

**Company Registration No. 08557464**

**Amshold Trading Limited**

**Annual Report and Financial Statements**

**Year ended 30 September 2018**

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# **Amshold Trading Limited**

## **Report and financial statements 2018**

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# **Amshold Trading Limited**

## **Officers and professional advisers**

### **Directors**

Lord Alan M Sugar  
Daniel P Sugar  
Simon Sugar  
Michael E Ray  
Roger G Adams

### **Company 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

### **Auditor**

Deloitte LLP  
2 Hardman Street  
Manchester  
M3 3HF

# **Amshold Trading Limited**

## **Strategic report**

The directors present their strategic report of Amshold Trading Limited (the Group and Company) for the year ended 30 September 2018.

This strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Amshold Trading Limited and its subsidiary undertakings when viewed as a whole.

### **Principal activities and research and development**

Amshold Trading Limited, a Company registered in England and Wales, is the ultimate parent company of the Amshold Trading group of companies.

The Group is engaged in chartering aircraft, providing digital signage solutions and earning royalties & appearance fees in the media industry. The directors do not anticipate any significant changes to the Group's activities in the foreseeable future.

The Group continues to invest significant time and resource to ensure that its solutions embrace the latest available technologies. Research and development represent a key facet of the Company's activities and in the current year has been focussed on the development of its hardware, software and services to meet the more diverse needs of the new European customer base that the Company has engaged with in the financial year.

### **Review of business and key performance indicators**

The year to 30 September 2018 has been very successful from a trading, operational and strategic perspective.

Overall sales volume growth was strong when compared to the prior year and the results for the year included the first sales of the Group's dual sided DS75 product. In October 2017, the Group signed a new partnership agreement with Clear Channel International Limited for the provision of digital outdoor solutions to their 16 European subsidiaries. This agreement builds on the strong partnership that the Group, through its subsidiary Amscreen group Limited, has operated with Clear Channel UK Limited since 2015. The financial year ended 30 September 2018 has seen lots of activity, engagement and product development with these European subsidiaries which is intended to serve as a foundation for future growth. A key aspect of the Group's business model is the ongoing monitoring and maintenance of the deployed network of screens and overall performance in this regard has been very pleasing with all expected service and performance being exceeded.

FRS 102 requires the Group to account for the outdoor screens as finance leases and as such, a finance lease rental receivable balance of £22,532,932 (2016: £16,468,030) is recorded within debtors, which will be recovered over the contract term of the screens that have been delivered to date.

The Group continues to charter its aircraft. The Group gave consideration to the net book value of its aircraft at 30 September 2018 and felt it not appropriate to impair the value further from its current valuation of £8,155,070, an amount the Group considers to be a fair reflection of its value.

On 28 February 2019 Amsair Aircraft Limited was sold to Amshold Group Limited for £1 being the fair market value after Amshold Trading Limited waived £4,030,380 of debt due from Amsair Aircraft Limited.

The Group continues to receive significant revenue from its Media activities and expects this to continue into the next year.

The results of the Group are set out on page 9. The Group reported a profit after non-controlling interest of £3,439,943 in the year to September 2018 (2017: a loss of £291,915).

# **Amshold Trading Limited**

## **Strategic report (continued)**

### **Principal risks and uncertainties**

The directors have considered the risks faced by the Group and Company. The key principle risks facing the Group are:

- The business is currently reliant on a single customer group and their European subsidiaries and in turn has a significant reliance on the European outdoor advertising sector. The advertising sector is though best placed to deliver a return on investment from digital screen solutions and is therefore the key driver of growth in the outdoor screen solution market. Clear Channel International Limited possesses a high market share of the outdoor advertising industry across Europe and therefore represents an obvious and key target for the Group's products and solutions. Part of the Group's strategy is to extend its core customer base both within and beyond Europe and to diversify in to new territories.
- The Group's lease model means that there is a significant finance lease receivable balance in the balance sheet. The recoverability of this debt is key to the future success of the business. The Group undertakes rigorous credit checks, contracts and operational processes to mitigate this risk.
- A general downturn in the performance of the UK and wider European economy may impact the main customers of the business resulting in reduced demand for the Group's core products. The Group has largely mitigated this by providing its core products on fixed term lease contracts which provide surety of income over a number of years and operates lower barriers to adoption than other providers. The Group does not anticipate any major negative implications arising from the "Brexit" negotiations and resulting process. The general market may experience a level of general uncertainty and there have been some modest increases in the cost of those components that are imported. These factors are offset somewhat by this being an early stage for what is expected to be a significant market in Europe and the currency exchange rate changes experienced over the last 18 months or so have provided some benefits for UK based manufacturers looking to export their products and services.
- The move into procurement and production of the outdoor screen products has increased the Group's use of and exposure to foreign currencies. The directors' policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so, although no hedges were entered into in the current or prior year.
- Whilst there are currently few direct competitors in the outdoor digital screen sector there is a risk that new competitors will enter the market bringing improved technology and creating a more competitive environment. The Group makes significant investment in new technology to ensure that its products remain both technologically advanced and competitively priced. The Group also positions itself as an end-to-end solution provider which requires a tailored service approach rather than just being regarded as a supplier of components or commodities.
- Price erosion in the aircraft chartering business. In order to mitigate some of this risk the Group enters into a mixture of fixed and variable pricing within the lease agreement of its aircraft.

