

**Company Registration No. 11880961**

**Amshold Limited**

**Annual report and financial statements  
for the year ended**

**30 June 2023**



# **Amshold Limited**

## **Annual Report and financial statements for the year ended 30 June 2023**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Strategic report</b>	<b>2</b>
<b>Directors' report</b>	<b>4</b>
<b>Directors' responsibilities statement</b>	<b>6</b>
<b>Independent auditor's report</b>	<b>7</b>
<b>Consolidated profit and loss account</b>	<b>11</b>
<b>Consolidated balance sheet</b>	<b>12</b>
<b>Company balance sheet</b>	<b>13</b>
<b>Consolidated statement of changes in equity</b>	<b>14</b>
<b>Company statement of changes in equity</b>	<b>14</b>
<b>Consolidated cash flow statement</b>	<b>15</b>
<b>Notes to the financial statements</b>	<b>16</b>

## **Amshold Limited**

### **Annual Report and financial statements for the year ended 30 June 2023**

#### **Officers and professional advisers**

##### **Directors**

Lord Alan M Sugar  
Daniel P Sugar  
Simon Sugar  
Michael E Ray

##### **Company secretary**

Michael E Ray

##### **Registered office**

Amshold House  
Goldings Hill  
Loughton  
Essex  
United Kingdom  
IG10 2RW

##### **Solicitors**

Herbert Smith Freehills LLP  
Exchange House  
Primrose Street  
London  
United Kingdom  
EC2A 2EG

##### **Auditor**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

## **Amshold Limited**

### **Strategic report**

The directors present their Strategic report of Amshold Limited (the Group and Company) for the year ended 30 June 2023.

This strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Amshold Limited and its subsidiary undertakings when viewed as a whole.

#### **Principal activities**

Amshold Limited, a Company registered in England and Wales, is the ultimate parent company of the Amshold Group of companies.

The principal activity of the Group is property trading and investment together with the provision of management services.

#### **Business review**

In the year to 30 June 2023 the Group continued to look for property investment opportunities. The market for quality London freehold investment property is difficult with high interest rates, uncertainty and falling valuations. The Group took the opportunity to sell some investments during the year to realise substantial gains over original purchase prices. Due to challenging markets, rent collections from some tenants have been challenging and with yields remaining low. During the year, the Group sold 2 properties for a combined value of £56.3m. The original purchase price of the properties and additions was £35.6m.

After the year end revaluations there was a net revaluation loss of £28.5m (2022: £0.2m) bringing the revaluation deficit to £10.3m.

During the year the £70.0m of outstanding loan notes were repaid in full. The only external debt in the Group is £80.6m due to an associate company.

Operating profit for the year prior to revaluations and disposals was £6.7m (2022: £9.8m).

The Group considers its key performance indicator of the business to be its net assets. Net assets of the Group fell from £33.1m to £12.7m. This reduction was principally due to the deficit on property revaluations. Excluding the revaluation movement, net assets increased by £1.3m.

#### **Principal risks and uncertainties**

##### *Principal risks*

The directors considered the risks attached to the Group's and Company's financial instruments and have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the Group and Company. The Group's and 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, as a whole.

The Group's property valuations at the year end date give consideration to both current rental levels and expected yields. These are susceptible to market forces and therefore liable to affect the net asset value of the Group. The Group mitigates its liquidity and cash flow risk by spreading its cash deposits amongst several financial institutions and balancing the terms of its deposits according to its requirements. The Group continues to take a long-term approach to its property investments and has no plans to sell any of its properties in the short term. It is therefore able to mitigate short term risk surrounding property valuations and take advantage of opportunities as they arise.

The directors' policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so

There were no hedging activities carried out in the year (2022: £nil).

## **Amshold Limited**

### **Strategic report (continued)**

#### **Principal risks and uncertainties (continued)**

##### *Uncertainties*

The risk of inflation continues to be a significant factor, however the Group's exposure to inflation is mitigated by its customers. The aircraft chartering business is able to increase its prices to reflect the additional cost of flights. The property business recharges direct costs to its tenants, indirect costs remain a risk in the short term, but due to their magnitude are not significant.

Within the current market, there have been new risks for the Group, and as a result of this, the directors of the business have considered the potential impact to the business moving forward, including the revision of cash flow forecasts and extended considerations. The main impact identified has been the potential restrictions on trading, recoverability of tenancy amounts from customers and potential voids within properties, all leading to a reduced cash inflow. The directors will continue to monitor and adapt as the situation evolves and will work alongside its customer base to help reduce the overall risk to the business.

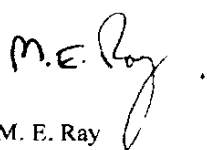
The property market has come under increasing pressure in the last twelve months. Although this provides opportunities for investment, it also puts pressure on the existing portfolio. Any increases in interest rates in the future will generate further pressure on valuations.

##### **Future developments**

The Group remains committed to enhancing its current portfolio of real estate assets by means of diligent active management of stock whilst at the same time aggressively endeavouring to acquire new quality real estate asset opportunities that would complement our existing Real Estate portfolio strategy. With fixed long term funding we remain extremely well placed to do this.

