

**Company Registration No. 02801817**

**Amsprop Estates Limited**

**Report and Unaudited Financial Statements**

**Year ended 30 June 2013**

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# **Amsprop Estates Limited**

## **Report and unaudited financial statements 2013**

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# **Amsprop Estates Limited**

## **Report and unaudited financial statements 2013**

### **Officers and professional advisers**

#### **Directors**

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

#### **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 Estates Limited**

## **Directors' report**

The directors present their annual report and the unaudited financial statements for the year ended 30 June 2013

### **Principal activities**

The principal business of the Company is the acquisition of land and buildings for resale at a later date so as to maximise profit, together with the collection of rents there from

Amsprop Estates Limited is a wholly owned subsidiary of Amsprop Limited, a Company incorporated in the United Kingdom and registered in the England and Wales which is the parent company of the Amsprop Group of companies

### **Business review**

The result for the year after taxation was a profit of £702,974 (2012 £1,826,328) The profit and loss account for the year is shown on page 5

During the year the Company sold four properties, one on the open market and three to fellow subsidiary Amsprop Investments Limited

On 19 June 2013 the Company received a dividend of £348,724 from its subsidiary, Amsted Properties Limited

The decrease in profits in the year is due to the larger dividend received in the prior year of £1,442,259, which contributed significantly to the previous years result

The property market continues to be challenging but the directors are confident that the Company's assets will continue to provide a strong yield and asset growth

### **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

### **Dividends**

On 31<sup>st</sup> January 2013 the Company paid a dividend of £35,000,000 There was no dividend paid in the prior year

# **Amsprop Estates Limited**

## **Director's report (continued)**

### **Directors**

The directors who held office throughout the year 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 Estates 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 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 Estates Limited

### Profit and loss account For the year ended 30 June 2013

	Notes	2013 £	2012 £
<b>Turnover</b>	2	7,302,075	1,483,240
Cost of sales	3	(6,396,164)	17,673
<b>Gross profit</b>		905,911	1,500,913
Administrative expenses		(437,827)	(914,014)
<b>Operating profit</b>	3	468,084	586,899
Dividends receivable		348,724	1,442,259
Interest receivable and similar income	4	59,259	142,503
Interest payable and similar charges	5	-	(6,827)
<b>Profit on ordinary activities before taxation</b>		876,067	2,164,834
Tax charge on profit on ordinary activities	6	(173,093)	(338,506)
<b>Profit for the financial year</b>	13	702,974	1,826,328

All activities derive from continuing operations

The statement of total recognised gains and losses has been omitted because there have been no recognised gains or losses other than the profit or loss for the year in the current and preceding year

# Amsprop Estates Limited

## Balance sheet 30 June 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Investments	7	102	200,002
		<u>102</u>	<u>200,002</u>
<b>Current assets</b>			
Property held for resale		11,713,738	13,407,073
Debtors	8	216,337	28,646,529
Cash at bank and in hand	9	226,493	358,551
		<u>12,156,568</u>	<u>42,412,153</u>
<b>Creditors' amounts falling due within one year</b>	10	<u>(4,738,047)</u>	<u>(896,506)</u>
<b>Net current assets</b>		<u>7,418,521</u>	<u>41,515,647</u>
<b>Net assets</b>		<u><u>7,418,623</u></u>	<u><u>41,715,649</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account	13	<u>7,418,523</u>	<u>41,715,549</u>
<b>Shareholders' funds</b>	14	<u><u>7,418,623</u></u>	<u><u>41,715,649</u></u>

For the year 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 Estates Limited, registered number 02801817, 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 Estates Limited**

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

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted by the directors are described below. They have been applied consistently throughout the current and preceding year.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention. The Company is exempt from the obligation to prepare and deliver group accounts in accordance with s400 of the Companies Act 2006. Consequently, these accounts present the results of the entity only.

#### **Going concern**

The financial statements are prepared on a going concern basis as discussed in the directors' report on page 2.

#### **Investments**

Investments are stated at cost less any provision for impairment in value.

#### **Properties held for resale**

Properties held as dealing stocks are included in the balance sheet at the lower of cost and net realisable value. Cost includes appropriate property purchase expenses.

#### **Leases**

Rental costs under operating leases are charged to profit and loss account in equal annual amounts over the periods of the leases.

#### **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.

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 on an undiscounted basis 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.