### **Future developments and subsequent events**

The Group continues to invest significant time in seeking out further opportunities in the aircraft chartering, digital signage market and the media industry and for any subsequent events please refer to note 24.

Approved by the Board and signed on its behalf by:

  
M Ray

Director

21 May 2019

# **Amshold Trading Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 September 2018. As permitted by s414c(ii) of the Companies Act 2006, details of research and development, risks and uncertainties and future developments are included in the strategic report.

### **Going concern**

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

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. This is in addition to letter of support referenced in note 1.

### **Dividends**

The directors do not propose the payment of a dividend (2017: nil).

### **Employees**

Details of the number of employees and related costs can be found in note 4 to the financial statements.

It is the Group's policy to promote equal opportunities in employment for both existing employees and applicants for employment. Every effort is made to ensure that applications for employment from disabled persons are fully and fairly considered having regard to their particular aptitudes and abilities and that disabled employees have equal opportunities in career development. In the event of an existing employee becoming disabled, every effort is made to ensure that their employment by the Group continues and that appropriate adjustments are made to their work environment.

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group.

### **Directors**

The directors, all of which held office for the Company throughout the financial year and thereafter, are listed on page 1.

### **Directors' indemnities**

The directors and officers of the Company are covered by an indemnity insurance policy taken out by Amshold Group Limited a company controlled by Lord Sugar.

### **Financial risk management**

#### *Cash flow risk*

The Group's activities expose it primarily to the financial risk of changes in interest rates. The key interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows. The committed overdraft facility is subject to a variable interest rate. The Group would consider interest rate hedging where it was deemed necessary, feasible and cost effective to do so, although no hedges were entered into in the current or prior year.

#### *Credit risk*

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments. The Group's results and receivables are dominated by its activity with Clear Channel UK Limited and these risks are mitigated through credit checks, contracts and operational processes.

#### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group uses debt finance provided by Amshold Group Limited a company controlled by Lord Sugar and an external bank.

## **Amshold Trading Limited**

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

#### **Disclosure of information to the auditor**

Each of the persons who is a director at the date of approval of this 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 ought to have taken as a director in order to make himself 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 Ray  
Director

21 May 2019

## **Amshold Trading 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 Group and Company and of the profit or loss of the Group 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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# **Independent auditor's report to the members of Amshold Trading Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Amshold Trading Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect to these matters.

## **Independent auditor's report to the members of Amshold Trading Limited (continued)**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

## **Independent auditor's report to the members of Amshold Trading Limited (continued)**

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in respect of these matters.

### **Use of our report**

This report is made solely to the company's members, as a body, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Rachel Argyle, (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Manchester, United Kingdom

21 May 2019

## Amshold Trading Limited

### Consolidated profit and loss account For the year ended 30 September 2018

	Notes	2018 £	2017 £
Group turnover	3	17,273,744	14,657,603
Operating costs	5	(14,781,564)	(16,409,095)
Group operating profit/(loss)		2,492,180	(1,751,492)
Profit on disposal of operations	6	-	173,468
Interest receivable and similar income	7	1,111,128	1,049,501
Interest payable and similar charges	8	(179,318)	(137,354)
Profit/(Loss) before taxation	9	3,423,990	(665,877)
Tax credit on profit/(loss)	10	601,480	462,539
Profit/(Loss) after taxation		4,025,470	(203,338)
Non-controlling interest		(585,527)	(88,577)
Retained profit/(loss) for the financial year after non-controlling interest		<u>3,439,943</u>	<u>(291,915)</u>

As there are no other sources of comprehensive income other than the (loss)/profit for the financial year in either year, the Group has not included a separate consolidated statement of comprehensive income.