With a strong and stable management team the Group is extremely well positioned to continue to actively acquire viable real estate propositions that it feels will further enhance its portfolio.

Approved by the Board and signed on its behalf by:



M. E. Ray

Director

16 November 2023

## **Amshold Limited**

### **Directors' report**

The directors present their annual report on the affairs of the Group and the audited financial statements for the year ended 30 June 2023.

Future developments together with both financial risk exposure and financial risk management are included within the Strategic report.

#### **Dividends**

The Company distributed £nil of dividends in the year (2022: £90m), and no dividends have been proposed since the year end date.

#### **Going concern**

As disclosed in the accounting policies, the directors have reviewed the current and projected financial position of both the Group and the Company, making reasonable assumptions about future trading prospects.

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Strategic report. This describes the financial position of the Group; its cash flows and liquidity position; and its exposure to credit risk and liquidity risk.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current cash resources. The Group has prepared sensitised forecasts that could result from a downturn in revenue. The Group continues to have adequate cash flow and liquidity notwithstanding any potential downturn during the 12 month period from the point of signing. As at the year end, the Group has no external debt. The only debt being related party loans, which expires 2026, has no covenants and has a fixed rate of interest.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### **Employees**

Details of the number of employees and related costs can be found in note 3 to the financial statements.

It is the Group's policy to promote equal opportunities in employment for both existing employees and applicants for employment. Every effort is made to ensure that applications for employment from disabled persons are fully and fairly considered having regard to their particular aptitudes and abilities and that disabled employees have equal opportunities in career development. In the event of an existing employee becoming disabled, every effort is made to ensure that their employment by the Group continues and that appropriate adjustments are made to their work environment.

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group.

#### **Directors**

The directors who held office for the Company since the 1 July 2022 to the end of the financial year and up to the signing of the financial statements are listed on page 1.

#### **Directors' Indemnity**

Appropriate directors' and officers' liability insurance cover is in place in respect of all of the Group's directors.

#### **Political donations**

During the year the Group made no political donations (2022: nil).

## **Amshold Limited**

### **Directors' report (continued)**

#### **Post balance sheet events**

#### **Disclosure of information to the auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

#### **Auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor

Approved by the Board and signed on its behalf by:



M. E. Ray

Director

16 November 2023

## **Amshold 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments 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 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.



## **Amshold Limited**

### **Independent auditor's report to the members of Amshold Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Amshold Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement, and
- the related notes 1 to 27.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Amshold Limited**

### **Independent auditor's report to the members of Amshold Limited (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the Group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and UK tax legislation; and -
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Health and Safety Regulations, Employee and Pension legislation, General Data Protection Regulation and the Landlord and Tenant Act.

## **Amshold Limited**

### **Independent auditor's report to the members of Amshold Limited (continued)**

We discussed among the audit engagement team including the Real Estate Specialist regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

Our significant risk in respect of fraud has been pinpointed to the valuation of investment properties at the year end. The process for valuing the properties is a combination of internal and external, therefore the risk has been pinpointed to the key assumptions used when determining the valuations.

- We obtained and documented an understanding of relevant controls in the valuation process and in particular the information provided to the valuers; and
- We have challenged the key assumptions used by both the internal and external valuation team, including those in respect of yields and expected rental values. In doing so, we have sought to benchmark against relative comparatives, evaluated contradictory evidence and obtained documentation and understanding in respect of key properties.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

### **Report on other legal and regulatory requirements**

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

## **Amshold Limited**

### **Independent auditor's report to the members of Amshold Limited (continued)**

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

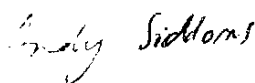
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

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.



Andy Siddons FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
16 November 2023

## Amshold Limited

### Consolidated profit and loss account For the year ended 30 June 2023

	Notes	2023 £'000	2022 £'000
Group turnover	2	11,438	18,489
Operating costs	4	(4,750)	(8,654)
<b>Group operating profit before fair value movement on investment property and profit on disposal of investment property</b>		<b>6,688</b>	<b>9,835</b>
Fair value movement on investment property	12	(28,477)	(158)
(Loss)/Profit on disposal of investment properties	12	(4,959)	5,981
<b>Total group operating (loss)/profit</b>		<b>(26,748)</b>	<b>15,658</b>
Interest receivable and similar income	5	36	657
Interest payable and other similar charges	6	(2,421)	(1,030)
<b>(Loss)/Profit before taxation</b>	7	<b>(29,133)</b>	<b>15,285</b>
Tax credit/(charge) on (loss)/profit	8	8,795	(800)
<b>(Loss)/Profit for the financial year</b>		<b>(20,338)</b>	<b>14,485</b>

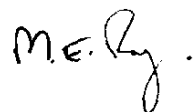
As there are no other sources of comprehensive income other than the profit for the financial year, the group has not included a consolidated statement of comprehensive income.

