

Company Registration No. 2344929

Amsprop London Limited

Report and Unaudited Financial Statements

9 months ended 30 June 2013

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Amsprop London Limited

Report and unaudited financial statements 2013

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Amsprop London Limited

Report and unaudited financial statements 2013

Officers and professional advisers

Directors

Lord Alan M Sugar
Louise J Baron
Andrew N Cohen
Daniel P Sugar
Simon Sugar
James Hughes
Claude M Littner
Roger G Adams
Michael E Ray

Secretary

Michael E Ray

Registered office

Amshold House
Goldings Hill
Loughton
Essex
IG10 2RW

Bankers

Lloyds Bank plc
City Office
11-15 Monument Street
London
EC3V 9JA

Solicitors

Maples Teesdale LLP
30 King Street
London
EC2V 8EE

Amsprop London Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the 9 months to 30 June 2013

The Company has changed its accounting reference date from 30 September to 30 June

The current period's results included in these financial statements for the Company represent a 9 month period and the prior year comparative represents a 12 month period

This directors' report has been prepared in accordance with the special provisions relating to small companies under S415A the Companies Act 2006

Principal activities

The Company is principally engaged in the business of property investment. These properties are held for their long term investment potential and accordingly are treated as investment properties

Business review

The result for the 9 months to 30 June 2013 after taxation was a profit of £31,374,381 (year to 30 September 2012 £4,262,424). The profit and loss account for the period is set out on page 5

The large increase in profit during the period is largely due to the dividends received in the period of £30,224,235 (year to 30 September 2012 £1,760,410)

On 17 June 2013 the Company acquired the entire share capital of Amshold Group Limited (company registration no 3710962, renamed to Amshold International limited on 19 July 2013)

On 18 June 2013 the investments in Viglen Technology Limited and Amscreen PLC were transferred to Amshold Holdings Limited, (company registration no 8557403, renamed to Amshold Group limited on 19 July 2013)

Going concern

The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future trading

On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements

Financial risks

The directors considered the risks attached to the Company's financial instruments which principally comprise operating debtors and operating creditors and loans to and from other group companies. The directors have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the Company. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities and the financial statements

The director's policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the year

Amsprop London Limited

Directors' report (continued)

Dividends

On 18 June 2013 the Company declared and paid a dividend in specie of £5,984,885 representing its investment in Amscreen PLC

On 18 June 2013 the Company declared and paid a dividend in specie of £7,000 representing its investment in Viglen Technology Limited

On 18 June 2013 the Company declared and paid a dividend in specie of £1 representing its investment in Amstar Media Limited

On 28 June 2013 the Company declared and paid a dividend in specie of £9,324,549 representing its investment in Amsprop limited

On 28 June 2013 the Company declared and paid a dividend in specie of £3,723,905 representing its investment in Amshold Securities Limited

There was no dividend paid in the prior period

Directors

The directors who held office throughout the period are listed on page 1

Directors indemnities

The directors and officers of the Company use the indemnity insurance policy taken out by Amshold International Limited, a fellow subsidiary of the Group

Approved by the Board and signed on its behalf by



M E Ray

Director

25 March 2014

Amsprop London Limited

Directors' responsibilities statement

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 period. 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 accounting 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 to 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.

Amsprop London Limited

Profit and loss account 9 months ended 30 June 2013

	Notes	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Turnover	2	1,398,804	1,703,255
Cost of sales		161,315	1,016,057
Gross profit		1,560,119	2,719,312
Administrative expenses		(478,014)	(258,608)
Operating profit	4	1,082,105	2,460,704
Dividend income		30,224,235	1,760,410
Interest receivable and similar income	5	89,755	80,382
Interest payable and similar charges	6	(21,714)	(39,072)
Profit on ordinary activities before taxation		31,374,381	4,262,424
Tax charge on profit on ordinary activities	7	-	-
Profit on ordinary activities after taxation		31,374,381	4,262,424