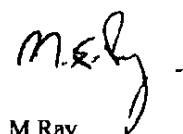
All results derive from continuing operations

# Amshold Trading Limited

## Consolidated balance sheet As at 30 September 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible fixed assets	11	8,445,501	9,501,634
Goodwill	13	-	244,868
		<u>8,445,501</u>	<u>9,746,502</u>
<b>Current assets</b>			
Stocks	14	2,509,305	1,726,072
Debtors due within one year	15	9,760,789	4,482,944
Debtors due after one year	15	14,990,903	13,742,717
Cash at bank and in hand		491,803	2,411,176
		<u>27,752,800</u>	<u>22,362,909</u>
<b>Current liabilities</b>			
Creditors due within one year	16	(5,368,804)	(4,695,848)
		<u>22,383,996</u>	<u>17,667,061</u>
<b>Net current assets</b>		<u>30,829,497</u>	<u>27,413,563</u>
<b>Total assets less current liabilities</b>			
<b>Creditors due after one year</b>	16	(21,351,401)	(21,984,941)
<b>Provisions for liabilities</b>	18	(24,004)	-
<b>Net assets</b>		<u>9,454,092</u>	<u>5,428,622</u>
<b>Capital and reserves</b>			
Called up share capital	19	5,991,886	5,991,886
Profit and loss account		2,217,125	(1,222,818)
<b>Shareholder's funds</b>		<u>8,209,011</u>	<u>4,769,068</u>
<b>Non-controlling interest</b>		<u>1,245,081</u>	<u>659,554</u>
<b>Total capital employed</b>		<u>9,454,092</u>	<u>5,428,622</u>

The Group financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 21 May 2019. They were signed on its behalf by:

  
M Ray  
Director


# Amshold Trading Limited

## Company balance sheet As at 30 September 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Investments	12	8,960,769	8,960,769
<b>Current assets</b>			
Debtors due within one year	15	123,507	123,507
Debtors due after one year	15	12,250,000	12,250,000
Cash at bank and in hand		5	538
		12,373,512	12,374,045
<b>Current liabilities</b>			
Creditors due within one year	16	(513,393)	(102,359)
<b>Net current assets</b>		11,860,119	12,271,686
<b>Total assets less current liabilities</b>		20,820,888	21,232,455
<b>Creditors due after one year</b>	16	(7,380,927)	(8,148,935)
<b>Net assets</b>		13,439,961	13,083,520
<b>Capital and reserves</b>			
Called up share capital	19	5,991,886	5,991,886
Profit and loss account		7,448,075	7,091,634
<b>Shareholder's funds</b>		13,439,961	13,083,520

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these accounts. The profit after tax for the year ended 30 September 2018 accounted for in the books of the parent company was £356,441 (2017: £2,251,042).

The Company financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 21 May 2019. They were signed on its behalf by:



M Ray

Director

## **Amshold Trading Limited**

### **Consolidated statement of changes in equity**

**At 30 September 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Shareholder's funds</b>	<b>Non- controlling interest</b>	<b>Total capital employed</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 30 September 2016	5,991,886	(930,903)	5,060,983	570,977	5,631,960
Loss for the financial year and total comprehensive loss	-	(291,915)	(291,915)	88,577	(203,338)
As at 30 September 2017	5,991,886	(1,222,818)	4,769,068	659,554	5,428,622
Profit for the financial year and total comprehensive income	-	3,439,943	3,439,943	585,527	4,025,470
As at 30 September 2018	5,991,886	2,217,125	8,209,011	1,245,081	9,454,092

### **Company statement of changes in equity**

**At 30 September 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Shareholder's funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
As at 30 September 2016	5,991,886	4,840,592	10,832,478
Profit for the financial year and total comprehensive profit	-	2,251,042	2,251,042
As at 30 September 2017	5,991,886	7,091,634	13,083,520
Profit for the financial year and total comprehensive income	-	356,441	356,441
As at 30 September 2018	5,991,886	7,448,075	13,439,961

