

**Company Registration No. 3337575**

**Amshold Securities Limited**

**Report and Financial Statements**

**30 June 2007**



# **Amshold Securities Limited**

## **Report and financial statements 2007**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8</b>

# **Amshold Securities Limited**

## **Report and financial statements 2007**

### **Officers and professional advisers**

#### **Directors**

Sir Alan Sugar DSc (Chairman)  
Colin Sandy CTA

#### **Secretary**

Colin Sandy CTA

#### **Registered Office**

Brentwood House  
169, Kings Road  
Brentwood  
Essex  
CM14 4EF

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

# **Amshold Securities Limited**

## **Directors' report**

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 30 June 2007

### **Principal activities**

The maintenance and administration of loan notes

### **Business review and future prospects**

The company is exempt under section 234(1)(a) from the requirement to prepare a fair review of the business. The company continues to administer the guaranteed floating rate loan notes, which expire in 2009 and 2010 and the unguaranteed floating rate loan notes that expire in 2059 and 2060

### **Results**

The company made a profit after tax of £22,294 (2006 £16,938)

### **Dividends**

No dividend was declared during the year £nil (2006 £nil)

### **Statement of directors' responsibilities**

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). The financial statements are required by law to 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 estimates that are reasonable and prudent,
- state whether applicable UK 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

# **Amshold Securities Limited**

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

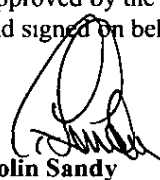
### **Auditors**

To the best of the directors' knowledge and belief, and having made appropriate enquiries of other officers of the Company, all information relevant to enabling the auditors to provide their opinion on the financial statements has been provided. The directors have taken all reasonable steps in order to ensure their awareness of any relevant audit information and to establish that the company's auditors are aware of such information.

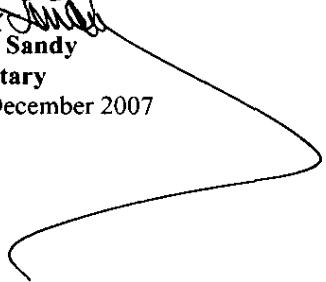
This confirmation is given and should be interpreted in accordance with the provisions of S234ZA of the Companies Act 1985.

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

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



**Colin Sandy**  
**Secretary**  
20<sup>th</sup> December 2007



## **Independent auditors' report to the members of Amshold Securities Limited**

We have audited the financial statements of Amshold Securities Limited for the year ended 30 June 2007 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

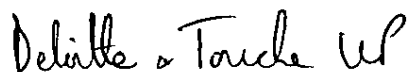
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

## **Independent auditors' report to the members of Amshold Securities Limited (continued)**

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London

United Kingdom

20<sup>th</sup> December 2007

## Amshold Securities Limited

### Profit and loss account Year ended 30 June 2007

	Note	Year ended 30 June 2007 £	Year ended 30 June 2006 £
<b>Operating profit</b>	2	20,421	22,211
Interest receivable and similar income	4	4,581,326	4,464,450
Interest payable and similar charges	5	(4,579,905)	(4,463,924)
<b>Profit on ordinary activities before taxation</b>	6	21,842	22,827
Tax on profit on ordinary activities	8	452	(5,889)
<b>Profit on ordinary activities after taxation and loss retained for the financial year</b>		22,294	16,938

All amounts relate to continuing activities

There were no recognised gains or losses in either period other than the profit for the financial year, consequently no statement of total recognised gains or losses has been presented




# Amshold Securities Limited

## Balance sheet 30 June 2007

	Note	2007 £	2006 £
<b>Fixed assets</b>			
Investments	7	8	8
<b>Current assets</b>			
Debtors	9	40,461,027	28,370,088
Investments	10	6,493,775	6,952,966
Cash at bank and in hand		48,150,450	60,263,543
		<u>95,105,252</u>	<u>95,586,597</u>
<b>Creditors' amounts falling due within one year</b>	11	(95,051,349)	(95,554,988)
<b>Net current assets</b>		<u>53,903</u>	<u>31,609</u>
<b>Total assets less current liabilities and net assets</b>		<u>53,911</u>	<u>31,617</u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account	13	53,910	31,616
<b>Shareholders' funds</b>	14	<u>53,911</u>	<u>31,617</u>

These financial statements were approved and authorised for issue by the Board of Directors on 20<sup>th</sup> December 2007

Signed on behalf of the Board of Directors

  
Colin Sandy  
Director

# **Amshold Securities Limited**

## **Notes to the accounts Year ended 30 June 2007**

### **1. Accounting policies**

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost convention. The principal accounting policies set out below have remained unchanged from the previous year.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

#### **Current 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 taxation**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded, as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. All loan notes are stated at cost and classified as current as they become due every six months.

#### **Exemption from preparing group accounts**

The financial statement contains information about Amshold Securities Limited as an individual company and does not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements, as it is a wholly-owned subsidiary of Amshold Limited (see note 16).

#### **Investments**

Investments are held at cost less provision for impairment in value.