# Amshold Limited

## Consolidated balance sheet As at 30 June 2023

	Notes	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Intangible fixed assets:			
Negative goodwill	11	(848)	(848)
		<u>(848)</u>	<u>(848)</u>
Tangible fixed assets:			
Investment properties	12	86,815	176,095
Other tangible fixed assets	13	7,921	9,086
		<u>94,736</u>	<u>185,181</u>
<b>Current assets</b>			
Properties held for resale	16	15,567	662
Debtors	17	1,106	4,897
Cash at bank and in hand	18	3,771	7,102
		<u>20,444</u>	<u>12,661</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(8,073)</u>	<u>(5,261)</u>
<b>Net current assets</b>		<u>12,371</u>	<u>7,400</u>
<b>Total assets less current liabilities</b>		<u>106,259</u>	<u>191,733</u>
<b>Creditors: amounts falling due after more than one year</b>	19	<u>(80,602)</u>	<u>(134,506)</u>
<b>Provisions for liabilities</b>	20	<u>(12,944)</u>	<u>(24,176)</u>
<b>Net assets</b>		<u>12,713</u>	<u>33,051</u>
<b>Capital and reserves</b>			
Called up share capital	21	4,700	4,700
Profit and loss account	22	14,085	(8,686)
Revaluation reserve		<u>(6,072)</u>	<u>37,037</u>
<b>Shareholders' funds</b>		<u>12,713</u>	<u>33,051</u>

The Group financial statements of Amshold Limited, registered number 11880961, were approved by the board of directors and authorised for issue on 16 November 2023. They were signed on its behalf by:



M. E. Ray  
Director

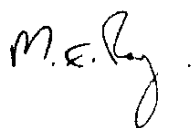
## Amshold Limited

### Parent company balance sheet As at 30 June 2023

	Notes	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Investments	14	54,824	97,725
		<u>54,824</u>	<u>97,725</u>
<b>Current assets</b>			
Debtors	17	-	5,326
		<u>-</u>	<u>5,326</u>
Creditors: amounts falling due within one year	19	(42,111)	-
Net current (liabilities)/assets	19	<u>(42,111)</u>	<u>5,326</u>
Total assets less current liabilities		12,713	103,051
Creditors: amounts falling due after more than one year	19	-	(70,000)
Net assets		<u>12,713</u>	<u>33,051</u>
<b>Capital and reserves</b>			
Called up share capital	21	4,700	4,700
Profit and loss account		<u>8,013</u>	<u>28,351</u>
Shareholders' funds		<u>12,713</u>	<u>33,051</u>

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The loss of the parent company for the year was £20,338,000 (2022: profit £14,491,000).

The Company financial statements of Amshold Limited, registered number 11880961, were approved by the board of directors and authorised for issue on 16 November 2023. They were signed on its behalf by:



M. E. Ray

Director

## Amshold Limited

### Consolidated statement of changes in equity For the year ended 30 June 2023

	Note	Called up share capital £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
As at 1 July 2021		4,700	78,738	25,123	108,561
Total comprehensive income		-	-	14,485	14,485
Sales of subsidiary		-	-	5	5
Dividends	10	-	-	(90,000)	(90,000)
Transfer between reserves	22	-	(41,701)	41,701	-
As at 30 June 2022		4,700	37,037	(8,686)	33,051
Total comprehensive expense		-	-	(20,338)	(20,338)
Transfer between reserves	22	-	(43,109)	43,109	-
As at 30 June 2023		4,700	(6,072)	14,085	12,713

### Parent company statement of changes in equity For the year ended 30 June 2023

		Called up share capital £'000	Profit and loss account £'000	Total £'000
As at 1 July 2021		4,700	103,860	108,560
Total comprehensive income		-	14,491	14,491
Dividends	10	-	(90,000)	(90,000)
As at 30 June 2022		4,700	28,351	33,051
Total comprehensive expense		-	(20,338)	(20,338)
As at 30 June 2023		4,700	8,013	12,713



## Amshold Limited

### Consolidated cash flow statement For the year ended 30 June 2023

	Notes	2023 £'000	2022 £'000
Net cash outflow from operating activities	24	(6,282)	(2,741)
<b>Cash flows from investing activities</b>			
Interest received and similar income		36	10
Payments to acquire tangible fixed assets		-	(53)
Income on sale of tangible fixed assets		975	-
Proceeds from sale of investment properties		55,844	100,347
<b>Net cash inflow from investing activities</b>		56,855	100,304
<b>Cash flows from financing activities</b>			
Dividends paid		-	(90,000)
Loan notes repaid		(70,000)	(10,000)
Loan received from associated companies		16,096	512
<b>Net cash outflow from financing activities</b>		(53,904)	(99,488)
<b>Net decrease in cash and cash equivalents</b>		(3,331)	(1,925)
<b>Cash and cash equivalents at beginning of year</b>		7,102	8,380
Effect of foreign exchange rate changes		-	647
<b>Cash and cash equivalents at end of year</b>		3,771	7,102

There are no cash equivalents at the beginning or the end of the year.

## **Amshold Limited**

### **Notes to the financial statements For the year ended 30 June 2023**

#### **1. Accounting policies**

The particular accounting policies adopted by the directors are described below and have been applied consistently in the current and preceding years.