## **Amshold Trading Limited**

### **Consolidated cash flow statement For the year ended 30 September 2018**

	<b>Notes</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Net cash (outflow)/inflow from operating activities</b>	<b>21</b>	<b>(2,702,819)</b>	<b>1,588,998</b>
<b>Cash flows from investing activities</b>			
Interest received and similar income		1,111,128	1,049,500
Payments to acquire tangible fixed assets		(148,364)	(199,738)
<b>Net cash inflow from investing activities</b>		<b>962,764</b>	<b>849,762</b>
<b>Cash flows from financing activities</b>			
Interest paid and similar charges		(179,275)	(137,064)
<b>Net cash outflow from financing</b>		<b>(179,275)</b>	<b>(137,064)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,919,330)</b>	<b>2,301,696</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>2,411,176</b>	<b>109,770</b>
Effect of foreign exchange rate changes		(43)	(290)
<b>Cash and cash equivalents at end of year</b>		<b>491,803</b>	<b>2,411,176</b>



# **Amshold Trading Limited**

## **Notes to the financial statements For the year ended 30 September 2018**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. 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**

Amshold Trading Limited is a private company limited by shares registered in England & Wales and incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Amshold Trading Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated financial statements are therefore presented in pounds sterling.

Amshold Trading Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Amshold Trading Limited is consolidated in the financial statements of the Group. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, key management personnel and cash flow statement.

#### **Going concern**

The Group'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 Group; its cash flows, liquidity position and borrowing facilities; and its exposure to credit risk and liquidity risk.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility and with additional funding from Amshold Group Limited, who has provided a letter of support to the Company, should it be necessary.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have 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.

#### **Consolidation**

The Group financial statements consolidate those of the parent company and all its subsidiary undertakings drawn up to 30 September each year.

The Group financial statements consolidate those of the Company and all subsidiaries. On the acquisition of a business, including an interest in an associated undertaking, fair values are attributed to the Group's share of net separable assets. Where the cost of acquisition exceeds the fair values attributable to such net assets, the difference is treated as purchased goodwill and capitalised in the balance sheet in the year of acquisition and amortised over its estimated useful economic life. Provision is made for any impairment.

#### **Goodwill**

Purchased goodwill arising on acquisition is capitalised and amortised through the profit and loss account. In respect of all existing goodwill, up to the transition date of 1 October 2013, this was being amortised over 20 years. As a result of adopting FRS 102, the directors have re-assessed the remaining useful life and consider it appropriate to amortise the remaining balance over 5 years from the transition date. Provision is made for any impairment.

# **Amshold Trading Limited**

## **Notes to the financial statements (continued) For the year ended 30 September 2018**

### **1. Accounting policies (continued)**

#### **Turnover**

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are despatched to the customer and chartering income receivable is recognised when the associated services are delivered. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. 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.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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.

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment.

#### **Investments**

Investments are shown at cost less provision for impairment.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	- 20% on a straight-line basis
Aircraft	- Straight line basis over 10 & 20 years
Fixtures and fittings	- 25% on reducing balance
Computer equipment and screens	- 33% on a straight-line basis
Plant and machinery	- 33% on a straight-line basis

#### **Stocks**

Stock is stated at the lower of cost and net realisable value. Cost is the most recent purchase price of materials and direct labour. Net realisable value is based in estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate

# **Amshold Trading Limited**

## **Notes to the financial statements (continued)**

### **For the year ended 30 September 2018**

#### **1. Accounting policies (continued)**

##### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **Leases**

##### *The Group as lessee*

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

##### *The Group as lessor*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Assets sold under finance leases and other similar arrangements, which confer rights and obligations similar to those attached to assets sold, are disposed at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease). The capital elements of future lease rentals are recognised as receivables, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the receivable. The net investment in a lease is the gross investment in the lease discounted at the interest rate implicit in the lease. The gross investment in the lease is equal to the minimum lease payments receivable.

##### **Research and development**

Expenditure on research and development is charged against profits in the year in which it is incurred.

##### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rates 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.

# **Amshold Trading Limited**

## **Notes to the financial statements (continued)**

### **For the year ended 30 September 2018**

#### **1. Accounting policies (continued)**

##### **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 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.

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.

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. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

##### **Retirement benefits**

The Group operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

##### **Borrowings**

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period.