# Amshold Securities Limited

## Notes to the accounts Year ended 30 June 2007

### 2. Operating profit

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Other income	(7,379)	(20,016)
Administrative expenses	27,800	42,227
	<u>20,421</u>	<u>22,211</u>

### 3. Staff costs

No directors received remuneration during the year (2006 £nil) There were no employees during the year (2006 nil)

### 4. Interest receivable and similar income

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Interest receivable – bank	1,421	616
Interest receivable on investments backing loan notes (see note 11)	4,579,905	4,463,924
	<u>4,581,326</u>	<u>4,464,540</u>

### 5. Interest payable and similar charges

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Interest payable on loan notes and related finance charges (see note 11)	4,579,905	4,463,924

### 6. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is after charging

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Auditors' remuneration – audit fees	3,819	3,819
– tax services	3,525	8,048

# Amshold Securities Limited

## Notes to the accounts Year ended 30 June 2007

### 7. Investments

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Investments in subsidiary companies	8	8

Name	Percentage Owned	Principal activity
Amstrad Computers Limited	100%	Closure of former Amstrad activities
Amshold Investment Limited	100%	Dormant
Amshold Trustees Limited	100%	Dormant
Amstrad Consumer Electronics Company	100%	Dormant

### 8 Tax on profit on ordinary activities

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Current tax		
United Kingdom Corporation tax		
Current tax on income for the period at 30% (2006 30%)	(6,552)	(5,889)
Adjustment in respect of prior years	7,004	-
<b>Total current tax</b>	<b>452</b>	<b>(5,889)</b>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30% (2006 30%)  
The actual tax credit/(charge) of the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

# Amshold Securities Limited

## Notes to the accounts Year ended 30 June 2007

### 8. Tax on profit on ordinary activities (continued)

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Profit on ordinary activities before tax	<u>21,842</u>	<u>22,827</u>
Tax on profit on ordinary activities before tax at 30% (2006 30%)	(6,552)	(6,848)
<b>Factors affecting credit for the year:</b>		
Marginal relief	-	959
Prior year-income tax recoverable	9,248	-
Other prior-period adjustments	<u>(2,244)</u>	<u>-</u>
Current tax credit/(charge) for the year	<u>452</u>	<u>(5,889)</u>

### 9. Debtors

	2007 £	2006 £
Other debtors	2,410	-
Amounts owed by group undertakings	<u>40,458,617</u>	<u>28,370,088</u>
	<u>40,461,027</u>	<u>28,370,888</u>

### 10 Investments

The current asset investments are all cash deposits on fixed (six-month) terms at Lloyds TSB Bank plc that secure the loan notes issued. The deposits and loan notes are as follows:

	2007 £	2006 £
Cash deposits at Lloyds TSB Bank Plc	<u>6,493,775</u>	<u>6,952,966</u>

# Amshold Securities Limited

## Notes to the accounts Year ended 30 June 2007

### 10. Investments (continued)

	2007 £	2006 £
Loan notes secured by deposits		
Floating rate loan notes 2009	5,035,179	5,399,881
Floating rate loan notes 2010	1,456,646	1,551,135
Secured loan notes	1,950	1,950
	<u>6,493,775</u>	<u>6,952,966</u>

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

	30 June 2007 £	30 June 2006 £
Secured loan notes (see note 10)	6,491,825	6,951,016
Unsecured loan notes	84,696,274	84,696,274
Corporation tax	1,325	5,889
Accruals	131,078	171,911
Amounts owed to group undertakings	3,723,905	3,723,905
Other taxes and social security costs	6,942	5,993
	<u>95,051,349</u>	<u>95,554,988</u>

The secured and unsecured loan notes are redeemable twice a year on demand by any loan note holder  
Secured loan notes are guaranteed by Lloyds TSB Bank plc The unsecured loan notes are principally held by Amshold Limited, the company's immediate parent company

### 12. Called up share capital

	30 June 2007 £	30 June 2006 £
<b>Authorised:</b>		
7 ordinary shares of 14 2/7p each	<u>1</u>	<u>1</u>
<b>Allotted, issued, called up and fully paid</b>		
7 ordinary shares of 14 2/7p each	<u>1</u>	<u>1</u>

# Amshold Securities Limited

## Notes to the accounts Year ended 30 June 2007

### 13. Profit and loss account

	Profit and loss account £
At 1 July 2006	31,616
Profit for the financial year	22,294
	<hr/>
At 30 June 2007	53,910
	<hr/>

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

	30 June 2007 £	30 June 2006 £
Shareholders' funds at 1 July	31,617	14,679
Profit for the financial year	22,294	16,938
	<hr/>	<hr/>
Shareholders' funds at 30 June	53,911	31,617
	<hr/>	<hr/>

### 15. Related party transactions

The company has taken advantage of the exemption conferred by FRS 8 'Related Party Disclosures' not to disclose transactions with companies 90% or more of whose voting rights are controlled by the group

### 16. Ultimate parent company

As at 30 June 2007 the immediate parent company was Amshold Limited, a company registered in Jersey. The ultimate parent company was Amshold Group Limited, a company incorporated in Great Britain. The largest and smallest group in which the results of Amshold Securities Limited are consolidated is that headed by Amshold Group Limited. Copies of the accounts can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ. The ultimate controlling party is Sir Alan Sugar.