##### **General information and basis of accounting**

Amshold Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The principal activities of the Company and its subsidiaries (the Group) and the nature of the Group's operations are set out on the Strategic report on pages 2 to 3.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

Amshold Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. Exemptions have been taken in relation to the parent company cash flow statement.

For the year ended 30 June 2023, under Section 479A or Section 480 of the Companies Act 2006, all subsidiaries of the Group were entitled to exemption from audit. This is fully disclosed in note 15.

##### **Going concern**

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Strategic report. This describes the financial position of the Group; its cash flows and liquidity position; and its exposure to credit risk and liquidity risk.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current cash resources. The Group has prepared sensitised forecasts that could result from a downturn in revenue. The Group continues to have adequate cash flow and liquidity notwithstanding any potential downturn during the 12 month period from the point of signing. As at the year end, the Group has no external debt. The only debt being related party loans, which expires 2026, has no covenants and has a fixed rate of interest.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

## **Amshold Limited**

### **Notes to the financial statements (continued) For the year ended 30 June 2023**

#### **1. Accounting policies (continued)**

##### **Consolidation**

The Group financial statements consolidate those of the parent company and all its subsidiary undertakings drawn up to 30 June each year.

##### **Negative goodwill**

Negative goodwill arising on acquisition is credited to the balance sheet and released through the profit and loss account as the underlying assets are realised. The underlying assets are investment properties and properties held for resale. The Group considers it more appropriate to release the negative goodwill when these properties are sold and in proportion to their values at the time the negative goodwill arose.

##### **Turnover**

Turnover comprises the value of goods and services supplied by the Group, rental income, properties held for resale, aircraft chartering and management charges, all excluding sales taxes, value added tax and trade discounts.

Income is recognised as it accrues and sales of properties are recognised on completion. Rent increases arising from rent reviews are taken into account when such reviews have been agreed with tenants. Incentives on leases are similarly spread on a straight-line basis over the lease term up to the earliest possible break. In accordance with the transitional provisions of FRS 102, incentives on leases which were in existence prior to the date of transition on 1 July 2013 have been spread over the shorter of the lease term and the period to the first break clause.

##### **Investment properties**

Investment properties for which fair value can be measured reliably without undue cost of effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

When contracts to purchase or sell investment properties are exchanged before the balance sheet date, the whole transaction will be reflected in the financial statements if the Directors believe that there are no significant obstacles in preventing the contract from completing and as a result of exchange, significant risk has passed to the buyer.

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

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

##### **Operating leases**

Rental income from operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

##### **Other tangible fixed assets**

Other tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives. The annual depreciation rates generally applicable are as follows:

Freehold Land and Buildings	Not depreciated
Motor Vehicles	25% on a reducing balance basis
Leasehold improvements	Over the shorter of the life of the lease and the useful life
Aircraft	Straight-line basis 15 years
Office equipment	20% - 33% on a straight line basis

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

## **Amshold Limited**

### **Notes to the financial statements (continued) For the year ended 30 June 2023**

#### **1. Accounting policies (continued)**

##### **Other tangible fixed assets (continued)**

The directors have aligned the accounting policy of the aircraft to the deemed useful economic life and that there were no material impacts as a result.

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

##### **i. Investments**

Investments held as fixed assets by the Company, which entirely represent investments in group companies are stated at cost, less any provision for impairment in value.

##### **ii. Financing costs**

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

##### **iii. Financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

##### **Taxation**

Current tax, including UK corporation 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.

Unrelieved tax losses and other deferred tax assets are 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 measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

##### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rates ruling at the dates of the transactions. All monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. Properties held for resale are valued at cost and translated at the rate whenever the transaction prevailed. All exchange differences are dealt with through the profit and loss account.

# Amshold Limited

## Notes to the financial statements (continued) For the year ended 30 June 2023

### 1. Accounting policies (continued)

#### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Critical judgements in applying the Group's accounting policies*

There were no critical judgements made during the financial year to June 2023

#### *Key sources of estimation uncertainty*

The directors consider the key source of estimation uncertainty to relate to the carrying value of the Group's investment property. In estimating the fair value of investment properties and properties held for resale, the directors make a number of assumptions including future rental income, future development costs and an appropriate discount rate. The primary source of evidence for property valuations should be recent, comparable market transactions conducted on an arm's-length basis. During the year, the directors undertook a valuation exercise in accordance with RICS Valuation Standards see note 12 through an internal qualified valuation expert. This was supplemented by a number of properties also being externally valued. However, the valuation of the Group's investment property is still inherently subjective. Assumptions are made with regards to capitalisation yields, market conditions and estimated future rental streams net of income voids arising from vacancies and rent-free periods and associated running costs, alongside comparable market data.

The valuation of our portfolio at 30 June 2023 as detailed in note 12 and valued at £87m (2022: £176m). There have been no other significant changes in accounting estimates in the period.

### 2. Turnover and segmental analysis

The turnover, operating profit and net assets of the Group are solely attributable to Property Trading and Investment, aircraft chartering and management services.

