

Company Registration No. 2477288

Amsprop Investments Limited

Report and Unaudited Financial Statements

Year ended 30 June 2019

FRIDAY



A918Y7KL

A05

20/03/2020

#331

COMPANIES HOUSE

Amsprop Investments Limited

Report and unaudited financial statements 2019

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Profit and loss account	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8

Amsprop Investments Limited

Report and unaudited financial statements 2019

Officers and professional advisers

Directors

Louise J Sugar
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 Bank plc
City Office
11-15 Monument Street
London
EC3V 9JA

Solicitors

Maples Teesdale LLP
30 King Street
London
EC2V 8EE

Amsprop Investments Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the year ended 30 June 2019.

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

Principal activities

The Company is principally engaged in the business of property investment. These properties are held for their long term investment potential and accordingly are treated as investment properties.

Business review

The result for the year after taxation was a profit of £3,400,898 (2018: £18,048,566 loss). The profit and loss account for the year is set out on page 5.

Going concern

The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future trading.

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 proposed the payment of a dividend on 25 February 2020 of £22,233,000 (2018: £nil).

Directors

The directors who held office throughout the year are listed on page 1

Amsprop Investments Limited

Directors' report (continued)

Directors indemnities

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

Approved by the Board and signed on its behalf by:



M. E. Ray

Director

06 March 2020

Amsprop Investments 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Amsprop Investments Limited

Profit and loss account For the year ended 30 June 2019

	Notes	2019 £	2018 £
Turnover	2	34,112,716	10,969,807
Operating costs		(23,259,960)	(3,492,829)
Operating profit		10,852,756	7,476,978
Fair value movement on investment property		(5,712,886)	(29,143,866)
Loss on sale of investment property		-	(2,782)
Finance income	4	98,060	76,010
Finance costs	5	(439,015)	(405,915)
Profit/(loss) on ordinary activities before taxation		4,798,915	(21,999,575)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	(1,265,024)	3,951,009
Profit/(Loss) on ordinary activities after taxation		<u>3,533,891</u>	<u>(18,048,566)</u>

All activities derive from continuing operations.

As there are no other sources of comprehensive income other than the profit for the financial year, the Company has not included a consolidated statement of comprehensive income.

Amsprop Investments Limited


Balance sheet 30 June 2019

	Notes	2019 £	2018 £
Fixed assets			
Investment properties	7	273,636,384	268,616,372
Current assets			
Properties held for resale	8	-	20,561,862
Debtors	9	3,324,576	1,783,023
Cash at bank and in hand	10	12,324,200	22,022,506
		<u>15,648,776</u>	<u>44,367,391</u>
Creditors: amounts falling due within one year	11	(113,578,717)	(117,974,468)
Net current liabilities		<u>(97,929,941)</u>	<u>(73,607,077)</u>
Total assets less current liabilities		175,706,443	195,009,295
Provisions for liabilities	12	(12,529,808)	(13,133,551)
Net assets		<u>163,176,635</u>	<u>181,875,744</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account		<u>163,176,535</u>	<u>181,875,644</u>
Shareholders' funds		<u>163,176,635</u>	<u>181,875,744</u>

For the year ending 30 June 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Amsprop Investments Limited, registered number 2477288, were approved by the board of directors and authorised for issue on 06 March 2020. They were signed on its behalf by:



M. E. Ray
Director

Amsprop Investments Limited

Statement of changes in equity At 30 June 2019

	Called up share capital	Profit and loss account	Shareholders funds'
	£	£	£
As at 30 June 2017	100	199,924,210	199,924,310
Loss for the financial year	-	(18,048,566)	(18,048,566)
As at 30 June 2018	100	181,875,644	181,875,744
Dividends payment	-	(22,233,000)	(22,233,000)
Profit for the financial year	-	3,533,891	3,533,891
As at 30 June 2019	100	163,176,535	163,176,635

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

1. Accounting policies

The particular accounting policies adopted by the directors are described below, and have been applied consistently in the current and preceding years.

General information and basis of accounting

Amsprop Investments Limited is a company incorporated in the United Kingdom with its registered office at Amshold House, Goldings Hill, Loughton, Essex, IG10 2RW.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the strategic report and director's report. This describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; and its exposure to credit risk and liquidity risk.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facility.

After making 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 annual report and financial statements.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost of effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

Sale of properties

Disposals of properties are recognised where contracts have been unconditionally exchanged during the accounting year.

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 substantially 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 Company'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.

Unrelieved tax losses and other deferred tax assets are 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.

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.

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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 14). 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 loss 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:

	2019 £	2018 £
Rental income	11,262,617	10,742,458
Sale of property	22,233,000	-
Miscellaneous income	617,099	227,349
	<u>34,112,716</u>	<u>10,969,807</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.