All amounts derive from continuing operations

There is no difference between the reported profit on ordinary activities after taxation and the equivalent historical cost amount

Amsprop London Limited

Statement of total recognised gains and losses 9 months ended 30 June 2013

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Profit for the financial year	31,374,381	4,262,424
Unrealised surplus on revaluation of property	<u>7,426,698</u>	<u>4,446,779</u>
Total recognised gains and losses relating to the year	<u><u>38,801,079</u></u>	<u><u>8,709,203</u></u>

Amsprop London Limited

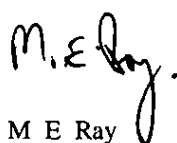
Balance sheet 30 June 2013

	Notes	30 Jun 2013 £	30 Sep 2012 £
Fixed assets			
Investment properties	9	45,436,000	37,461,500
Other Investments	10	24,400	5,220,030
		<u>45,460,400</u>	<u>42,681,530</u>
Current assets			
Debtors	11	28,468,167	10,991,982
Cash at bank and in hand	12	199,758	526,925
		<u>28,667,925</u>	<u>11,518,907</u>
Creditors: amounts falling due within one year	13	(951,895)	(809,146)
Net current liabilities		<u>27,716,030</u>	<u>10,709,761</u>
Net assets		<u>73,176,430</u>	<u>53,391,291</u>
Capital and reserves			
Called up share capital	14	41,514,400	41,490,000
Revaluation reserve	15	26,510,263	19,083,565
Profit and loss account	15	5,151,767	(7,182,274)
Shareholders' funds	16	<u>73,176,430</u>	<u>53,391,291</u>

For the period ending 30 June 2013 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies Directors' responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of Amsprop London Limited, registered number 2344929, were approved by the board of directors and authorised for issue on 25 March 2014 They were signed on its behalf by



M E Ray

Director

Amsprop London Limited

Notes to the financial statements For the year ended 30 June 2013

1. Accounting policies

The financial statements are prepared in accordance with United Kingdom accounting standards. Compliance with the Statement of Standard Accounting Practice 19 "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given below. The particular accounting policies adopted by the directors are described below and have been applied consistently in the current and preceding financial years.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain freehold properties.

Going concern

The financial statements are prepared on a historical cost convention basis and prepared on the going concern basis as discussed in the directors report on page 2.

Investment properties

In accordance with SSAP 19, investment properties are revalued annually to open market value and the aggregate surplus net of any tax effect or deficit is transferred to/from revaluation reserve. Any impairment believed to be permanent is written off to the profit and loss account in the year in which it arises. No depreciation is provided in respect of investment properties.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principles set out in SSAP 19. The directors consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Sale of properties

Disposals of properties are recognised where contracts have been unconditionally exchanged during the accounting year.

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.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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.

Amsprop London Limited

Notes to the financial statements For the year ended 30 June 2013

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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 not discounted.

Cash flows

As the Company is a wholly-owned subsidiary, the cash flows of the Company are included in the consolidated accounts of Amshold Group Limited which are publicly available (note 17). Consequently the Company is exempt under the provisions of Financial Reporting Standard 1 (Revised) – “Cash Flow Statements”, from publishing a separate cash flow statement.

2. Turnover

Turnover represents amounts derived from the provision of services and rental income on investment properties which fall within the Company's ordinary activities after deduction of trade discounts and value added tax. The turnover and pre-tax loss all arises in the United Kingdom. Rent increases arising from rent reviews are taken into account when such reviews have been agreed with tenants. On new leases with rent free periods rental income is allocated evenly over the period from the date of lease commencement to the date of the first rent review. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Turnover can be analysed as follows:

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Rental income	1,316,375	1,595,291
Miscellaneous income	82,429	107,964
	<u>1,398,804</u>	<u>1,703,255</u>

3. Staff costs

The Company had no employees in either the current or prior year. The directors received no emoluments during the current or prior year.