An analysis of Group Turnover is as follows:

	2023 £'000	2022 £'000
Turnover		
Rent	8,999	10,266
Sale of property held for resale	-	6,250
Other income	2,439	1,973
	<u>11,438</u>	<u>18,489</u>

All turnover arose predominantly in the United Kingdom.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 3. Information regarding directors and employees of the Group and Company

##### Directors' emoluments

	2023 £'000	2022 £'000
Directors' remuneration	302	260
	<u>302</u>	<u>260</u>

The emoluments of the highest paid director were £261,340 (2022: £213,318). There were no defined contribution scheme amounts contributed in the current year. No directors were a member of a defined contribution pension scheme to which the Group contributed in the current year (2022: nil director). There are no share option schemes in the Group.

	2023 £'000	2022 £'000
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	1,302	1,230
Social security costs	168	159
Pension costs	124	104
	<u>1,594</u>	<u>1,493</u>

	2023 No	2022 No
<b>Average staff numbers during the year</b>		
Directors	4	4
Administrative staff	21	20
	<u>25</u>	<u>24</u>

Employment contracts held by the Parent company only were nil (2022: nil)

#### 4. Operating costs/(credits)

	2023 £'000	2022 £'000
Cost of property sales	-	5,400
Staff costs	1,594	1,493
Depreciation	535	617
Amortisation of negative goodwill	-	(1,685)
Other operating charges	2,621	2,829
<b>Total operating costs</b>	<u>4,750</u>	<u>8,654</u>

## **Amshold Limited**

### **Notes to the financial statements (continued) For the year ended 30 June 2023**

#### **5. Interest receivable and similar income**

Interest receivable and similar income can be split as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank and other interest	36	10
Exchange gains on foreign currency balances	-	647
	<u>36</u>	<u>657</u>

#### **6. Interest payable and similar charges**

Interest payable and similar charges can be split as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans, other interest and overdrafts	5	13
Related party interest	2,416	1,017
	<u>2,421</u>	<u>1,030</u>

#### **7. Profit is after charging**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Fees payable to the Company's auditor for</b>		
Audit of the Company's financial statements	76	78
Depreciation	535	617
(Loss)/Profit on disposal of investment properties	(4,959)	5,981
Profit on disposal of tangible assets	346	-
	<u>346</u>	<u>-</u>

To the year to June 2023, there was £5k (2022 £nil) of non-audit fees paid to the auditors of these accounts.

# Amshold Limited

## Notes to the financial statements (continued) For the year ended 30 June 2023

### 8. Tax charge on profit

#### (i) Analysis of tax (credit)/charge on (loss)/profit

	2023 £'000	2022 £'000
<b>Current tax</b>		
UK corporation tax on profit	2,513	10,090
Overseas tax	(77)	-
Adjustments in respect of prior years	-	(37)
Total current tax charge	2,436	10,053
<b>Deferred tax</b>		
Capital allowances in excess of depreciation	(692)	188
Movement in property revaluation	(10,597)	(9,403)
Effects of indexation	58	(38)
Total deferred tax credit	(11,231)	(9,253)
Total tax (credit)/charge on profit	(8,795)	800

#### (ii) Factors affecting tax (credit)/charge for the current year

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20.5% (2022: 19%). 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:

	2023 £'000	2022 £'000
(Loss)/Profit before taxation	(29,133)	15,285
Tax (credit)/charge at 20.5% (2022: 19%):	(5,971)	2,904
Factors affecting charge:		
Non taxable income/expenses not deductible for tax purposes	-	(436)
Adjustment in respect of prior years	(77)	(37)
Income not taxable	(264)	-
Effects of indexation	58	(36)
Effects of changes in tax rates	(2,622)	(1,400)
Allowances claimed	-	(200)
Utilisation tax losses	81	5
Total tax (credit)/charge for year	(8,795)	800

Finance Act 2021 which was Substantively Enacted on 24 May 2021 included provisions to increase the rate to 25% effective from 1 April 2023. In valuing the deferred tax balances at the year-end, a rate of 25% has been used based on the expected periods of reversals.



## Amshold Limited

### Notes to the financial statements (continued)

#### For the year ended 30 June 2023

9. (Loss)/Profit attributable to the Company

As permitted by Section 408 of the Companies Act 2006, the profit or loss of the parent company is not presented as part of these financial statements. The loss before tax for the year accounted for in the books of the parent company was £20,338,000 (2022: profit £14,491,000).

10. Dividends on equity shares

The Company distributed £nil of dividends in the year (2022: £90m), which equated to 19p per share in 2022.