#### **2. Critical accounting judgements and key sources of estimation**

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2018

### 2. Critical accounting judgements and key sources of estimation (continued)

#### *Critical judgements in applying the Group's accounting policies*

The directors do not consider there to be any critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### **Key sources of estimation uncertainty**

##### *Revenue recognition in respect of warranty income*

The Group provides an extended warranty on the majority of their outdoor digital screens within their overall prices for their products and services. The adopted accounting policy is to match the warranty income to the warranty costs that are expected to be incurred over the contract term. It is likely that the majority of the warranty costs will be incurred later in the contract term which has therefore resulted in deferred warranty income included within the accruals and deferred income balance.

##### *Recoverability of lease rental debtor*

The finance lease recoverable balance included in debtors relates to agreed and contracted future lease rentals that are due to the Group. Regular contact, creditworthiness checks and reviews of ongoing payment performance are used by the Group to assist in the recoverability of future lease rentals. Furthermore, the Group's contracts give the Group full ownership and control of the assets until all contracted lease rentals are paid in full.

##### *Impairment of aircraft*

The Group gave consideration to the net book value of its aircraft at 30 September 2018 and felt it not appropriate to impair the value of the plane. This valuation was based on the second hand plane market and taking into account the flight hours and condition of the plane.

### 3. Turnover and segmental analysis

The turnover and (loss)/profit before taxation attributable to the different classes of the Group's business are:

		2018	2017
		£	£
<b>Turnover</b>			
Aircraft chartering	United Kingdom	1,353,572	1,638,738
Digital signage	United Kingdom	13,282,003	11,178,187
Digital signage	Rest of the World	1,030,596	412,683
Media activities	United Kingdom	1,607,573	1,427,995
		<u>17,273,744</u>	<u>14,657,603</u>
		2018	2017
		£	£
<b>Profit/(Loss) before taxation</b>			
Aircraft chartering		(724,801)	(2,625,129)
Digital signage		2,589,980	1,024,974
Media activities		1,117,298	1,010,608
Other trading profits/(losses)		441,513	(76,330)
		<u>3,423,990</u>	<u>(665,877)</u>

# Amshold Trading Limited

## Notes to the financial statements (continued)

For the year ended 30 September 2018

### 4. Information regarding directors and employees of the Group

#### Directors' emoluments

	2018 £	2017 £
Directors' remuneration	475,610	254,601
	<u>475,610</u>	<u>254,601</u>

The emoluments of the highest paid director were £253,750 (2017: £254,601). No directors were members of a pension scheme to which the Group contributed in the current year (2017: no directors). There are no share option schemes in the Group.

	2018 £	2017 £
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	2,106,004	2,497,071
Social security costs	238,747	277,129
Pension costs	71,565	75,103
	<u>2,416,316</u>	<u>2,849,303</u>
<b>The average monthly number of employees (including directors):</b>		
Office, support and sales	15	24
Engineering	15	17
Production	14	17
	<u>44</u>	<u>58</u>

At 30 September 2018, the Company Amshold Trading Limited has nil (2017: nil) employees

### 5. Operating costs

	2018 £	2017 £
Raw materials and consumables	7,828,125	6,203,412
Other external charges	1,305,382	1,109,764
Staff costs	2,416,316	2,849,303
Depreciation	1,204,497	1,283,260
Impairment of tangible fixed assets	-	2,265,982
Amortisation of goodwill	244,868	244,868
Other operating charges	1,782,376	2,452,506
<b>Total operating costs</b>	<u>14,781,564</u>	<u>16,409,095</u>

### 6. Profit on disposal of operations

The profit on disposal of operations in the prior year of £173,468 refers to the final dividend that was received from the administrator of the media division.

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 7. Interest receivable and similar income

Interest receivable and similar income can be split as follows:

	2018 £	2017 £
Interest receivable on finance leases	1,110,972	1,048,844
Bank and other interest	156	657
	<u>1,111,128</u>	<u>1,049,501</u>

#### 8. Interest payable and similar charges

Interest payable and similar charges can be split as follows:

	2018 £	2017 £
Related party loans	74,786	89,636
Bank and other interest	323	178
Overdrafts	104,166	47,250
Exchange losses on foreign currency balances	43	290
	<u>179,318</u>	<u>137,354</u>

#### 9. Loss before taxation is stated after charging/(crediting):

	2018 £	2017 £
Audit of the Company's accounts	14,250	14,000
Audit of the Company's subsidiaries	21,000	21,000
Depreciation	1,204,497	1,283,260
Impairment of tangible fixed assets	-	2,265,982
Profit on sale of operations	-	(173,468)
Hire of plant and machinery	40,362	43,600
Operating lease payments		
Land and buildings	182,232	182,232
Other	35,936	38,440
Amortisation of goodwill	244,868	244,868
Research and development	226,940	522,066
Foreign exchange losses	43	290
Cost of stock recognised as an expense	<u>7,828,125</u>	<u>6,203,412</u>

Other than audit fee, there were no other services paid to the Company's auditor (2017: nil).