# Amsprop Estates Limited

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

### 1. Accounting policies (continued)

#### 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 15). 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 comprises rental income receivable by the Company and the value of property sales, service and management charges, all arising 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. All other turnover is recognised net of VAT as it is earned. Turnover can be analysed as follows:

	2013 £	2012 £
Rental income	1,386,543	1,451,944
Sale of trading properties	5,868,000	-
Other income	47,532	31,296
	<u>7,302,075</u>	<u>1,483,240</u>

### 3. Operating profit

	2013 £	2012 £
Operating profit is stated after charging		
Administrative expenses including		
Auditor's remuneration		
- fees payable for the audit of the Company's annual accounts	-	7,100
- company secretarial fees	-	674
Investment provisions	199,900	495,630
Cost of sales including		
Increase/(Decrease) in provisions for property held for resale	262,760	(17,673)
Value of property sold	<u>6,133,404</u>	<u>-</u>

# Amsprop Estates Limited

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

### 4. Interest receivable and similar income

	2013 £	2012 £
Interest receivable from other group companies	59,126	141,481
Other interest	133	1,022
	<u>59,259</u>	<u>142,503</u>

### 5 Interest payable and similar charges

	2013 £	2012 £
Interest payable to other group companies	-	6,827
	<u>-</u>	<u>6,827</u>

### 6 Tax charge on profit on ordinary activities

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

	2013 £	2012 £
UK corporation tax at 23.75% (2012: 25.5%)	(172,098)	(305,608)
Group relief paid	-	(16,316)
Adjustments in respect of prior periods	-	(15,364)
Total current tax charge	<u>(172,098)</u>	<u>(337,288)</u>
Origination and reversal of timing differences	(627)	(907)
Effects of decrease in tax rates on opening liability	<u>(368)</u>	<u>(311)</u>
Total deferred tax charge (note 11)	<u>(995)</u>	<u>(1,218)</u>
Total tax charge on profit on ordinary activities	<u>(173,093)</u>	<u>(338,506)</u>

# Amsprop Estates Limited

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

### 6. 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 rate of corporation tax is 23.75% (2012 25.5%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

	2013 £	2012 £
Profit on ordinary activities before tax	876,067	2,164,834
Tax charge at 23.75% (2012 25.5%)	(208,072)	(552,092)
Factors affecting charge		
Expenses not deductible for tax purposes	(47,477)	(126,399)
Income not taxable for tax purposes	82,824	367,815
Capital allowances for the period in excess of depreciation	627	907
Utilisation of tax gains	-	(12,155)
Adjustments in respect of prior periods	-	(15,364)
Total current tax charge for year	<u>(172,098)</u>	<u>(337,288)</u>

### 7. Investments

#### Investments in subsidiary undertakings

	Cost £	Provision £	Net book value £
At 1 July 2012	695,632	(495,630)	200,002
Movement in the year	-	(199,900)	(199,900)
At 30 June 2013	<u>695,632</u>	<u>(695,530)</u>	<u>102</u>

Subsidiary Undertakings	Country of incorporation	Principal Activity	Holding of ordinary shares%
Amsted Properties Ltd	Great Britain	Property Development	100
Amshal Properties Ltd	Great Britain	Property Development	100

On 4 March 2014, Amsted Properties Limited was dissolved

### 8. Debtors

	2013 £	2012 £
Amounts falling due within one year		
Amounts owed by other group companies	-	28,379,019
Trade debtors	66,214	130,678
Deferred tax asset (see note 11)	2,526	3,521
Prepayments and accrued income	147,597	133,311
	<u>216,337</u>	<u>28,646,529</u>

# Amsprop Estates Limited

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

### 9. Cash at bank and in hand

	2013 £	2012 £
Company cash at bank and in hand	1,669	13,641
Tenant deposits	224,824	344,910
	<u>226,493</u>	<u>358,551</u>

### 10. Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	-	49,300
Amounts owed to other group companies	3,846,257	2
Corporation tax	86,049	152,804
Other taxation and social security	276,581	59,716
Other creditors	248,622	370,058
Accruals and deferred income	280,538	264,626
	<u>4,738,047</u>	<u>896,506</u>

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

### 11. Deferred taxation

	2013 £	2012 £
Depreciation in excess of Capital allowances at 1 July	3,521	4,739
Charge to profit and loss account	(995)	(1,218)
Depreciation in excess of Capital allowances at 30 June (see note 8)	<u>2,526</u>	<u>3,521</u>

### 12. Called up share capital

	2013 £	2012 £
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid:</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

# Amsprop Estates Limited

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

### 13 Reserves

	Profit and loss £
At 1 July 2012	41,715,549
Profit for the financial year	702,974
Dividends paid	(35,000,000)
At 30 June 2013	<u>7,418,523</u>

### 14. Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	41,715,649	39,889,321
Profit for the financial year	702,974	1,826,328
Dividends paid	(35,000,000)	-
Closing shareholders' funds	<u>7,418,623</u>	<u>41,715,649</u>

### 15 Ultimate parent company and controlling party

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

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

The ultimate parent company at 30 June 2013, Amshold Group Limited (company registration no 3710962) ceased being the ultimate parent company during the year. Amshold Group Limited (company registration no 3710962) changed its name to Amshold International Limited on 19 July 2013

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

### 16 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

### 17. Post balance sheet events

On 16 January 2014, the Company completed the sale of Unit 3 Enterprise Court, Lakes Road, Braintree, Essex CM7 3QS for £105,000