Amsprop London Limited

Notes to the financial statements For the year ended 30 June 2013

4. Operating profit

Operating profit for the year is stated after charging/(crediting)

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Loss on sale of fixed assets	-	112,016
Profit on sale of investment	(161,315)	(1,128,073)
Auditor's remuneration		
- fee for the statutory audit of the Company's annual accounts	-	7,512
	<u> </u>	<u> </u>

5. Interest receivable and similar income

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Bank and other interest	<u>89,755</u>	<u>80,382</u>

6. Interest payable and similar charges

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Bank and other interest	<u>21,714</u>	<u>39,072</u>

7. Tax charge on profit on ordinary activities

(i) *Analysis of tax charge on profit on ordinary activities*

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
UK corporation tax charge at 23.67% (2012: 25.0%)	-	-
Origination and reversal of timing differences	(596,967)	(340,894)
Adjustment in respect of prior periods	712,383	385,399
Effects of decrease in tax rates on opening liability	<u>(115,416)</u>	<u>(44,505)</u>
Total deferred tax	<u>-</u>	<u>-</u>
Tax charge on profit on ordinary activities	<u>-</u>	<u>-</u>

Amsprop London Limited

Notes to the financial statements For the year ended 30 June 2013

7. Tax charge on profit on ordinary activities (continued)

(ii) Factors affecting tax charge for the current year

The standard rate of tax for the year, based on the UK standard of corporation tax is 23.67% (2012: 25.0%)
The actual tax charge for the current and previous year is the same as the standard rate for the reasons set out in the following reconciliation

	9 mths to 30 Jun 2013 £	12 mths to 30 Sep 2012 £
Profit on ordinary activities before tax	31,374,381	4,262,424
Tax charge at 23.67% (2012: 25.0%)	(7,425,270)	(1,065,606)
Factors affecting charge		
Income not taxable for tax purposes	7,191,247	722,121
Utilisation of tax losses	218,164	371,489
Capital allowances in excess of depreciation	15,859	-
Expenses not deductible for tax purposes	-	(28,004)
Tax current tax charge for year	-	-

8. Dividends

On 18 June 2013 the Company declared and paid a dividend in specie of £5,984,885 representing its investment in Amscreen PLC

On 18 June 2013 the Company declared and paid a dividend in specie of £7,000 representing its investment in Viglen Technology Limited

On 18 June 2013 the Company declared and paid a dividend in specie of £1 representing its investment in Amstar Media Limited

On 28 June 2013 the Company declared and paid a dividend in specie of £9,324,549 representing its investment in Amsprop limited

On 28 June 2013 the Company declared and paid a dividend in specie of £3,723,905 representing its investment in Amshold Securities Limited

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Notes to the financial statements For the year ended 30 June 2013

9. Investment properties

	Total £
At 1 October 2012	37,461,500
Additions	547,802
Surplus arising on valuation	<u>7,426,698</u>
At 30 June 2013	<u><u>45,436,000</u></u>

The majority of the investment properties were valued by the directors at 30 June 2013 on a valuation prepared internally by a Company director, a qualified chartered surveyor, on an open market basis. The remaining properties were valued externally at 30 June 2013. The external valuation basis is market value, conforms to RICS Valuation Professional Standards and was arrived at by reference to market evidence of the transaction prices for similar properties. The external valuer is a qualified independent valuer who holds a recognised and relevant professional qualification and has recent experience in the relevant location and type of property being valued.

It is the Company's intention to retain the property for the foreseeable future. No deferred tax has been provided on the gains arising on the revaluation as such tax would only become payable if the property were sold. The tax payable in such circumstances is estimated to be £6,097,360.

10. Other investments

	30 Jun 2013 £	30 Sep 2012 £
Investment in subsidiaries		
Cost and net book value	<u>24,400</u>	<u>5,220,030</u>

The subsidiary investments at 30 June 2013 comprise a 100% shareholding in Amshold International Limited. The subsidiary investments at 30 September 2012 comprise a 70% shareholding in Viglen Technology Limited and a 62.511% shareholding in Amscreen PLC.