11. Intangible fixed assets

	<b>Group Negative Goodwill £'000</b>
<b>Cost:</b>	
At 1 July 2022	(13,038)
	<hr/>
At 30 June 2023	(13,038)
	<hr/>
<b>Accumulated amortisation</b>	
At 1 July 2022	12,190
Amortisation during the year	-
	<hr/>
At 30 June 2023	12,190
	<hr/>
<b>Net book value</b>	
At 30 June 2023	(848)
	<hr/>
At 30 June 2022	(848)
	<hr/>

Negative goodwill arising on acquisition is credited to the balance sheet and released through the profit and loss account as the underlying assets are realised.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 12. Investment properties

	Group Land & Buildings Investment Property £'000
At valuation:	
At 1 July 2022	176,095
Disposals	(60,803)
Deficit on revaluation in the year	(28,477)
At 30 June 2023	<u>86,815</u>
Representing properties at cost	97,160
Less net valuation deficit	(10,345)
	<u>86,815</u>

During the year the Group sold 2 investment properties that had a cost value of £35,632,000 and a brought forward valuation of £60,803,000. They were sold for a combined £56,250,000, with selling costs of £406,000, bringing a loss on disposal of investment property of £4,959,000 in the year.

Investment properties were revalued to fair value at 30 June 2023 based on a valuation undertaken by directors with recent experience in the location and class of investment property being valued.

The directors' valuation has been based upon an internal valuation for which the key assumptions and judgements are reviewed and amended to reflect the property and market conditions at 30 June 2023. The valuations were prepared by an internal qualified valuation expert on the basis of market value in accordance with the RICS Valuation – Global Standards 2020 incorporating the IVSC International Valuation Standards issued June 2017 (the "RICS Red Book").

Included in the portfolio are a number of investment properties with a carrying value £43,338,000 (2022 - £77,410,000) which was valued at fair value at 30 June 2023, based on a valuation undertaken and prepared by external valuation experts on the basis of market value, in accordance with the RICS Valuation – Global Standards, effective from 31 January 2020, incorporating the IVSC International Valuation Standards, issued June 2017, and UK National Supplement, effective 14 January 2019 (the "RICS Red Book"). The business employs a rotation policy on external valuations each period and thus a number of properties were valued through this method.

The valuation is based on the comparable method which involves the use of various assumptions and qualifications with regards to valuations of similar properties, rental incomes and rental yields. The significant assumptions cover the adequacy of the comparable property.

The revaluation deficit on the property is included in the Consolidated Profit & Loss Account in accordance with FRS 102. In accordance with FRS 102, the investment property was not depreciated. It was not possible to quantify the depreciation which otherwise would have been charged. The historic cost of investment properties at 30 June 2023 was £97,160,000 (2022: £132,792,000).

The investment properties were valued at £86,815,000 as at 30 June 2023 (2022: £176,095,000). The valuation split as, freehold £72,690,000 (2022: £152,273,000) and leasehold £14,125,000 (2022: £23,822,000). The revaluation deficit at 30 June 2023 was £10,345,000 (2022: surplus £43,303,000).

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 13. Other tangible fixed assets

##### Group

	Aircraft £'000	Freehold land and buildings £'000	Motor vehicle £'000	Office equipment £'000	Total £'000
<b>Cost</b>					
At 1 July 2022	9,259	2,368	16	704	12,347
Additions	-	-	-	-	-
Disposal	(813)	-	-	-	(813)
At 30 June 2023	8,446	2,368	16	704	11,534
<b>Accumulated depreciation</b>					
At 1 July 2022	2,554	-	15	692	3,261
Charge for the year	528	-	-	7	535
Disposal	(183)	-	-	-	(183)
At 30 June 2023	2,899	-	15	699	3,613
<b>Net book value</b>					
At 30 June 2023	5,547	2,368	1	5	7,921
At 30 June 2022	6,705	2,368	1	12	9,086

#### 14. Investments held as fixed assets

##### Company

	Investment £'000
At July 2022	97,725
Investment write down	(42,901)
At 30 June 2023	54,824

During the year, the Company wrote down its investments in its subsidiaries by £42,901,000 (2022: £25,007,000) leaving its Investments held as fixed assets of £54,824,000 (2022: £97,725,000) represent shares in subsidiary undertakings and represent the cost of its investment in Amshold Group Limited. Additional information in respect of subsidiary undertakings is given in note 15.

The impairment arose due to inter-company dividends being paid up to its parent company and the subsequent cessation of trade of the subsidiary

## Amshold Limited

### Notes to the financial statements (continued)

#### For the year ended 30 June 2023

##### 15. Additional disclosure in respect of subsidiary undertakings

The Groups subsidiary undertakings, which are all registered at Amshold House, Goldings Hill, Loughton, Essex, IG10 2RW are as follows:

