

**Company Registration No. 8557464**

**Amshold Trading Limited**

**Report and Financial Statements**

**Year ended 30 September 2015**



# **Amshold Trading Limited**

## **Report and financial statements 2015**

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# **Amshold Trading Limited**

## **Report and financial statements 2015**

### **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  
Manchester

# **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 2015.

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**

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.

### **Sale of operations**

During the year, Amscreen Group Limited sold its UK media sales business following a strategic decision to move away from being an advertising business. The results of this media sales business are disclosed as a discontinued operation.

In the previous year, the Group sold Viglen Technology Limited. The results of Viglen Technology Limited and its subsidiaries up to the point of this sale are disclosed as a discontinued operation in the financial statements.

### **Business review**

The Group retained a profit after non-controlling interest of £1,105 in the year to September 2015 (2014: a loss of £1,658,186). Included within this figure is the profit on disposal of £1,951,976 of the Group's UK media sales business following a strategic decision to move away from being an advertising business and follows the closure in 2014 of most of the Company's European advertising networks. This transaction positioned the Group as being more focussed on the provision of technology solutions, and this positioning was strengthened further by the development of its range of outdoor digital screens. The Group still operates its network of over 3,000 indoor digital screens.

The Group continues to charter its aircraft and earn revenue in the media industry.

The results of the Group are set out on page 9.

The Group has adopted Financial Reporting Standard 102 (FRS 102) for the preparation of its accounts at 30 September 2015 and where necessary has restated the prior year statements. The impact of these changes on both the financial performance and the related discourses are not significant and are detailed further in note 23.

### **Principal risks and uncertainties**

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

- A general downturn in the performance of the UK and wider economy and how this may impact on the main customers of the Group. 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.
- Competitors entering the digital out of the home market. 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.

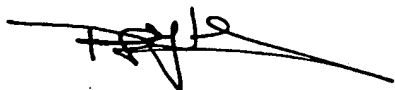
## **Amshold Trading Limited**

### **Strategic report (continued)**

#### **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. The Group expects the general level of business activity to increase in the forthcoming year with this growth coming from the digital signage market.

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R. G. Adams', is written over a horizontal line.

R. G. Adams

Director

29 June 2016

# **Amshold Trading Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 September 2015. As permitted by s414c(ii) of the Companies Act 2006, details of 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.

### **Dividends**

The directors do not propose the payment of a dividend (2014: nil).

### **Employees**

Details of the number of employees and related costs can be found in note 3 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, 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 owned by Lord Sugar.

## **Amshold Trading Limited**

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

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

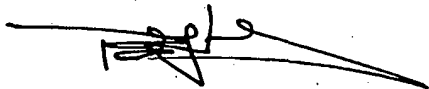
Each of the persons who is a director at the date of approval of this report confirms that:

- 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/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

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

Approved by the Board and signed on its behalf by:



R. G. Adams

Director

29 June 2016

# **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 FRS102 "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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.



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

We have audited the Group and parent company financial statements of Amshold Trading Limited for the period ended 30 September 2015 which comprise the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated and parent company balance sheets, the consolidated and parent company statement of changes in equity, the consolidated cash flow statement and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

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

As explained more fully in the Directors' responsibility statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent company's affairs as at 30 September 2015 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Rachel Argyle (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester, United Kingdom

29 June 2016

# Amshold Trading Limited

## Consolidated profit and loss account For the year ended 30 September 2015

	Notes	Continuing operations 2015 £	Dis-continued operations 2015 £	Total 2015 £	Continuing operations 2014 £	Dis-continued operations 2014 £	Total 2014 £
<b>Group turnover</b>	2	4,593,605	2,900,831	7,494,436	2,079,110	20,442,261	22,521,371
Operating costs	4	(7,031,692)	(2,372,450)	(9,404,142)	(6,533,434)	(19,543,082)	(26,076,516)
<b>Group operating (loss)/profit</b>		(2,438,087)	528,381	(1,909,706)	(4,454,324)	899,179	(3,555,145)
Profit on disposal of operations		-	1,951,976	1,951,976	-	-	-
Profit/(Loss) on disposal of assets and subsidiary		-	-	-	(2,526,705)	4,784,468	2,257,763
Interest receivable and similar income	5	8,097	-	8,097	28,660	3,582	32,242
Interest payable and similar charges	6	(53,972)	-	(53,972)	(43,562)	-	(43,562)
<b>Loss on ordinary activities before taxation</b>	7	(2,483,962)	2,480,357	(3,605)	(6,995,931)	5,687,229	(1,308,702)
Tax charge on loss on ordinary activities	8			(236,828)			(1,135,833)
<b>Loss on ordinary activities after taxation</b>				(240,433)			(2,444,535)
Non-controlling interest				241,538			786,349
<b>Retained profit/(loss) for the financial year after non-controlling interest</b>				1,105			(1,658,186)

