012	1115
	=====	=====	=====
Net book value			
At 31 March 2014	754	2084	2838
	=====	=====	=====
At 31 March 2013	777	2243	3020
	=====	=====	=====

The director has considered the carrying value of the property as at 31 March 2014 and considers that it can be retained as at the same value as in previous years for accounting purposes. There was an impairment charge in 2012 of £6279k that has been taken to Reserves (see note 10).

Magus Investments Limited

Notes to the accounts (cont'd)

6 Debtors

	2014	2013
	£000	£000
Debtors	-	1
Prepayments and accrued income	6	7
	-----	-----
	6	8
	=====	=====

7 Creditors

Amounts falling due within one year:

Bank overdraft (secured)	1917	1965
Amounts owed to the parent company	5606	5606
Bank loan /secured (note 8)	3602	3480
Other creditors and accruals	Nil	13
	-----	-----
	11125	11064
	=====	=====

The bank loan and overdraft are secured by a floating charge over the assets of the company and a standard security over the company's land and buildings. A receiver has now been appointed to the property assets of the Company by the principal secured creditor.

8 Creditors

	2014	2013
	£000	£000
Amounts falling due after more than one year:		
Bank loan (secured)	nil	nil
	=====	=====

The bank creditor was repayable over 155 monthly instalments starting in October 2008. Following the appointment of the Receiver on 26 September 2012 no further instalments have been paid.

The company entered into an interest rate swap in relation to the bank funding. This swap runs from June 2009 reaching maturity in June 2022. This swap was closed out on 18th October 2012 for a cost of £1,989,641.

As a receiver has been appointed to the property, the loan payments stated above are now all on demand.

Magus Investments Limited

Notes to the accounts (cont'd)

9 Share capital

	2014	2013
	£000	£000
Allotted, called up and fully paid		
2 ordinary shares of £1	--	--
	=====	=====

10 Profit and loss account and Reserves

	Profit & Loss reserve	Revaluation reserve
	£000	£000
At 1 April 2013	(1757)	(6279)
Profit/(Loss) for the financial year	(244)	Nil
	-----	-----
At 31 March 2014	(2001)	(6279)
	=====	=====

11 Ultimate Parent Undertaking and Controlling Party

As set out in the Directors report, the parent company, Newsfax International Limited, is now in administration and in addition a receiver has been appointed to the property assets of the company pursuant to a legal charge dated 8 January 2008.