	Country of incorporation	Activity	UK company registration number	Portion of ordinary shares held and voting rights %
Amshold Group Limited	United Kingdom	Administration	08557403	100
Amsair Aircraft Limited	United Kingdom	Plane chartering	05845142	100
		Intermediate holding		
Amsprop Limited	United Kingdom	company	01873323	100
Amsprop Investments Limited	United Kingdom	Property investment	02477288	100
Amsprop Estates Limited	United Kingdom	Property trading	02801817	100
Amsprop Central Limited	United Kingdom	Property investment	04293793	100
Amsprop USA Holdings Limited	United Kingdom	Property investment	04293810	100
Amsprop Portland Limited	United Kingdom	Property investment	05893186	100
Amsprop Bishopsgate Limited	United Kingdom	Property investment	05893192	100
		Administration of loan		
Amshold Securities Limited	United Kingdom	notes	03337575	100
Amstrad Consumer Electronics Company	United Kingdom	Dormant	03006504	100
ACL (1997) Limited	United Kingdom	Dormant	00942631	100
Amsprop London Limited	United Kingdom	Property investment	02344929	100
Amsprop Spain SL	Spain	Dormant	-	100
Amsprop USA Holding Inc.	United States	Property trading	-	100
Amshold International Limited	United Kingdom	Property trading	03710962	100
Amsprop City Properties Limited	United Kingdom	Dormant	04203471	100
Amsprop Leyton Limited	United Kingdom	Property trading	12266253	100
Amsprop Marlborough Limited	United Kingdom	Property investment	12665725	100
Amsprop Old Street Limited	United Kingdom	Dormant	12650524	100
Amsprop Lever Limited	United Kingdom	Dormant	12648374	100
Amsprop Sackville Limited	United Kingdom	Dormant	12650534	100
Amsprop Dover Limited	United Kingdom	Dormant	12650496	100
Amsprop Soho Limited	United Kingdom	Dormant	12652543	100
Amsprop Devonshire Limited	United Kingdom	Dormant	10197316	100

The Company's only direct shareholdings at 30 June 2023 was Amshold Group Limited.

Other than ACL (1997) Limited, Amstrad Consumer Electronics Company and Amsprop Soho Limited, which is exempt under s480 of the Companies Act 2006, the above companies incorporated in the United Kingdom, are exempt from the requirements of the Companies Act relating to the audit of individual financial statements by virtue of s479A of the Companies Act 2006.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 16. Properties held for resale

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Properties held for resale	15,567	662

The difference between the balance sheet value of properties held for resale and their net realisable value at 30 June 2023 is £1,015,916 (2022: £1,562,916). The net realisable value is higher than carrying value.

#### 17. Debtors

	<b>Company</b>		<b>Group</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	-	-	159	376
Other debtors	-	-	145	3,544
Amounts due from subsidiary undertakings	-	5,326	-	-
Corporation tax recovery	-	-	-	341
Prepayments	-	-	234	123
Accrued income	-	-	568	513
	-	5,326	1,106	4,897

The subsidiary undertaking balance has no repayment terms and this is repayable on demand, is unsecured and bears no interest.

Within other debtors in 2022, £3.4m was being held by lawyers in the USA as a deposit on the purchase of property, which completed in September 2022.

#### 18. Cash at bank and in hand

	<b>Company</b>		<b>Group</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	-	-	3,398	6,718
Tenant deposits	-	-	373	384
	-	-	3,771	7,102

In accordance with the terms of the lease agreements access to tenant deposits is restricted.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 19. Creditors:

##### (a) amounts falling due within one year

	Company		Group	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	-	-	441	542
Amounts owed to subsidiary undertakings	42,111	-	-	-
Corporation tax	-	-	639	-
Other taxes and social security costs	-	-	296	185
Other creditors	-	-	3,564	789
Accruals	-	-	621	809
Deferred income	-	-	2,512	2,936
	<u>42,111</u>	<u>-</u>	<u>8,073</u>	<u>5,261</u>

Within the Group other creditors are outstanding director loans of £2,748,000 (2022: £29,000), which are unsecured, bear no interest and is repayable on demand.

Amounts owed to subsidiary undertakings have no fixed repayment terms and no interest accrues on these balances. Amounts owed to subsidiary undertakings are not secured against any assets.

##### (b) amounts falling due after more than one year

	Company		Group	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Loan notes	-	70,000	-	70,000
Amounts due to associated companies	-	-	80,602	64,506
	<u>-</u>	<u>70,000</u>	<u>80,602</u>	<u>134,506</u>

Interest paid in the year on loan notes held were paid at 0.5% above LIBOR, which gave a fixed rate between 1.1% - 1.5%. From 31 December 2021, LIBOR discontinued as a benchmark rate for loans due to regulatory changes and the Group transitioned to SONIA.

In the previous year, the Group agreed to transition its GBP LIBOR linked loans to compounding SONIA with an additional fixed spread added of 50 bps from 1 January 2022. No other terms were amended. The Group accounted for the change to SONIA using the practical expedient in FRS 102.11.20C, which allows the Group to change the basis for determining the contractual cash flows prospectively by revising the effective interest rate.

On 23 September 2022 the loan notes issued by the Company were refinanced in order to give certainty to the Group over its long-term finances. At the time of the refinancing a sum of £70,000,000 was outstanding on the loan notes. The existing loan notes, which were unsecured, were all redeemed and new 8 year 364 day loan notes were issued with a fixed 2.93% fixed rate coupon totalling £70m. The loan notes were fully repaid on 23 June 2023.