As there are no other sources of comprehensive income other than the profit for the financial year in either year, the Group has not included a separate consolidated statement of comprehensive income. As a result of the Group adopting FRS 102 the results for the prior year have been restated. These are explained in note 23 to the financial statements.

# Amshold Trading Limited

## Consolidated balance sheet 30 September 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Fixed assets	9	15,919,385	15,943,799
Goodwill	11	734,604	1,273,938
		<u>16,653,989</u>	<u>17,217,737</u>
<b>Current assets</b>			
Stocks	12	2,256,330	1,530,817
Debtors	13	2,808,199	1,671,716
Cash at bank and in hand		246,532	590,472
		<u>5,311,061</u>	<u>3,793,005</u>
<b>Creditors: amounts falling due within one year</b>	14	(15,758,240)	(14,425,995)
<b>Net current liabilities</b>		<u>(10,447,179)</u>	<u>(10,632,990)</u>
<b>Total assets less current liabilities</b>		<u>6,206,810</u>	<u>6,584,747</u>
<b>Provisions for liabilities</b>	16	(578,224)	(403,164)
<b>Net assets</b>		<u>5,628,586</u>	<u>6,181,583</u>
<b>Capital and reserves</b>			
Called up share capital	17	5,991,886	5,991,886
Profit and loss account		(845,230)	(628,004)
<b>Shareholders' funds</b>		<u>5,146,656</u>	<u>5,363,882</u>
<b>Non-controlling interest</b>		<u>481,930</u>	<u>817,701</u>
<b>Total capital employed</b>		<u>5,628,586</u>	<u>6,181,583</u>

As a result of the Group adopting FRS 102 the results for the prior year have been restated. These are explained in note 23 to the financial statements.

The Group financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 29 June 2016. They were signed on its behalf by:



R. G. Adams  
Director

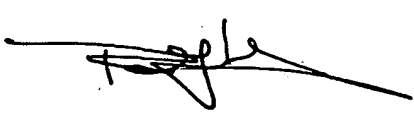
# Amshold Trading Limited

## Company balance sheet 30 September 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Investments	10	8,960,769	8,647,329
<b>Current assets</b>			
Debtors	13	3,637,599	2,164,024
Cash at bank and in hand		1,268	1,723
		3,638,867	2,165,747
<b>Creditors: amounts falling due within one year</b>	14	(767,158)	(48,061)
<b>Net current assets</b>		2,871,709	2,117,686
<b>Net assets</b>		11,832,478	10,765,015
<b>Capital and reserves</b>			
Called up share capital	17	5,991,886	5,991,886
Profit and loss account		5,840,592	4,773,129
<b>Shareholders' funds</b>		11,832,478	10,765,015

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 Company financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 29 June 2016. They were signed on its behalf by:

  
R. G. Adams  
Director

## Amshold Trading Limited

### Consolidated statement of changes in equity At 30 September 2015

	Called up share capital	Profit and loss account	Shareholders funds'	Non- controlling interest	Total capital employed
	£	£	£	£	£
As at 30 September 2013	5,991,886	1,268,654	7,260,540	2,475,233	9,735,773
Loss for the financial year	-	(1,658,186)	(1,658,186)	(786,349)	(2,444,535)
Changes in stake in subsidiary	-	(238,472)	(238,472)	576,030	337,558
Dividend paid	-	-	-	(75,000)	(75,000)
Disposal of discontinued operations	-	-	-	(1,372,213)	(1,372,213)
As at 30 September 2014	5,991,886	(628,004)	5,363,882	817,701	6,181,583
Profit for the financial year	-	1,105	1,105	(241,538)	(240,433)
Changes in stake in subsidiary	-	(218,331)	(218,331)	(94,233)	(312,564)
As at 30 September 2015	5,991,886	(845,230)	5,146,656	481,930	5,628,586