The impairment of tangible fixed assets arose as a result of the Group appraising its aircraft at the balance sheet date. A valuation of £8,155,070 (2017: £8,944,544) is considered appropriate.

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 10. Tax credit/(charge) on profit/(loss)

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

	2018 £	2017 £
<b>Current year</b>		
United Kingdom corporation tax at 19% (2017: 19.5%) based on the loss for the year	(156,113)	(195,084)
Total current tax charge	(156,113)	(195,084)
<b>Prior year</b>		
Research and development tax credit received in the year	279,382	346,776
Total prior tax credit	279,382	346,776
Effects of decrease in tax rates on opening liability	5,185	310,847
Origination and reversal of timing differences	473,026	-
Total deferred tax credit	478,211	310,847
Tax credit on profit/(loss)	601,480	462,539

##### (ii) Factors affecting tax credit for the current year

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2017: 19.5%). The actual tax credit for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation based on the changes in rates to the Finance Act 2015:

	2018 £	2017 £
Profit/(Loss) before taxation	3,423,990	(665,877)
Tax (charge)/credit at 19% (2017: 19.5%)	(650,558)	129,836
Factors affecting credit:		
Expenses not deductible for tax purposes	(100,184)	(46,407)
R&D tax credits	210,838	108,818
Capital allowances in excess of depreciation	50,063	-
Deferred tax asset brought forward now recognised – see note 17	522,296	-
Origination and reversal of timing differences	(49,270)	-
Unprovided deferred tax movements	333,728	(30,797)
Effects of decrease in tax rates on opening liability	5,185	(45,687)
Total tax credit for current year	322,098	115,763
Prior year R&D	279,382	346,776
Total tax credit	601,480	462,539

The Finance Act 2016, which was substantively enacted in September 2016, included provisions to reduce the rate of corporation tax to 17% from 1 April 2020. As the Act was enacted by the balance sheet date, deferred tax balances have been revalued to this lower rate in these accounts.



## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 11. Tangible fixed assets

##### Group

	Fixtures, fittings and equipment £	Plant and machinery £	Aircraft £	Leasehold improvements £	Computer equipment and screens £	Total £
<b>Cost</b>						
At 1 October 2017	92,079	343,402	15,789,474	92,299	2,203,232	18,520,486
Additions	5,373	139,694	-	1,640	1,657	148,364
At 30 September 2018	97,452	483,096	15,789,474	93,939	2,204,889	18,668,850
<b>Accumulated depreciation</b>						
At 1 October 2017	77,111	199,592	6,844,930	39,997	1,857,222	9,018,852
Charge for the year	4,443	135,094	789,474	18,623	256,863	1,204,497
At 30 September 2018	81,554	334,686	7,634,404	58,620	2,114,085	10,223,349
<b>Net book value</b>						
At 30 September 2018	15,898	148,410	8,155,070	35,319	90,804	8,445,501
At 30 September 2017	14,968	143,810	8,944,544	52,302	346,010	9,501,634

The Group has entered into non-cancellable contractual commitments in respect of property, plant and equipment of £nil (2017: £101,240).

The Group has granted a mortgage in favour of Amshold Group Limited over the aircraft owned by the Group. The loan bears interest of 0.4% and is repayable on 30 June 2020.

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 12. Fixed assets investments

##### Company

	At 30 Sep 2018	At 30 Sep 2017
	£	£
Investment in Amscreen PLC	8,960,768	8,960,768
Investment in Amstar Media Limited	1	1
Investment in subsidiaries	<u>8,960,769</u>	<u>8,960,769</u>

Amsair Aircraft Limited and Amstar Media Limited, incorporated in the United Kingdom, are exempt from the requirements of the Companies Act relating to the audit of individual financial statements by virtue of s479A of the Companies Act 2006. The parent company holds investments in the following subsidiaries:

