

**Company Registration No. 05893262**

**Amsprop Euston Limited**

**Report and Financial Statements**

**Year ended 30 June 2012**

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# **Amsprop Euston Limited**

## **Report and financial statements 2012**

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# **Amsprop Euston Limited**

## **Report and financial statements 2012**

### **Officers and professional advisers**

#### **Directors**

Andrew N Cohen  
Daniel P Sugar  
Simon Sugar  
James Hughes  
Claude M Littner  
Roger G Adams  
Michael E Ray

#### **Secretary**

Michael E Ray

#### **Registered Office**

Amshold House  
Goldings Hill  
Loughton  
Essex  
IG10 2RW

#### **Bankers**

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

#### **Solicitors**

Kingsley Napley LLP  
Knights Quarter  
14 St John's Lane  
London  
EC1M 4AJ

#### **Auditor**

Deloitte LLP  
London

# **Amsprop Euston Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 June 2012

This Directors' report has been prepared in accordance with the special provisions relating to small companies under S415A of the Companies Act 2006

### **Principal activities**

The principal activity of the Company is the holding of investment property

### **Business review**

The result for the year after taxation was a profit of £843,477 (2011 £839,441) The profit and loss account for the year is set out on page 7

As a result of the lease of the Company's main tenant ending on 31 October 2012 the Company is taking the opportunity to refurbish the offices within the Company's property During this refurbishment programme the Company will not be receiving any rental income

### **Going concern**

The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future trading The Company has received a letter from Amshold Group Limited stating that it will continue to provide financial support for at least twelve months from the date of signing the financial statements for at least twelve months from the date of signing the financial statements

On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements

### **Financial risks**

The directors considered the risks attached to the Company's financial instruments which principally comprise operating debtors and operating creditors and loans to and from other group companies The directors have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the Company The 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

The director's policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so The Company had no hedged transactions during the year

### **Dividends**

The directors do not propose the payment of a dividend (2011 nil)

# **Amsprop Euston Limited**

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

### **Directors**

The directors who held office throughout the year are listed on page 1 with the exception of the following changes on 7 February 2012

Colin T Sandy resigned

Roger G Adams was appointed

Michael E Ray was appointed

On 7 February 2012 Colin T Sandy resigned as Company Secretary and Michael E Ray was appointed as Company Secretary

### **Directors' indemnities**

The directors and officers of the Company use the policy taken out by Amshold Group Limited, the ultimate parent company, for indemnity insurance

### **Auditor**

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

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

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

Approved by the Board and signed on its behalf by



M E Ray

Director

3 December 2012

# **Amsprop Euston 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). 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 judgements and accounting estimates that are reasonable and prudent, 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 and 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.

## **Independent auditor's report to the sole member of Amsprop Euston Limited**

We have audited the financial statements of Amsprop Euston Limited for the year ended 30 June 2012 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 June 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the sole member of Amsprop Euston Limited (continued)**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors report



Andrew Clark FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

3 December 2012



## Amsprop Euston Limited

### Profit and loss account For the year ended 30 June 2012

	Notes	2012 £	2011 £
Turnover	2	1,456,545	1,382,213
Gross profit		1,456,545	1,382,213
Administrative expenses		(206,373)	(100,619)
Operating profit	4	1,250,172	1,281,594
Interest receivable and similar income		-	599
Interest payable and similar charges	5	(120,882)	(124,321)
Profit on ordinary activities before taxation		1,129,290	1,157,872
Tax charge on profit on ordinary activities	6	(285,813)	(318,431)
Profit for the financial year		843,477	839,441

All activities derive from continuing operations

There is no difference between the reported profit on ordinary activities after taxation and the equivalent historical cost amount

## **Amsprop Euston Limited**

### **Statement of total recognised gains and losses For the year ended 30 June 2012**

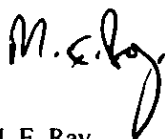
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	843,477	839,441
Unrealised surplus on revaluation of property	<u>1,278,678</u>	<u>975,000</u>
Total recognised gains and losses relating to the year	<u><u>2,122,155</u></u>	<u><u>1,814,441</u></u>

# Amsprop Euston Limited

## Balance sheet 30 June 2012

	Notes	2012 £	2011 £
<b>Fixed assets</b>			
Investment property	7	20,084,000	18,570,000
<b>Current assets</b>			
Debtors	8	5,518	3,460
Cash at bank and in hand		2,935	4,757
		8,453	8,217
<b>Creditors: amounts falling due within one year</b>	9	(24,370,086)	(24,978,005)
<b>Net current liabilities</b>		(24,361,633)	(24,969,788)
<b>Net liabilities</b>		(4,277,633)	(6,399,788)
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Revaluation deficit	11	(7,234,783)	(8,513,461)
Profit and loss account	11	2,957,149	2,113,672
<b>Shareholder's deficit</b>	12	(4,277,633)	(6,399,788)

The financial statements of Amsprop Euston Limited, registered number 05893262, were approved by the board of directors and authorised for issue on 3 December 2012. They were signed on its behalf by



M E Ray  
Director

# **Amsprop Euston Limited**

## **Notes to the the financial statements For the year ended 30 June 2012**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. Compliance with Statement of Standard Accounting Practices 19 "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given below. The particular accounting policies adopted by the directors are described below. They have been applied consistently 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.

#### **Going concern**

The financial statements are prepared on a historical cost convention basis and prepared on the going concern basis as discussed in the directors' report on page 2.

#### **Investment properties**

In accordance with SSAP 19, investment properties are revalued annually to open market value and the aggregate surplus or deficit is transferred to/from the 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 2006 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.