### Company statement of changes in equity At 30 September 2015

	Called up share capital	Profit and loss account	Shareholders funds'
	£	£	£
As at 30 September 2013	-	-	-
Share capital issued on group restructuring	5,991,886	-	5,991,886
Profit for the financial year	-	4,773,129	4,773,129
As at 30 September 2014	5,991,886	4,773,129	10,765,015
Profit for the financial year	-	1,067,463	1,067,463
As at 30 September 2015	5,991,886	5,840,592	11,832,478

# Amshold Trading Limited

## Consolidated cash flow statement For the year ended 30 September 2015

	Notes	2015 £	2014 £
<b>Net cash (outflow)/inflow from operating activities</b>	19	(475,957)	2,367,546
<b>Cash flows from investing activities</b>			
Interest received and similar income		8,097	3,768
Payments to acquire tangible fixed assets		(1,215,243)	(16,251,107)
Proceeds from sale of fixed assets		-	11,428,571
Dividends paid to non-controlling interest		-	(75,000)
Proceeds less cash and cash equivalents disposed of with discontinued operations		1,663,000	3,427,299
Exchange rate (loss)/gain		(11,272)	28,474
<b>Net cash inflow/(outflow) from investing activities</b>		<u>444,582</u>	<u>(1,437,995)</u>
<b>Cash flows from financing activities</b>			
Repayment of preference shares		-	(5,591,000)
Share capital issued to non-controlling interest		875	754,487
Shares purchased from non-controlling interest		(313,440)	(416,929)
<b>Net cash outflow from financing</b>		<u>(312,565)</u>	<u>(5,253,442)</u>
<b>Net decrease in cash and cash equivalents</b>	19	<u>(343,940)</u>	<u>(4,323,891)</u>

# **Amshold Trading Limited**

## **Notes to the financial statements For the year ended 30 September 2015**

### **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 company 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 directors' report on page 4.

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 Company has adopted FRS 102 early in the current period.

There were no material adjustments to the comparatives results on adoption of FRS 102 in the current year. For more information see note 23.

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.

#### **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 FRS102, 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. The impact of this change on the prior year statements is detailed in note 23.



# **Amshold Trading Limited**

## **Notes to the financial statements For the year ended 30 September 2015**

### **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.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

#### **Extended warranties**

Income from extended warranties is held as deferred income and released over the length of the extended warranty. Costs associated with the extended warranty are taken to profit and loss account as and when the costs are incurred. The Group no longer holds warranty provisions as these were held by a subsidiary sold in the previous financial year.

#### **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	- over the shorter of the life of the lease and the useful life
Motor vehicles	- 25% on cost
Aircraft engines	- Straight line basis over 10 years
Aircraft frames	- Straight line basis over 20 years
Fixtures and fittings	- 10% - 33% on cost

#### **Fixed asset investments**

Fixed asset investments are shown at cost less provision for any impairment.

#### **Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

#### **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 For the year ended 30 September 2015**

### **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.

#### **Leases**

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

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.

#### **Financial liabilities and equity**

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.

#### **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.

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 2. Turnover and segmental analysis

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

	Continuing operations 2015 £	Dis- continued operations 2015 £	Total 2015 £	Continuing operations 2014 £	Dis- continued operations 2014 £	Total 2014 £
<b>Turnover</b>						
Aircraft chartering	1,490,908	-	1,490,908	1,173,623	-	1,173,623
IT products and services	-	-	-	-	16,692,875	16,692,875
Digital signage	1,402,697	2,900,831	4,303,528	905,487	3,749,386	4,654,873
Media activities	1,700,000	-	1,700,000	-	-	-
	<u>4,593,605</u>	<u>2,900,831</u>	<u>7,494,436</u>	<u>2,079,110</u>	<u>20,442,261</u>	<u>22,521,371</u>