On 17 June 2013 the Company acquired the entire share capital of Amshold Group Limited (company registration no. 3710962, renamed to Amshold International limited on 19 July 2013).

On 18 June 2013 the investments in Viglen Technology Limited and Amscreen PLC were transferred to Amshold Holdings Limited, (company registration no. 8557403, renamed to Amshold Group limited on 19 July 2013).

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Notes to the financial statements For the year ended 30 June 2013

11. Debtors

	30 Jun 2013 £	30 Sep 2012 £
Amounts falling due within one year		
Amounts owed from other group companies	28,286,535	10,816,813
Trade debtors	67,035	133,480
Other debtors	113,940	14,660
Prepayments and accrued income	657	27,029
	<u>28,468,167</u>	<u>10,991,982</u>

Interest is payable on the amounts owed by other group companies at variable rates based on Bank of England base rates

12. Cash at bank and in hand

	30 Jun 2013 £	30 Sep 2012 £
Company cash at bank and in hand	1,225	328,757
Tenant deposits	198,533	198,168
	<u>199,758</u>	<u>526,925</u>

13. Creditors: amounts falling due within one year

	30 Jun 2013 £	30 Sep 2012 £
Trade creditors	32,348	3,955
Other creditors	198,533	198,168
Other taxation	76,539	70,440
Accruals and deferred income	644,475	536,583
	<u>951,895</u>	<u>809,146</u>

Amsprop London Limited

Notes to the financial statements For the year ended 30 June 2013

14. Share capital

	30 Jun 2013 £	30 Sep 2012 £
Authorised:		
100,000 ordinary shares of £1 each	50,000,000	50,000,000
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	41,514,400	41,490,000

On 17 June 2013 the Company issued a further 24,400 £1 ordinary shares

15. Reserves

	Profit and loss £	Revaluation reserve £	Total £
At 1 October 2012	(7,182,274)	19,083,565	11,901,291
Revaluation surplus in the period	-	7,426,698	7,426,698
Profit for the financial period	31,374,381	-	31,374,381
Dividends paid	(19,040,340)	-	(19,040,340)
At 30 June 2013	5,151,767	26,510,263	31,662,030

16. Reconciliation of movements in shareholders' funds

	30 Jun 2013 £	30 Sep 2012 £
Opening shareholders' funds	53,391,291	44,682,088
Share capital issued on group restructuring	24,400	-
Revaluation surplus in the period	7,426,698	4,446,779
Profit for the financial period	31,374,381	4,262,424
Dividends paid	(19,040,340)	-
Closing shareholders' funds	73,176,430	53,391,291

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Notes to the financial statements For the year ended 30 June 2013

17. Ultimate parent company and controlling party

At 30 June 2013, the Company was indirectly wholly-owned by Lord Sugar

The immediate parent company is Amshold Group Limited, a company incorporated in the United Kingdom and registered in England and Wales

At 30 June 2013, Amsprop London Limited ceased being the ultimate parent company of the Amsprop London group of companies

During the year the Group in which the Company is held was restructured. Amshold Holdings Limited (company registration no 8557403) was incorporated during the year and became the new ultimate parent company. Amshold Holdings Limited changed its name to Amshold Group Limited on 19 July 2013.

Amshold Group Limited (company registration no 8557403) is a company incorporated in the United Kingdom and is the parent undertaking of the smallest and largest group which includes the Company and for which group financial statements are prepared. Copies of the group financial statements of Amshold Group Limited (company registration no 8557403) are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

18. Related party transactions

In respect of other related party transactions, the Company has taken advantage of the exemption from related party disclosure in accordance with Paragraph 3(c) of Financial Reporting Standard No 8.

19. Post balance sheet events

On 9 January 2014, the company completed the sale of land on the south side of Takeley Street, Takeley, Bishops Stortford for £7,500,000.