# Amsprop Euston Limited

## Notes to the the financial statements For the year ended 30 June 2012

### 1. Accounting policies (continued)

#### Taxation (continued)

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

#### Cash flows

As the Company is a wholly-owned subsidiary, the cash flows of the Company are included in the consolidated accounts of Amshold Group Limited which are publicly available (note 13). Consequently the Company is exempt under the provisions of Financial Reporting Standard 1 (Revised) – “Cash Flow Statements”, from publishing a separate cash flow statement

### 2. Turnover

Turnover represents amounts derived from the provision of 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 profit all arises in the United Kingdom. Rent increases arising from rent reviews are taken into account when such reviews have been agreed with tenants. On new leases with rent free periods rental income is allocated evenly over the period from the date of lease commencement to the date of the first rent review. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Turnover can be analysed as follows

	2012 £	2011 £
Rental income	1,373,000	1,373,000
Miscellaneous income	83,545	9,213
	<u>1,456,545</u>	<u>1,382,213</u>

### 3. Staff costs

The Company had no employees in either the current or prior year. The directors received no emoluments during the current or prior year.

# Amsprop Euston Limited

## Notes to the the financial statements For the year ended 30 June 2012

### 4. Operating profit

Operating profit for the year is stated after charging

	2012 £	2011 £
Auditor's remuneration		
- fee for the statutory audit of the Company's annual accounts	2,100	2,120
- company secretarial fees	615	500
	<u>2,715</u>	<u>2,620</u>

### 5. Interest payable and similar charges

	2012 £	2011 £
Interest payable to group undertaking	120,646	124,321
Other interest	236	-
	<u>120,882</u>	<u>124,321</u>

### 6. Tax charge on profit on ordinary activities

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

	2012 £	2011 £
Group relief paid	-	(300,686)
UK corporation tax charge at 25.5% (2011: 27.5%)	(288,000)	(17,745)
Adjustment in respect of prior periods	2,187	-
Tax charge on profit on ordinary activities	<u>(285,813)</u>	<u>(318,431)</u>

The 2012 budget (delivered on 21 March 2012) announced a reduction of the UK corporation tax rate to 24% effective from 1 April 2012. The rate change was substantively enacted on 29 March 2012 therefore deferred tax assets or liabilities have been measured at 24% in these financial statements.

The Finance Act 2012, which provides for a reduction in the main rate of corporation tax from 24% to 23% effective from 1 April 2013, was substantively enacted on 3 July 2012. As it was not substantively enacted at the balance sheet date, this rate reduction is not yet reflected in these financial statements in accordance with FRS 21, as it is a non-adjusting event occurring after the reporting period.

# Amsprop Euston Limited

## Notes to the the financial statements For the year ended 30 June 2012

### 6. Tax charge on profit on ordinary activities (continued)

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

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 25.5% (2011 27.5%). 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

	2012 £	2011 £
Profit on ordinary activities before tax	1,129,290	1,157,872
Tax charge at 25.5% (2011 27.5%)	(288,000)	(318,431)
Factors affecting charge		
Adjustments in respect of prior periods	2,187	-
Total current tax charge for year	<u>(285,813)</u>	<u>(318,431)</u>

### 7. Investment property

	Freehold £
At 1 July 2011	18,570,000
Additions	235,322
Surplus arising on revaluation	1,278,678
At 30 June 2012	<u>20,084,000</u>

The investment property was valued by the directors at 30 June 2012 on a valuation prepared internally by a Company director, a qualified chartered surveyor, on an open market basis. The Company's investment property has been revalued in accordance with SSAP19, Accounting for Investment Properties. It is the Company's intention to retain the freehold property for the foreseeable future. No deferred tax has been provided on the net deficit arising on revaluation as the capital loss would only crystallise if the property were sold. The value of the associated unrecognised deferred tax asset is estimated to be £1,736,348.

### 8. Debtors

	2012 £	2011 £
Trade debtors	1,473	2,960
Accrued income	4,045	500
	<u>5,518</u>	<u>3,460</u>

# Amsprop Euston Limited

## Notes to the the financial statements For the year ended 30 June 2012

### 9 Creditors' amounts falling due within one year

	2012 £	2011 £
Trade creditors	68,832	-
Amounts owed to fellow subsidiary undertaking	23,345,549	24,552,753
Other creditors	-	-
Accruals and deferred income	766,755	340,909
Corporation tax provision	141,813	8,873
Other taxation	47,137	75,470
	<u>24,370,086</u>	<u>24,978,005</u>

Interest is payable on the amount owed to other group companies at variable rates based on Bank of England base rates

### 10. Share capital

	2012 £	2011 £
<b>Authorised:</b>		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
<b>Called up, allotted and fully paid:</b>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

### 11 Reserves

	Revaluation deficit £	Profit and loss £	Total £
At 1 July 2011	(8,513,461)	2,113,672	(6,399,789)
Revaluation surplus in the year	1,278,678	-	1,278,678
Profit for the financial year	-	843,477	843,477
	<u>(7,234,783)</u>	<u>2,957,149</u>	<u>(4,277,634)</u>
At 30 June 2012			

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

	2012 £	2011 £
Opening shareholder's deficit	(6,399,788)	(8,214,229)
Revaluation surplus in the year	1,278,678	975,000
Profit for the financial year	843,477	839,441
	<u>(4,277,633)</u>	<u>(6,399,788)</u>
Closing shareholder's deficit		



## **Amsprop Euston Limited**

### **Notes to the the financial statements For the year ended 30 June 2012**

#### **13 Ultimate controlling party**

At 30 June 2012, the Company was indirectly wholly owned by Lord Sugar. The immediate parent company is Amsprop Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company is Amshold Group Limited, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest group which includes the Company and for which group financial statements are prepared. Copies of the group financial statements of Amshold Group Limited 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.