	Continuing operations 2015 £	Dis- continued operations 2015 £	Total 2015 £	Continuing operations 2014 £	Dis- continued operations 2014 £	Total 2014 £
<b>(Loss)/Profit on ordinary activities before taxation</b>						
Aircraft chartering	(214,343)	-	(214,343)	(3,050,292)	-	(3,050,292)
IT market	-	-	-	-	4,786,728	4,786,728
Digital signage	(3,422,557)	2,480,357	(942,200)	(4,031,095)	900,501	(3,130,594)
Media activities	1,323,515	-	1,323,515	-	-	-
Other trading (losses)/profits	(170,577)	-	(170,577)	85,456	-	85,456
	<u>(2,483,962)</u>	<u>2,480,357</u>	<u>(3,605)</u>	<u>(6,995,931)</u>	<u>5,687,229</u>	<u>(1,308,702)</u>

All turnover and (loss)/profit before taxation arise predominantly in the United Kingdom.

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

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

#### Directors' emoluments

	2015 £	2014 £
Directors' remuneration	242,126	274,523
Pension contribution	-	10,000
	<u>242,126</u>	<u>284,523</u>

The emoluments of the highest paid director were £242,126 (2014: £250,000). No directors were members of a pension scheme to which the Group contributed in the current year (2014: 1 director). There are no share option schemes in the Group.

	2015 £	2014 £
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	2,716,757	4,906,365
Social security costs	265,282	528,531
Pension costs	52,229	79,149
	<u>3,034,268</u>	<u>5,514,045</u>
<b>Average staff numbers during the year (including directors)</b>	<u>58</u>	<u>303</u>

### 4. Operating costs

	2015 £	2014 £
Raw materials and consumables	1,738,695	15,840,864
Other external charges	795,917	675,546
Staff costs	3,034,268	5,514,045
Depreciation	1,221,368	1,274,899
Loss/(Profit) on sale of fixed assets	-	(4,671)
Amortisation of goodwill	306,215	318,485
Other operating charges	<u>2,307,679</u>	<u>2,457,348</u>
<b>Total operating costs</b>	<u>9,404,142</u>	<u>26,076,516</u>

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 5. Interest receivable and similar income

Interest receivable and similar income can be split as follows:

	2015 £	2014 £
Bank and other interest	8,097	3,768
Exchange gains on foreign currency balances	-	28,474
	<u>8,097</u>	<u>32,242</u>

### 6. Interest payable and similar charges

Interest payable and similar charges can be split as follows:

	2015 £	2014 £
Related party loans and overdrafts	42,700	43,562
Exchange losses on foreign currency balances	11,272	-
	<u>53,972</u>	<u>43,562</u>

### 7. Loss on ordinary activities before taxation is stated after charging:

	2015 £	2014 £
<b>Fees payable to the Company's auditors for</b>		
Audit of the Company's accounts	15,000	17,500
Audit of the Company's subsidiaries	18,000	16,000
Depreciation	1,221,368	1,274,899
Profit on sale of fixed assets, subsidiaries and operations	(1,951,976)	(2,257,763)
Operating lease payments		
Plant and machinery	17,712	8,610
Land and buildings	201,671	353,648
Amortisation of goodwill	306,215	318,485
Research and development	534,398	101,264
Foreign exchange losses/(gains)	11,272	(28,474)

In 2015, there were no (2014: nil) non audit fees paid to the Company's auditor.

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

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

#### (i) Analysis of tax charge on profit on ordinary activities

	2015 £	2014 £
United Kingdom corporation tax at 20.50% (2014: 22.0%) based on the profit for the year	(61,768)	(1,529,543)
Total current tax charge	(61,768)	(1,529,543)
Effects of decrease in tax rates on opening liability	4,365	2,419
Origination and reversal of timing differences	(179,425)	391,292
Adjustment in respect of prior years	-	(1)
Total deferred tax (charge)/credit	(175,060)	393,710
Total tax charge on profit on ordinary activities	<u>(236,828)</u>	<u>(1,135,833)</u>

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

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20.50% (2014: 22.0%). 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:

