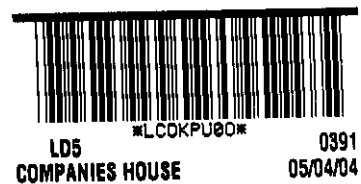


Company Registration No. 4293793

AMSPROP CENTRAL LIMITED

Report and Financial Statements

30 June 2003



Deloitte & Touche LLP
London

AMSPROP CENTRAL LIMITED

REPORT AND FINANCIAL STATEMENTS 2003

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AMSPROP CENTRAL LIMITED

REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Sir Alan Sugar
Lady Ann Sugar
Colin T Sandy
Louise J Baron
Andrew N Cohen
Daniel P Sugar
Simon Sugar (appointed 8 January 2004)

SECRETARY

Colin T Sandy

REGISTERED OFFICE

Brentwood House
169 Kings Road
Brentwood
Essex CM14 4EF

BANKERS

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

SOLICITORS

Kingsley Napley
Knights Quarter
14 St Johns Lane
London EC1M 4AJ

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

AMSPROP CENTRAL LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2003.

ACTIVITIES

The company commenced trading in the year. The principal activity of the company is the holding of investment property.

REVIEW OF DEVELOPMENTS

The profit and loss account for the period is set out on page 5.

DIVIDENDS

The directors do not propose the payment of a dividend (2002 - £nil).

FUTURE PROSPECTS

There are no planned changes to the company's activities.

DIRECTORS AND THEIR INTERESTS

The directors who held office throughout the period are listed below:

Sir Alan Sugar
Lady Ann Sugar
Colin T Sandy
Louise J Baron
Andrew N Cohen
Daniel P Sugar

None of the directors held shares in the company at 30 June 2003.

All the directors of the company are also directors of the parent company, Amsprop Limited, and their interests in that company's shares and those of other group undertakings are shown in the financial statements of Amsprop Limited.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



Colin T Sandy
Secretary

Steve March 2004

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, for 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 AMSPROP CENTRAL LIMITED

We have audited the financial statements of Amsprop Central Limited for the year ended 30 June 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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 2003 and of its loss for the year and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

31 March 2004

AMSPROP CENTRAL LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 June 2003

	Note	2003 £	26 September 2001 to 30 June 2002 £
TURNOVER	2	383,909	-
Gross profit		383,909	-
Administrative expenses		(2,020,934)	-
OPERATING LOSS	4	(1,637,025)	-
Interest receivable and similar income		3,187	-
Interest payable and similar charges		(186,418)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,820,256)	-
Tax on loss on ordinary activities	5	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED LOSS FOR THE FINANCIAL PERIOD		(1,820,256)	-
Retained profit brought forward		-	-
Retained loss carried forward		(1,820,256)	-

All activities derive from continuing operations. The Statement of Total Recognised Gains and Losses has been omitted because there have been no recognised gains or losses other than the profit or loss for the year in the current or prior year.

AMSPROP CENTRAL LIMITED

BALANCE SHEET

30 June 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Investment property	6	6,304,824	-
CURRENT ASSETS			
Debtors	7	197,852	-
Cash at bank and in hand		145,690	2
		343,542	2
CREDITORS: amounts falling due within one year	8	(8,468,620)	-
NET CURRENT (LIABILITIES) / ASSETS		(8,125,078)	2
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,820,254)	2
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account		(1,820,256)	-
EQUITY SHAREHOLDERS' (DEFICIT) / FUNDS	10	(1,820,254)	2

These financial statements were approved by the Board of Directors on 31st March 2004.

Signed on behalf of the Board of Directors

C T Sandy
Director

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. Compliance with Statements of Standard Accounting Practice 19 "Accounting for investment properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation of the departure is given below. The particular accounting policies adopted by the directors are described below.

Accounting convention

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

Investment properties

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

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principles set out in SSAP 19. The directors consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

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

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 items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. 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.

2. TURNOVER

Turnover represents amounts derived from the provision of goods and services and rental income on investment properties which fall within the company's ordinary activities after deduction of trade discounts and value added tax. The turnover and pre-tax loss all arises in the United Kingdom.

3. STAFF COSTS

The company has no employees. The directors received no emoluments during the year.

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

4. OPERATING LOSS

The audit fee for audit services for the year was £1,500 (2002: £nil).

Remuneration of the company's auditors for provision of non-audit services was £1,650 (2002: £nil).

5. TAX ON LOSS ON ORDINARY ACTIVITIES

No tax liability arose in the year ended 30 June 2003 due to the availability of tax losses in the year.

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

	2003	26 September 2001 to 30 June 2002
	£	£
United Kingdom corporation tax at 30%	-	-
Deferred taxation	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

(ii) *Factors affecting tax charge for the current period*

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

	2003	26 September 2001 to 30 June 2002
	£	£
Loss on ordinary activities before tax	(1,820,256)	-
Tax at 30% thereon:	546,077	-
Effects of:		
Non deductible expenses	(447,147)	-
Group relief not paid for	(98,930)	-
	<u>-</u>	<u>-</u>
Current tax charge for year	<u>-</u>	<u>-</u>

AMSPROP CENTRAL LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

6. INVESTMENT PROPERTY

	Freehold £
At 1 July 2002	-
Additions	7,795,314
Provision for impairment	(1,490,490)
At 30 June 2003	<u>6,304,824</u>
Representing Properties valued	
Cost	7,795,314
Net deficit	(1,490,490)
At 30 June 2003	<u>6,304,824</u>

The investment property was valued by the directors at 30 June 2003 on an open market basis. The deficit arising is considered to be a permanent impairment in value and has therefore been charged to the profit and loss account.

7. DEBTORS

	2003 £	2002 £
Trade debtors	22,130	-
VAT debtor	8,239	-
Other Debtors	119,707	-
Prepayments and accrued income	47,776	-
Debtors	<u>197,852</u>	<u>-</u>

8. CREDITORS

	2003 £	2002 £
Trade creditors	16,716	-
Amounts owed to parent undertaking	8,170,616	-
Other Creditors	148,904	-
Accruals and deferred income	132,384	-
Creditors	<u>8,468,620</u>	<u>-</u>

AMSPROP CENTRAL LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

9. CALLED UP SHARE CAPITAL

	2003 £	2002 £
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

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS / (DEFICIT)

	2003 £	2002 £
Opening shareholders' funds	2	2
Loss for the financial year	(1,820,256)	-
Closing shareholders' (deficit) / funds	(1,820,254)	2

11. ULTIMATE CONTROLLING PARTY

At 30 June 2003, the ultimate controlling party was Sir Alan Sugar.

The immediate parent company is Amsprop Limited, a company incorporated in Great Britain and registered in England and Wales. Amsprop Limited is also 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 is. Copies of the group financial statements of Amshold Group Ltd are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

12. 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.