

Company Registration No. 05893186

Amsprop Portland Limited

Report and Unaudited Financial Statements

Year ended 30 June 2013



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Amsprop Portland Limited

Report and unaudited financial statements 2013

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Amsprop Portland Limited

Report and unaudited financial statements 2013

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

Solicitors

Maples Teesdale LLP
30 King Street
London
EC2V 8EE

Amsprop Portland Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the year ended 30 June 2013

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 £753,236 (2012 £469,133) The profit and loss account for the year is set out on page 5

The profits of the Company increased significantly during the year now that it has successfully let the remaining floors of its property In the next financial year, with the property fully let for the whole period, the results of the Company are expected to increase further still

Going concern

The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future trading and have concluded that the current profitability of the Company will improve now that the property is fully let 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

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 directors' 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 (2012 £nil)

Amsprop Portland Limited

Directors' report (continued)

Directors

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

Directors' indemnities

The directors and officers of the Company use the indemnity insurance policy taken out by Amshold International Limited, a fellow subsidiary of the Group

Approved by the Board and signed on its behalf by



M E Ray

Director

25 March 2014

Amsprop Portland 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, 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 Portland Limited

Profit and loss account For the year ended 30 June 2013

	Notes	2013 £	2012 £
Turnover	2	1,205,447	1,012,220
Gross profit		1,205,447	1,012,220
Administrative expenses		(154,767)	(260,134)
Operating profit	3	1,050,680	752,086
Interest receivable and similar income		593	-
Interest payable and similar charges	5	(124,026)	(157,261)
Profit on ordinary activities before taxation		927,247	594,825
Tax charge on profit on ordinary activities	6	(174,011)	(125,692)
Profit for the financial year	14	753,236	469,133

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 Portland Limited

Statement of total recognised gains and losses For the year ended 30 June 2013

	2013 £	2012 £
Profit for the financial year	753,236	469,133
Unrealised surplus on revaluation of property	<u>4,890,418</u>	<u>810,237</u>
Total recognised gains and losses relating to the year	<u><u>5,643,654</u></u>	<u><u>1,279,370</u></u>

Amsprop Portland Limited

Balance sheet 30 June 2013

	Notes	2013 £	2012 £
Fixed assets			
Investment property	7	31,781,248	26,890,830
Tangible fixed assets	8	870	1,161
		<u>31,782,118</u>	<u>26,891,991</u>
Current assets			
Debtors	9	585,108	680,276
Cash at bank and in hand	10	683,484	277,890
		<u>1,268,592</u>	<u>958,166</u>
Creditors amounts falling due within one year	11	<u>(14,816,843)</u>	<u>(31,759,558)</u>
Net current liabilities		<u>(13,548,251)</u>	<u>(30,801,392)</u>
Total assets less current liabilities		18,233,867	(3,909,401)
Creditors: amounts falling after more than one year	12	(16,500,000)	-
Provisions for liabilities	13	(326,878)	(327,264)
Net assets/(liabilities)		<u>1,406,989</u>	<u>(4,236,665)</u>
Capital and reserves			
Called up share capital	14	1	1
Revaluation surplus/(deficit)	15	24,837	(4,865,581)
Profit and loss account	15	1,382,151	628,915
Shareholder's funds/(deficit)	16	<u>1,406,989</u>	<u>(4,236,665)</u>

For the year ending 30 June 2013 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 Portland Limited, registered number 05893186, were approved by the board of directors and authorised for issue on 25 March 2014 They were signed on its behalf by



M E Ray
Director

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

1 Accounting policies

The financial statements are prepared in accordance with United Kingdom law and accounting standards. Compliance with Statements of Standard Accounting Practice 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 and have been applied consistently throughout the current and preceding 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 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.

Depreciation

Depreciation is calculated to write-off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives. The annual depreciation rates and methods are as follows:

Office equipment	25% on a reducing balance basis
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Taxation

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

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

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

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

1. Accounting policies (continued)

Taxation (continued)

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 17). 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:

	2013 £	2012 £
Rental income	1,189,987	998,731
Miscellaneous income	15,460	13,489
	<u>1,205,447</u>	<u>1,012,220</u>

3. Operating profit

Operating profit for the year is stated after charging

	2013 £	2012 £
Auditor's remuneration		
- fees payable for the audit of the Company's annual accounts	-	2,100
- company secretarial fees	-	682
Depreciation of owned assets	291	387
	<u>291</u>	<u>387</u>

4. 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 Portland Limited

Notes to the financial statements For the year ended 30 June 2013

5. Interest payable and similar charges

	2013 £	2012 £
Interest payable to other group companies	123,814	157,260
Other interest and charges	212	1
	<u>124,026</u>	<u>157,261</u>

