

Company Registration No. 3058930

Amsgal Properties Limited

Report and Financial Statements

30 June 2004



Amsgal Properties Limited

Report and financial statements 2004

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Amsgal Properties Limited

Report and financial statements 2004

Officers and professional advisers

Directors

Sir Alan Sugar
Lady Sugar
L Baron
C T Sandy
A Cohen
D P Sugar
S Sugar (Appointed 8th January 2004)

Secretary

C T Sandy

Registered Office

Brentwood House
169 Kings Road
Brentwood
Essex CM14 4EF

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

Amsgal Properties Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2004.

Activities and future prospects

Amsgal Properties Ltd is involved in property trading. There are no planned changes to the company's activities.

Review of developments

The profit and loss account for the year is set out on page 6.

Dividends

The directors do not recommend the payment of a dividend (2003 – £nil).

Directors and their interests

The directors who served throughout the year, except as noted, were as follows:

Sir Alan Sugar

Lady Sugar

L Baron

C T Sandy

A Cohen

D P Sugar

S Sugar (Appointed 8th January 2004)

None of the directors held shares in the company at 30 June 2004.

All the directors of the company are also directors of the parent company, Amsprop Estates Limited (formerly Amsprop Trading Limited), and are directors of the parent that heads the *smallest group for which group accounts are prepared, Amsprop Limited. The directors' interests in other group undertakings are shown in the financial statements of Amsprop Limited.*

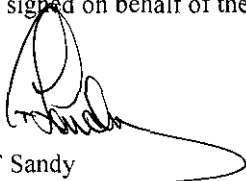
Amsgal Properties Limited

Directors' report (continued)

Auditors

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'C T Sandy', with a long, sweeping horizontal line extending to the right.

C T Sandy
Secretary

10th February 2005

Amsgal Properties Limited

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 proper accounting records which 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 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Amsgal Properties Limited

We have audited the financial statements of Amsgal Properties Ltd for the year ended 30 June 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2004 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

10 February 2005

Amsgal Properties Limited

Profit and loss account Year ended 30 June 2004

			Period from 12 December 2002 to 30 June 2003
	Note	2004 £	£
Turnover	2	81,884	25,543
Gross profit		81,884	25,543
Administrative expenses		(13,788)	(6,253)
Operating profit		68,096	19,290
Interest payable and similar charges	4	(20,422)	-
Interest receivable and similar income		34	8
Profit on ordinary activities before taxation	3	47,708	19,298
Tax on profit on ordinary activities	5	(13,974)	(5,333)
Profit on ordinary activities after taxation and retained profit		33,734	13,965
Profit and loss account brought forward		13,965	-
Profit and loss account carried forward		47,699	13,965

All activities derive from continuing operations.

There are no recognised gains or losses in the current year or preceding period other than the profit on ordinary activities after taxation shown above. Accordingly, no statement of total recognised gains and losses is presented.

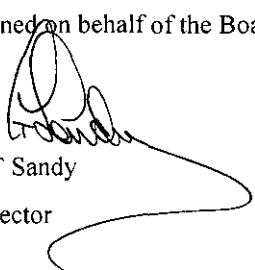
Amsgal Properties Limited

Balance sheet 30 June 2004

	Note	2004 £	2003 £
Current assets			
Stock		2,099,374	1,947,052
Debtors	6	33,503	6,712
Cash at bank and in hand		18	513
Total current assets		<u>2,132,895</u>	<u>1,954,277</u>
Creditors: amounts falling due within one year	7	(2,085,194)	(1,940,310)
Total assets less current liabilities		<u>47,701</u>	<u>13,967</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		47,699	13,965
Equity shareholder's funds	9	<u>47,701</u>	<u>13,967</u>

These financial statements were approved by the Board of Directors on 10th February 2005.

Signed on behalf of the Board of Directors


C T Sandy
Director

Amsgal Properties Limited

Notes to the accounts Year ended 30 June 2004

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted is described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Stock

The stock consists of land held for development and is stated at the lower of historic cost and net realisable value.

2. Turnover

Turnover represents rental income, net of value added tax, receivable by the company, wholly arising in the United Kingdom.

3. Profit on ordinary activities before taxation

The directors did not receive any remuneration during the year (2003 – £nil). No employees have been employed by the company during the year (2003 - £nil). Auditors remuneration for the year was £1,225; auditors' remuneration for other services was £nil. In 2003 auditors' remuneration was borne by the shareholders and no other fees were incurred.

4. Interest payable

	2004 £	2003 £
Intercompany interest payable	20,422	-
	<u>20,422</u>	<u>-</u>

5. Tax on profit on ordinary activities

(i) Analysis of tax on ordinary activities

	2004 £	2003 £
United Kingdom corporation tax – 30% (2003 - 30%)	13,974	5,333
	<u>13,974</u>	<u>5,333</u>

Amsgal Properties Limited

Notes to the accounts Year ended 30 June 2004

5 Tax on profit on ordinary activities (continued)

(ii) Factors affecting tax charge for the current period

The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK: 30% (2003: 30%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	47,708	19,298
Tax at 30% thereon:	(14,312)	(5,789)
Effects of:		
Marginal relief	338	456
Current tax charge for period	<u>(13,974)</u>	<u>(5,333)</u>

6. Debtors

	2004 £	2003 £
Trade debtors	18,800	5,088
Other debtors	14,703	1,624
	<u>33,503</u>	<u>6,712</u>

7. Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	12,198	1,039
Amounts owed to group undertakings	2,028,586	1,921,775
Corporation tax	13,975	5,333
Other creditors	2,800	-
Accruals and deferred income	27,635	12,163
	<u>2,085,194</u>	<u>1,940,310</u>

Amsgal Properties Limited

Notes to the accounts Year ended 30 June 2004

8. Called up share capital

	2004 £	2003 £
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	2	2

9. Reconciliation of movements in equity shareholder's funds

	2004 £	2003 £
Profit for the year	33,734	13,965
Net increase in shareholder's funds	33,734	13,965
Opening shareholder's funds	13,967	2
Closing shareholder's funds	47,701	13,967

Amsgal Properties Limited

Notes to the accounts Year ended 30 June 2004

10. Ultimate parent company and controlling party

At 30 June 2004, the ultimate controlling party was Sir Alan Sugar.

The immediate parent company is Amsprop Estates Limited, a company incorporated in Great Britain and registered in England and Wales. Amsprop Limited is the parent which heads the smallest group for which group accounts are prepared. Copies of the group financial statements of Amsprop Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

Amshold Group Limited, a company incorporated in Great Britain is the parent undertaking of the largest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Amshold Group Ltd are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

11. 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