The amount due to the associate company is repayable on 31 December 2026 or by receiving one years notice from the lender. Interest is payable on the loan at 1% fixed until 31 December 2026, paid annually and is unsecured.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 20. Provisions for liabilities

Deferred tax can be split as follows as follows:

	Group Deferred tax	
	2023	2022
	£'000	£'000
At 1 July	(24,176)	(33,429)
Credit to the profit and loss account - current year	11,232	9,253
At 30 June	(12,944)	(24,176)

#### Analysis of deferred tax provision:

	2023	2022
Group	£'000	£'000
Capital allowances that are less than depreciation	(5,199)	(5,895)
Timing differences	176	179
Potential gain on fixed asset investment	(12,194)	(12,194)
Deferred tax on retained surplus on revaluation of property	4,273	(6,266)
	(12,944)	(24,176)

There are no expiry dates for the deferred tax amounts held.

#### 21. Called up share capital

	2023	2022
	£'000	£'000
<b>Called up, allotted and fully paid:</b>		
235,000,000 A shares of 1p each	2,350	2,350
235,000,002 B shares of 1p each	2,350	2,350
	4,700	4,700

The A shares and B shares rank pari passu and both carry voting rights in the Company.

#### 22. Reserves

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

The revaluation reserve is calculated on the investment valuation gain on cost less deferred tax calculation on the surplus/deficit.

## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 23. Operating lease income

The future minimum lease rentals receivable under non-cancellable operating leases in respect of the Group are as follows:

	2023 £'000	2022 £'000
Receivable in not later than one year	6,480	8,909
Receivable in later than one year but not later than five years	23,118	33,037
Receivable in later than five years	47,855	82,973
	<u>77,453</u>	<u>124,919</u>

The Group enters into operating leases for the occupation of its properties. Some of the income from these is contingent on publicly quoted inflationary indexes. The amount of rent changes in any one year due to these indexes is immaterial. During the year, £284,233 (2022: £971,945) of rental income was recognised based on a contingent basis.

#### 24. Notes to the consolidated cash flow statement

##### Reconciliation of operating profit to net cash inflow from operating activities

	2023 £'000	2022 £'000
Group operating (loss)/profit	(26,748)	15,658
Depreciation charge	535	617
Fair value movement on investment property	28,477	158
Loss/(Profit) on sale of investment properties	4,959	(5,981)
Interest paid and similar charges	(2,421)	(1,030)
Profit on sale of fixed asset	(346)	-
Sale of subsidiary	-	5
Amortisation of negative goodwill	-	(1,685)
(Increase)/Decrease in properties held for resale	(14,905)	5,313
Decrease in debtors	3,791	90
Increase/(Decrease) in creditors	1,832	(2,224)
Corporation tax paid	(1,456)	(13,662)
Net cash outflow from operating activities	<u>(6,282)</u>	<u>(2,741)</u>

##### Analysis and reconciliation of net funds

	At 1 July 2022 £'000	Cash flow £'000	At 30 June 2023 £'000
Cash and cash equivalents	10,487	(6,716)	3,771
Debt due within 1 year	-	-	-
Net funds	<u>10,487</u>	<u>(6,716)</u>	<u>3,771</u>



## Amshold Limited

### Notes to the financial statements (continued) For the year ended 30 June 2023

#### 24. Notes to the consolidated cash flow statement (continued)

	2023 £'000	2022 £'000
Change in net fund resulting from cash flows	(6,716)	2,107
Movement in net funds in the year	(6,716)	2,107
Net funds as at 1 July 2022	10,487	8,380
Net funds as at 30 June 2023	3,771	10,487

#### 25. Capital commitments

At 30 June 2023 the Group had capital commitments of £4.3m (2022: £nil) in relation to properties under development.

#### 26. Related party transactions

During the year the Group charged Amshold Trading Limited, a company ultimately controlled by the Lord Sugar Family Trust, £10,000 (2022: £10,000) for services.

During the year the Group charged Amstar Media Limited, a company ultimately controlled by the Lord Sugar family trust, £50,000 (2022: £50,000) for services.

During the year the Group charged Amsvest Limited, a company ultimately controlled by Lord Sugar, £6,000 (2022: £6,000) for services.

During the year the Group incurred interest from Amsvest Limited, a company ultimately controlled by the Lord Sugar, £203,000 (2022: £nil).

During the year the Group charged Amsprop REAT Limited, a company ultimately controlled by Lord Sugar Family Trust, £50,000 (2022: £nil) for services.

During the year the Group charged Amsprop Winchester Limited, a company ultimately controlled by Lord Sugar Family Trust, £3,000 (2022: £3,000) for services.

During the year the Group charged Amsprop Charterhouse Limited, a company ultimately controlled by Lord Sugar Family Trust, £3,000 (2022: £3,000) for services.

During the year the Group received from Amsprop Property Company Limited, a company ultimately controlled by the Lord Sugar Family Trust, £15,320,000 leaving the loan balance at £80,602,000 (2022: £64,506,000).

During the year the Group incurred interest from Amsprop Property Company Limited, a company ultimately controlled by the Lord Sugar Family Trust, £776,000 (2022: £512,000).

During the year the Company redeemed loan notes to Lord Sugar, the ultimate controlling owner of £70,000,000 (2022: £10,000,000), see note 19.

#### 27. Controlling party

The Amshold Limited is wholly-owned by Lord Sugar and is the ultimate parent company of the Group.