	Country of incorporation	Activity	UK company registration number	Portion of ordinary shares held and voting rights %
<b>Registered address: Amscreen House, Paragon Business Pk, Chorley New Road, Horwich, Bolton, BL6 6HG</b>				
Amscreen PLC	United Kingdom	Digital signage	01873323	82.74%
Amscreen Group Limited (indirectly)	United Kingdom	Digital signage	02477288	100%
<b>Registered address: Amshold House, Goldings Hill, Loughton, Essex, IG10 2RW</b>				
Amsair Aircraft Limited	United Kingdom	Chartering aircraft	02801817	100%
Amstar Media Limited	United Kingdom	Media industry	04293793	100%

#### 13. Goodwill

On 25 July 2008 the Company acquired a 60% interest in Amscreen PLC. As a result of the acquisition, goodwill of £3,296,976 was generated. This was being amortised over twenty years from 25 July 2008 up to the transition date of 1 October 2013. As a result of adopting FRS102, the remaining goodwill is being amortised over 5 years from the transition date.

Group	Cost £	Amortisation £	Net book value £
At 30 September 2017	1,648,488	(1,403,620)	244,868
Amortisation during the year	-	(244,868)	(244,868)
At 30 September 2018	<u>1,648,488</u>	<u>(1,648,488)</u>	<u>-</u>

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 14. Stocks

	<b>Group</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Raw materials	2,239,295	1,479,164
Finished goods and goods for resale	270,010	246,908
	<u>2,509,305</u>	<u>1,726,072</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

#### 15. Debtors

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	1,354,303	1,118,362	-	-
Other debtors	52	52	-	-
Finance lease rental receivable	22,532,932	16,468,030	-	-
Amounts owed by group companies	-	-	12,250,000	12,250,000
Other taxation	34,810	2,599	-	-
Deferred taxation	522,296	20,081	-	-
Prepayments and accrued income	307,299	616,537	123,507	123,507
	<u>24,751,692</u>	<u>18,225,661</u>	<u>12,373,507</u>	<u>12,373,507</u>

#### *Group*

All amounts fall due within one year, except for the finance lease rental receivable which falls due as follows:

	<b>2018</b>		<b>2017</b>	
	<b>Present value of minimum lease payments</b>	<b>Gross investment in leases</b>	<b>Present value of minimum lease payments</b>	<b>Gross investment in leases</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	8,064,325	9,112,384	4,147,218	5,137,261
Between one and five years	14,468,607	15,332,950	12,320,812	13,674,632
	<u>22,532,932</u>	<u>24,445,334</u>	<u>16,468,030</u>	<u>18,811,893</u>

The difference between the gross investment and present value of minimum lease payments relates to the interest income due to accrue on the balance. There was no unearned finance income or unguaranteed residual values accruing to the benefit of the Company at 30 September 2018 (2017: same).

#### *Company*

Amounts owed by group companies includes £12,250,000 (2017: £12,250,000) representing a loan to Amshold Group Limited a subsidiary undertaking repayable in more than one year. The loan bears interest of 4% per annum and is repayable on 30 September 2020.

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2018

### 16. Creditors

#### Amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	2,661,777	1,291,783	-	-
Amounts owed to other group companies	-	-	498,393	87,359
Bank loan and overdraft	-	1,293,356	-	-
Other taxes and social security costs	95,613	110,978	-	-
Accruals and deferred income	2,605,217	1,954,647	15,000	15,000
Corporation tax	6,197	45,084	-	-
	<u>5,368,804</u>	<u>4,695,848</u>	<u>513,393</u>	<u>102,359</u>

#### Amounts falling due after one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts owed to related parties	18,282,621	19,586,950	7,380,927	8,148,935
Bank loan	2,522,355	2,397,991	-	-
Deferred income	546,425	-	-	-
	<u>21,351,401</u>	<u>21,984,941</u>	<u>7,380,927</u>	<u>8,148,935</u>

#### Group

At 30 September 2018 the Group owed £18,282,621 (2017: £19,586,950) to Amshold Group Limited, a company controlled by Lord Sugar, repayable in more than one year and included in other creditors. As security for the majority of this loan, the Group has granted a mortgage in favour of Amshold Group Limited over the aircraft owned by the Group. The loan bears interest of 0.4% and is repayable on 30 June 2020.

#### Company

At 30 September 2018 the Company owed £7,380,927 (2017: £8,148,935) to Amshold Group Limited, a company controlled by Lord Sugar, repayable in more than one year. The loan bears interest of 0.4% and is repayable on 30 June 2020.