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

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

	2013 £	2012 £
UK corporation tax at 23.75% (2012: 25.5%)	(174,397)	(86,684)
Total current tax (charge)/credit	(174,397)	(86,684)
Origination and reversal of timing differences	(45,830)	(65,013)
Effects of decrease in tax rates on opening liability	46,216	26,005
Total deferred tax	386	(39,008)
Total tax (charge)/credit on profit/(loss) on ordinary activities	<u>(174,011)</u>	<u>(125,692)</u>

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

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 23.75% (2012: 25.5%). 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:

	2013 £	2012 £
Profit on ordinary activities before tax	927,247	594,825
Tax charge at 23.75% (2012: 25.5%)	(220,227)	(151,697)
Factors affecting charge		
Capital allowances in excess of depreciation	45,830	65,013
Total current tax charge for year	<u>(174,397)</u>	<u>(86,684)</u>

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

7. Investment property

	Freehold £
At 1 July 2012	26,890,830
Surplus arising on revaluation	4,890,418
At 30 June 2013	<u>31,781,248</u>

The investment property was valued by the directors at 30 June 2013 on a valuation prepared internally by a Company director, a qualified chartered surveyor, on an open market basis

8. Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2012	3,462
Additions	-
At 30 June 2013	<u>3,462</u>
Depreciation	
At 1 July 2012	2,301
Charge for the year	291
At 30 June 2013	<u>2,592</u>
Net book value	
At 30 June 2013	<u>870</u>
At 30 June 2012	<u>1,161</u>

9 Debtors

	2013 £	2012 £
Amounts falling due within one year		
Trade debtors	11,961	67,171
Prepayments and accrued income	573,147	613,105
	<u>585,108</u>	<u>680,276</u>

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

10. Cash at bank and in hand

	2013 £	2012 £
Company cash at bank and in hand	275,427	3,185
Tenant deposits	408,057	274,705
	<u>683,484</u>	<u>277,890</u>

11. Creditors amounts falling due within one year

	2013 £	2012 £
Trade creditors	305	38
Amounts owed to other group companies	14,006,067	31,226,933
Other creditors	275,427	274,705
Other taxation and social security	1,119	67,676
Corporation tax	87,198	43,342
Accruals and deferred income	446,727	146,864
	<u>14,816,843</u>	<u>31,759,558</u>

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

12. Creditors: amounts falling due after more than one year

	2013 £	2012 £
Falling due between two and five years		
Bank loans and overdrafts	<u>16,500,000</u>	<u>-</u>

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

13. Provisions for liabilities

	2013 £	2012 £
Deferred taxation movement for the year		
At 1 July	327,264	288,256
(Credit)/Charge to profit and loss account	(386)	39,008
At 30 June	<u>326,878</u>	<u>327,264</u>

The deferred tax balance relates to capital allowances in excess of depreciation

The Company's freehold 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 asset arising on revaluation as the capital gain would only crystallise if the property were sold. The value of the associated unrecognised deferred tax liability is estimated to be £5,712.

14 Called up share capital

	2013 £	2012 £
Authorised:		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Called up, allotted and fully paid:		
1 ordinary share of £1	<u>1</u>	<u>1</u>

15. Reserves

	Revaluation reserve £	Profit and loss £	Total £
At 1 July 2012	(4,865,581)	628,915	(4,236,666)
Revaluation surplus in the year	4,890,418	-	4,890,418
Profit for the financial year	-	753,236	753,236
At 30 June 2013	<u>24,837</u>	<u>1,382,151</u>	<u>1,406,988</u>

Amsprop Portland Limited

Notes to the financial statements For the year ended 30 June 2013

16. Reconciliation of movements in shareholders' deficit

	2013 £	2012 £
Opening shareholder's deficit	(4,236,665)	(5,516,035)
Revaluation surplus in the year	4,890,418	810,237
Profit for the financial year	753,236	469,133
Closing shareholder's deficit	<u>1,406,989</u>	<u>(4,236,665)</u>

17 Ultimate parent company and controlling party

At 30 June 2013, 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 at 30 June 2013, Amshold Group Limited (company registration no 3710962) ceased being the ultimate parent company during the year Amshold Group Limited (company registration no 3710962) changed its name to Amshold International Limited on 19 July 2013

During the year the Group in which the Company is held was restructured Amshold Holdings Limited (company registration no 8557403) was incorporated during the year and became the new ultimate parent company Amshold Holdings Limited changed its name to Amshold Group Limited on 19 July 2013

Amshold Group Limited (company registration no 8557403) is 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 Copies of the group financial statements of Amshold Group Limited (company registration no 8557403) are available from Companies House, Crown Way, Mandy, Cardiff CF14 3UZ

18 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