

Financial Statements Edgespace Limited

For the year ended 31 May 2011



Registered number: 04335661

Company Information

Director	M Connors
Company secretary	M Connors
Company number	04335661
Registered office	Stafford Road Stone Staffordshire ST15 0DG
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Enterprise House 115 Edmund Street Birmingham West Midlands B3 2HJ

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Director's report

For the year ended 31 May 2011

The director presents his report and the financial statements for the year ended 31 May 2011

Principal activity

The company's principal activity is that of property ownership and development

Directors

The directors who served during the year were

M Connors

M Bartlett (resigned 10 February 2012)

Director's responsibilities statement

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Provision of information to auditor

The director at the time when this director's report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Edgespace Limited

Director's report

For the year ended 31 May 2011

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf

M Connors

Director

Date

28/2/12



Independent auditor's report to the members of Edgespace Limited

We have audited the financial statements of Edgespace Limited for the year ended 31 May 2011, which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditor's 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 director and auditor

As explained more fully in the director's responsibilities statement, the director is 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 May 2011 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Edgespace Limited

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to take advantage of the small companies' exemption in preparing the director's report

A handwritten signature in black ink, appearing to read 'Gut TH m w'.

David P White (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Birmingham

Date 28/2/12

Profit and loss account

For the year ended 31 May 2011

	Note	2011 £	2010 £
Cost of sales		-	(51,338)
Gross profit/(loss)		-	(51,338)
Administrative expenses		(39,515)	(20,803)
Other operating income	2	-	5,435
Loss on ordinary activities before taxation		(39,515)	(66,706)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year	9	(39,515)	(66,706)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 7 to 12 form part of these financial statements

Balance sheet

As at 31 May 2011

	Note	£	2011 £	2010 £
Current assets				
Stocks	5	1,125,000	1,125,000	
Debtors	6	5,238	-	
		<u>1,130,238</u>	<u>1,125,000</u>	
Creditors amounts falling due within one year	7	<u>(1,295,827)</u>	<u>(1,251,074)</u>	
Net current liabilities			<u>(165,589)</u>	<u>(126,074)</u>
Total assets less current liabilities			<u>(165,589)</u>	<u>(126,074)</u>
Capital and reserves				
Called up share capital	8		1	1
Profit and loss account	9		<u>(165,590)</u>	<u>(126,075)</u>
Deficit to shareholders' funds	10		<u>(165,589)</u>	<u>(126,074)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by **2**

M Connors
 Director

Date **28/2/12**

The notes on pages 7 to 12 form part of these financial statements

Notes to the financial statements

For the year ended 31 May 2011

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Going concern

The company has received confirmation of continuing financial support from the ultimate holding company, Datel Holdings Limited, which confirms that it will provide sufficient funds for the company to meet its financial obligations for a period of at least twelve months from the date of signing these financial statements

1.3 Turnover

Turnover consists of the invoiced value (excluding VAT) of sales of property and is recognised on completion

1.4 Stocks

Properties held for resale are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

1.5 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

1.6 Rental income

Rental income is recognised on a straight line basis over the period of the lease. Operating lease incentives offered by the company are accounted for as a reduction of the rental income and are allocated over the shorter of the lease term and the period to the first rent review

Notes to the financial statements

For the year ended 31 May 2011

1. Accounting policies (continued)

1.7 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability, then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the financial statements

For the year ended 31 May 2011

2. Other operating income

	2011	2010
	£	£
Net rents receivable	-	5,435

3. Loss on ordinary activities before taxation

The loss on ordinary activities before taxation is stated after charging

	2011	2010
	£	£
Auditor's remuneration	2,698	-

During the year, no director received any emoluments (2010 - £NII.)

The auditor's remuneration in 2010 was borne by the parent undertaking

The company had no employees during the year other than the directors (2010 none)

Notes to the financial statements

For the year ended 31 May 2011

4. Taxation

	2011 £	2010 £
UK corporation tax charge on loss for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 27.67% (2010 - 28%). The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	(39,515)	(66,706)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 27.67% (2010 - 28%)	(10,934)	(18,678)
Effects of		
Expenses not deductible for tax purposes	-	651
Capital allowances for year in excess of depreciation	2,254	-
Unrelieved tax losses carried forward	8,680	18,027
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

The company has tax losses available to carry forward against future profits of £116,170 (2010 £84,800)

Notes to the financial statements

For the year ended 31 May 2011

5. Stocks

	2011	2010
	£	£
Properties held for resale	1,125,000	1,125,000

6. Debtors

	2011	2010
	£	£
Prepayments and accrued income	5,238	-

7. Creditors:

Amounts falling due within one year

	2011	2010
	£	£
Amounts owed to group undertakings	1,293,129	1,248,376
Accruals and deferred income	2,698	2,698
	1,295,827	1,251,074

8. Share capital

	2011	2010
	£	£
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

9. Reserves

	Profit and loss account
	£
At 1 June 2010	(126,075)
Loss for the year	(39,515)
At 31 May 2011	(165,590)

Notes to the financial statements

For the year ended 31 May 2011

10. Reconciliation of movement in deficit to shareholders' funds

	2011 £	2010 £
Opening deficit to shareholders' funds	(126,074)	(59,368)
Loss for the year	(39,515)	(66,706)
Closing deficit to shareholders' funds	<u>(165,589)</u>	<u>(126,074)</u>

11. Contingent liabilities

Loans advanced to other group companies amounting to £1.3 million (2010: £0.9 million) are secured by a legal charge over the company's properties held for resale.

12. Related party transactions

The company is a wholly owned subsidiary of Datel Electronics Limited which is ultimately controlled by Datel Holdings Limited. In accordance with FRS 8 the company is exempt from disclosing transactions with its parent company and fellow subsidiaries.

13. Ultimate parent undertaking and controlling party

The company's parent company is Datel Electronics Limited which is a wholly owned subsidiary of the ultimate parent company, Datel Holdings Limited. Copies of the financial statements of this company are available from Companies House, Crown Way, Mandy, Cardiff, CF12 3UZ.

The company's controlling party is M Connors, the sole shareholder of the ultimate parent company, Datel Holdings Limited.