### 17. Deferred tax asset

The recognised and unrecognised deferred tax asset is made up as follows:

	Group			Company	
	2018		2017	2018	2017
	£		£	£	£
	Recognised	Unrecognised	Unrecognised	-	-
Excess of depreciation over tax allowances	-	234,246	225,949	-	-
Tax losses	522,296	-	829,321	-	-
Other timing differences	-	20,075	19,680	-	-
Deferred tax asset	<u>522,296</u>	<u>254,321</u>	<u>1,074,950</u>	<u>-</u>	<u>-</u>

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2018

### 18. Provisions for liabilities

	<b>Group Deferred tax</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At 1 October	-	290,766
Charged to the profit and loss in the year	24,004	(290,766)
At 30 September	<u>24,004</u>	<u>-</u>
<b>Analysis of deferred tax provision:</b>		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fixed asset timing differences	<u>24,004</u>	<u>-</u>

### 19. Called up share capital

<b>At 30 September 2017 and 30 September 2018</b>	<b>Ordinary shares of £1 each</b>	
	<b>Number</b>	<b>£</b>
Called up, allotted and fully paid	<u>5,991,886</u>	<u>5,991,886</u>

### 20. Financial instruments

The carrying values of the Group financial assets and liabilities are summarised by category below:

	<b>Group</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Measured at undiscounted amount receivable		
Trade and other debtors (note 15)	1,354,303	1,118,362
Measured at amortised cost		
Finance lease rental receivable (note 15)	<u>22,532,932</u>	<u>16,468,030</u>
	<u>23,887,235</u>	<u>17,586,392</u>
<b>Financial liabilities</b>		
Measured at undiscounted amounts payable		
Trade creditors (note 16)	2,661,777	1,291,783
Measured at amortised cost		
Trade and other creditors (note 16)	18,282,621	19,586,950
Bank loan and overdraft (note 16)	<u>2,522,355</u>	<u>3,691,347</u>
	<u>23,466,753</u>	<u>24,570,080</u>

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 21. Notes to the consolidated cash flow statement

##### Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities

	2018 £	2017 £
Group operating profit/(loss)	2,492,180	(1,751,492)
Profit on disposal of operations	-	173,468
Amortisation of goodwill	244,868	244,868
Depreciation charge	1,204,497	1,283,260
Impairment of tangible fixed assets	-	2,265,982
Operating cash flow before movement in working capital	3,941,545	2,216,086
(Increase)/Decrease in stocks	(783,233)	576,809
Increase in debtors	(5,744,033)	(1,979,418)
Increase in creditors	77,902	954,422
Corporation tax paid	(195,000)	(178,901)
Net cash (outflow)/inflow from operating activities	<u>(2,702,819)</u>	<u>1,588,998</u>

#### 22. Leasing commitments

At 30 September 2018 the Group has total future minimum lease payments under non-cancellable operating leases as follows:

	2018		2017	
	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	182,232	32,441	182,232	39,277
In the second to fifth years	376,252	22,694	540,663	37,169
Over five years	-	-	17,821	-
	<u>558,484</u>	<u>55,135</u>	<u>740,716</u>	<u>76,446</u>

#### 23. Related party transactions

At 30 September 2018 the Group owed £18,282,621 (2017: £19,586,950) at commercial rates of interest to Amshold Group Limited, a company ultimately controlled by Lord Sugar and paid £74,786 (2017: £89,635) of interest in the year.

During the year the Group charged Amshold Group Limited £523,773 (2017: £564,832) for travel services and incurred management charges from Amshold Group Limited of £110,000 (2017: £460,000).

During the year the Company charged Amscreen Group Limited £490,000 (2017: £858,671) for loan interest.

The directors consider there are no other key management personnel other than themselves. Details of directors' emoluments are disclosed in note 4.

## **Amshold Trading Limited**

### **Notes to the financial statements (continued) For the year ended 30 September 2018**

**24. Post balance sheet events**

On 28 February 2019 Amsair Aircraft Limited was sold to Amshold Group Limited for £1 being the fair market value after Amshold Trading Limited waived £4,030,380 of debt due from Amsair Aircraft Limited.

**25. Controlling party**

Amshold Trading Limited was transferred on 31 March 2019 from Lord Sugar to The Lord Sugar Family Trust which is now in the opinion of the directors the ultimate controlling party.