

**Company Registration No. 4293793**

**Amsprop Central Limited**

**Report and Financial Statements**

**30 June 2005**



# **Amsprop Central Limited**

## **Report and financial statements 2005**

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# **Amsprop Central Limited**

## **Report and financial statements 2005**

### **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

#### **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 2005.

### Activities

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 (2004: £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  
Simon Sugar  
Daniel P Sugar

None of the directors held shares in the company at 30 June 2005.

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.

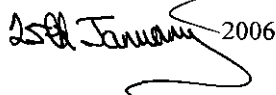
### Auditors

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



2006

## **Amsprop Central 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, 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 sole member of Amsprop Central Limited**

We have audited the financial statements of Amsprop Central Limited for the year ended 30 June 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member 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 member 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 member, 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 2005 and of its result 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

*25 January 2006*

## Amsprop Central Limited

### Profit and loss account For the year ended 30 June 2005

	Note	2005 £	2004 £
Turnover	2	518,161	406,334
Gross profit		518,161	406,334
Reversal of impairment on investment property		-	1,490,490
Other		(31,864)	(172,186)
Total administrative (expenses)/credit		(31,864)	1,318,304
<b>Operating profit</b>	4	486,297	1,724,638
Interest receivable and similar income		311	2,222
Interest payable and similar charges	5	(496,663)	(336,509)
<b>(Loss)/profit on ordinary activities before taxation</b>		(10,055)	1,390,351
Tax on (loss)/profit on ordinary activities	6	10,055	-
<b>(Loss)/profit on ordinary activities after taxation and retained (loss)/profit for the financial year</b>		-	1,390,351
<b>Retained loss brought forward</b>		(429,905)	(1,820,256)
<b>Retained loss carried forward</b>		(429,905)	(429,905)

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.

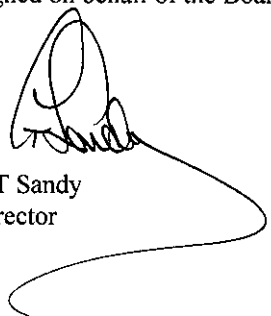
# Amsprop Central Limited

## Balance sheet 30 June 2005

	Note	2005 £	2004 £
<b>Fixed assets</b>			
Investment property	7	<u>8,971,000</u>	<u>8,370,000</u>
<b>Current assets</b>			
Debtors	8	168,782	147,496
Cash at bank and in hand		<u>98,851</u>	<u>61,420</u>
		267,633	208,916
<b>Creditors: amounts falling due within one year</b>	9	<u>(9,753,223)</u>	<u>(9,694,506)</u>
<b>Net current liabilities</b>		<u>(9,485,590)</u>	<u>(9,485,590)</u>
<b>Total assets less current liabilities</b>		<u>(514,590)</u>	<u>(1,115,590)</u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Revaluation reserve	11	(84,687)	(685,687)
Profit and loss account		<u>(429,905)</u>	<u>(429,905)</u>
<b>Equity shareholder's deficit</b>	12	<u>(514,590)</u>	<u>(1,115,590)</u>

These financial statements were approved by the Board of Directors on 24th January 2006.

Signed on behalf of the Board of Directors

  
C T Sandy  
Director



# Amsprop Central Limited

## Notes to the accounts Year ended 30 June 2005

### 1. Accounting policies

The financial statements are prepared in accordance with United Kingdom law and applicable 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 and have been applied on a consistent basis in the current and prior year.

#### 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.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not discounted.

# Amsprop Central Limited

## Notes to the accounts Year ended 30 June 2005

### 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 all arises in the United Kingdom.

### 3. Staff costs

The company has no employees (2004: none). The directors received no emoluments during the year (2004: £nil).

### 4. Operating profit

The audit fee for audit services for the year was £1,200 (2004: £1,200).

Remuneration of the company's auditors for provision of non-audit services was £825 (2004: £900).

### 5. Interest payable and similar charges

	2005 £	2004 £
Interest payable to other group companies	496,663	336,509
	<u>496,663</u>	<u>336,509</u>

### 6. Tax on (loss)/profit on ordinary activities

#### (i) Analysis of tax credit on ordinary activities

	2005 £	2004 £
Group relief	10,055	-
	<u>10,055</u>	<u>-</u>

# Amsprop Central Limited

## Notes to the accounts Year ended 30 June 2005

### 6. Tax on (loss)/profit on ordinary activities (continued)

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

The tax assessed for the year differs from that when resulting from applying the standard rate of corporation tax in the UK: 30% (2004: 30%). The differences are explained below:

	2005 £	2004 £
(Loss)/profit on ordinary activities before tax	(10,055)	1,390,351
Tax at 30 % (2004: 30%) thereon:	3,016	(417,105)
Effects of:		
Non taxable impairment – provision reversal	-	447,147
Group relief	7,039	(30,042)
	<u>10,055</u>	<u>-</u>
Current tax credit for year	<u>10,055</u>	<u>-</u>

### 7. Investment property

	Freehold £
At valuation	
At 1 July 2004	8,370,000
Surplus arising on revaluation	601,000
At 30 June 2005	<u>8,971,000</u>
Representing	
Properties valued	
Cost	9,055,687
Net deficit	(84,687)
At 30 June 2005	<u>8,971,000</u>

The investment property was valued by the directors at 30 June 2005 on an open market basis.

# Amsprop Central Limited

## Notes to the accounts Year ended 30 June 2005

### 8. Debtors

	2005 £	2004 £
Trade debtors	35,249	55,719
Amounts owed by fellow subsidiary undertakings	10,055	-
VAT debtor	492	-
Prepayments and accrued income	122,986	91,777
	<u>168,782</u>	<u>147,496</u>

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

	2005 £	2004 £
Trade creditors	76,701	61,410
Amounts owed to parent undertaking	9,523,916	9,516,151
Other creditors	24,560	14,593
Accruals and deferred income	128,046	102,352
	<u>9,753,223</u>	<u>9,694,506</u>

### 10. Called up share capital

	2005 £	2004 £
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid:</b>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 11. Revaluation reserve

	£
At 1 July 2004	(685,687)
Revaluation surplus in year	<u>601,000</u>
At 30 June 2005	<u>(84,687)</u>

## Amsprop Central Limited

### Notes to the accounts Year ended 30 June 2005

#### 12. Reconciliation of movements in equity shareholder's deficit

	2005 £	2004 £
Opening equity shareholder's deficit	(1,115,590)	(1,820,254)
Revaluation surplus/(deficit) in year	601,000	(685,687)
Profit for the financial year	-	1,390,351
Closing equity shareholder's deficit	<u>(514,590)</u>	<u>(1,115,590)</u>

#### 13. Ultimate controlling party

At 30 June 2005, 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. Copies of the group financial statements of Amshold Group Ltd are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

#### 14. 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.