4. Finance income

	2019 £	2018 £
Bank and other interest	98,060	76,010
	<u>98,060</u>	<u>76,010</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

5. Finance costs

	2019 £	2018 £
Interest payable to other group companies	439,012	405,809
Bank and other interest	3	106
	<u>439,015</u>	<u>405,915</u>

6. Tax (charge)/credit on profit/(loss) on ordinary activities

(i) Analysis of tax (charge)/credit on profit/(loss) on ordinary activities

	2019 £	2018 £
UK corporation tax charge at 19% (2018: 19%)	(1,878,482)	(1,206,044)
Group relief received	9,715	-
Total current tax charge	<u>(1,868,767)</u>	<u>(1,206,044)</u>
Origination and reversal of timing differences	(106,260)	(154,107)
Profit on fair value movement of investment property	710,003	5,311,160
Total deferred tax credit (note 12)	<u>603,743</u>	<u>5,157,053</u>
Tax (charge)/credit on profit/(loss) on ordinary activities	<u>(1,265,024)</u>	<u>3,951,009</u>

(ii) Factors affecting tax (charge)/credit for the current year

The standard rate of tax for the year, based on the UK standard of corporation tax is 19% (2018: 19%). The actual tax charge for the current and previous year is the same as the standard rate for the reasons set out in the following reconciliation:

	2019 £	2018 £
Profit/(Loss) on ordinary activities before tax	4,798,915	(21,999,575)
Tax (charge)/credit at 19% (2018: 19%)	(911,795)	4,179,919
Factors affecting charge:		
Group relief not paid for	9,715	21,352
Capital allowances in excess of depreciation	-	(41,690)
Effects of indexation	(272,960)	381,405
Effects of changes in tax rates	(89,984)	(589,977)
Tax current tax (charge)/credit for year	<u>(1,265,024)</u>	<u>3,951,009</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

7. Investment properties

	Total £
At 1 July 2018	268,616,372
Additions	10,732,989
Deficit arising on valuation	<u>(5,712,977)</u>
At 30 June 2019	<u><u>273,636,384</u></u>

The majority of the investment properties were valued by the directors at 30 June 2019 on a valuation prepared internally by a qualified chartered surveyor, on a fair value basis. The remaining properties were valued externally at 30 June 2019. All valuations are at fair value and conform to RICS Valuation Professional Standards and were arrived at by reference to market evidence of the transaction prices for similar properties, yields and discount rates and are based on their professional judgement and market observation. The external valuers were qualified, independent and held a recognised and relevant professional qualification together with recent experience in the relevant location and type of property being valued.

8. Properties held for resale

	2019 £	2018 £
Properties held for resale	<u>-</u>	<u>20,561,862</u>

9. Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,093,091	585,620
Other debtors	1,975	-
Prepayments and accrued income	<u>2,229,510</u>	<u>1,197,403</u>
	<u><u>3,324,576</u></u>	<u><u>1,783,023</u></u>

10. Cash at bank and in hand

	2019 £	2018 £
Company cash at bank and in hand	10,270,270	20,062,256
Tenant deposits	<u>2,053,930</u>	<u>1,960,250</u>
	<u><u>12,324,200</u></u>	<u><u>22,022,506</u></u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	84,019	460,314
Amounts owed to other group companies	106,519,962	112,423,639
Other creditors	2,174,822	1,972,194
Other taxation	504,074	169,926
Corporation tax	934,383	603,022
Accruals and deferred income	3,361,457	2,345,373
	<u>113,578,717</u>	<u>117,974,468</u>

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

12. Provisions for liabilities

	2019 £	2018 £
Deferred taxation movement for the year		
At 1 July	13,133,551	18,290,604
Credit to profit and loss account	(603,743)	(5,157,053)
At 30 June	<u>12,529,808</u>	<u>13,133,551</u>
Analysis of deferred tax provision:		
	2019 £	2018 £
Capital allowances that are less than depreciation	1,469,887	1,363,627
Deferred tax on retained surplus on revaluation of property	11,059,921	11,769,924
	<u>12,529,808</u>	<u>13,133,551</u>

13. Share capital

	2019 £	2018 £
Authorised:		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2019

14. Ultimate parent company and controlling party

At 30 June 2019, the Company was indirectly wholly-owned by Lord and Lady 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 Limited, a company incorporated in the United Kingdom. The intermediate parent company is Amshold Group Limited, a company incorporated in the United Kingdom and is the parent undertaking of the smallest and largest group which includes the Company and for which group financial statements are prepared. For the year ended 30 June 2019, copies of the group financial statements of Amshold Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

15. Related party transactions

In respect of other 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.

16. Post balance sheet events

On 23 September 2019 the Company exchanged on the purchase of 4, 6-6A Clarence Street, Kingston-upon-Thames, KT1 1PA, for £10,000,000.