	2015 £	2014 £
Loss on ordinary activities before taxation	(3,605)	(1,308,702)
Tax credit at 20.50% (2014: 22.0%):	739	287,914
Factors affecting charge:		
Expenses not deductible for tax purposes	(52,616)	(956,120)
Income not taxable	-	1,202
Capital allowances in excess of depreciation	-	53,580
Group relief	-	2,721
Effect of other tax rates / credits	-	(22,309)
R&D tax credits	50,788	37,858
Unprovided deferred tax movements	(240,121)	-
Effects of decrease in tax rates on opening liability	4,365	2,419
Roundings	15	-
Utilisation of tax losses	2	-
Adjustment in respect of prior years	-	(1)
Losses not utilised	-	(543,097)
Total current tax charge for year	<u>(236,828)</u>	<u>(1,135,833)</u>

The Finance Act 2015, which was substantively enacted in October 2015, included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017 and 18% from 1 April 2020. As the Act was not substantively enacted at the balance sheet date, deferred tax balances have not been revalued to these lower rates in these accounts.

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 9. 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 2014	138,374	-	15,789,474	-	3,041,511	18,969,359
Additions	10,187	191,895	-	92,299	920,862	1,215,243
Disposal	(62,912)	-	-	-	(1,539,030)	(1,601,942)
At 30 September 2015	85,649	191,895	15,789,474	92,299	2,423,343	18,582,660
<b>Accumulated depreciation</b>						
At 1 October 2014	114,858	-	394,737	-	2,515,965	3,025,560
Charge for the year	8,091	13,812	789,474	3,077	406,914	1,221,368
Disposal	(55,870)	-	-	-	(1,527,783)	(1,583,653)
At 30 September 2015	67,079	13,812	1,184,211	3,077	1,395,096	2,663,275
<b>Net book value</b>						
At 30 September 2015	18,570	178,083	14,605,263	89,222	1,028,247	15,919,385
At 30 September 2014	23,516	-	15,394,737	-	525,546	15,943,799

### 10. Fixed assets investments

#### Company

	At 30 Sep 2014 £	Increase in holding £	At 30 Sep 2015 £
Investment in Amscreen PLC	8,647,328	313,440	8,960,768
Investment in Amstar Media Limited	1	-	1
Investment in subsidiaries at 30 September 2015	8,647,329	313,440	8,960,769

The subsidiary investments at 30 September 2015 comprise an 82.74% (2014: 79.36% and 2013: 74.85%) shareholding in Amscreen PLC, a 100% shareholding in Amstar Media Limited and a 100% investment in Amsair Aircraft Limited.

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 Company's principal subsidiary undertakings are Amscreen PLC, Amscreen Group Limited, Amsair Aircraft Limited and Amstar Media Limited which all operate in the United Kingdom. Amscreen PLC and Amscreen Group Limited engage in digital signage. Amsair Aircraft Limited is engaged in the business of chartering aircraft. Amstar Media Limited earns royalties and appearance fees from the media industry.

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 11. 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. The impact of this change on the prior year statements is detailed in note 23. This investment has subsequently increased to 82.74%

During the year, Amscreen Group Limited sold its UK media sales business following a strategic decision to move away from being an advertising business. Goodwill of £412,753 was attached to this sale.

Group	Cost £	Amortisation £	Net book value £
At 30 September 2014	2,061,241	(787,303)	1,273,938
Amortisation during year		(306,215)	(306,215)
Sale of operations	(412,753)	179,634	(233,119)
At 30 September 2015	<u>1,648,488</u>	<u>(913,884)</u>	<u>734,604</u>

### 12. Stocks

	Group	
	2015 £	2014 £
Finished goods and goods for resale	2,256,330	1,530,817
	<u>2,256,330</u>	<u>1,530,817</u>

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

### 13. Debtors

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Amounts falling due within one year				
Trade debtors	1,141,299	1,011,173	-	-
Other debtors	848,941	5,168	-	-
Amounts owed by group companies	-	-	3,591,106	2,164,024
Other taxation	120,548	2,656	2,000	-
Corporation tax	53,232	-	-	-
Prepayments and accrued income	644,179	652,719	44,493	-
Amounts falling due within one year	<u>2,808,199</u>	<u>1,671,716</u>	<u>3,637,599</u>	<u>2,164,024</u>



# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

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

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	815,719	298,542	-	-
Other creditors	13,251,061	12,745,004	752,159	-
Corporation tax	-	30,561	-	30,561
Other taxes and social security costs	115,923	190,517	-	-
Accruals	121,007	116,936	14,999	17,500
Deferred income	1,454,530	1,044,435	-	-
	<u>15,758,240</u>	<u>14,425,995</u>	<u>767,158</u>	<u>48,061</u>

At 30 September 2015 the Group owed £13,125,176 (2014: £12,745,004) to Amshold Group Limited, a company controlled by Lord Sugar. 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. Interest on the loan is charged at commercial rates.

### 15. Deferred tax asset

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Movement on deferred taxation				
At 1 October	-	68,510	-	-
Disposal of discontinued operations	-	(68,510)	-	-
At 30 September	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

A deferred tax asset has not been recognised due to the uncertainty of the timing of some assets being utilised. The unrecognised deferred tax asset is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Excess of depreciation over tax allowances	222,225	181,866	-	-
Tax losses	1,234,038	1,039,698	-	-
Other timing differences	2,059	2,059	-	-
Deferred tax asset	<u>1,458,322</u>	<u>1,223,623</u>	<u>-</u>	<u>-</u>

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 16. Provisions for liabilities

Provisions for liabilities can be split between warranty provisions and deferred tax as follows:

	Group Warranty provision		Group Deferred tax	
	2015	2014	2015	2014
	£	£	£	£
At 1 October	-	331,166	403,164	796,874
Utilised during the year	-	(79,815)	-	-
Provided during the year	-	70,234	175,060	(393,710)
Disposal of discontinued operations	-	(321,585)	-	-
At 30 September	-	-	578,224	403,164

The warranty provision in 2014 related to the expected future cost of providing warranty support. There are no longer any warranty provisions following the disposal of Viglen in the previous financial year.

### 17. Called up share capital

	2015 Ordinary shares of £1 each	
	Number	£
Called up, allotted and fully paid	5,991,886	5,991,886

### 18. Profit for the financial year

As permitted by Section 408 of the Companies Act 2006, the profit and loss of the parent company is not presented as part of these financial statements. The profit before tax for the period ended 30 September 2015 accounted for in the books of the parent company was £1,067,463 (2014: Profit of £6,589,995).

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

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

#### (a) Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Group operating loss	(1,909,706)	(3,555,145)
Amortisation of goodwill	306,215	318,485
Depreciation charge	1,221,368	1,274,899
Interest paid and similar charges	(42,700)	(43,562)
(Increase)/Decrease in stocks	(725,513)	88,831
(Increase)/Decrease in debtors	(299,483)	4,748,706
Increase in creditors	1,066,191	1,233,139
Corporation tax paid	(92,329)	(1,697,807)
Net cash (outflow)/inflow from operating activities	<u>(475,957)</u>	<u>2,367,546</u>

#### (b) Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
(Decrease)/Increase in net cash in the year	(343,940)	1,267,109
Net funds at 1 October	<u>590,472</u>	<u>(676,637)</u>
Net funds at 30 September	<u>246,532</u>	<u>590,472</u>

#### Analysis of net funds

	At 1 Oct 2014 £	Cash flows £	At 30 Sept 2015 £
Cash at bank and in hand	<u>590,472</u>	<u>(343,940)</u>	<u>246,532</u>
Net funds	<u>590,472</u>	<u>(343,940)</u>	<u>246,532</u>

### 20. Leasing commitments

At 30 September 2015 the Group has total future minimum lease payments under non-cancellable operating leases as follows:

	2015		2014	
	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	61,730	-	-	-
In the second to fifth years	431,196	123,764	59,299	2,317
Over five years	-	-	106,927	3,560
	<u>492,926</u>	<u>123,764</u>	<u>166,226</u>	<u>5,877</u>

# Amshold Trading Limited

## Notes to the financial statements For the year ended 30 September 2015

### 21. Related party transactions

At 30 September 2015 the Group owed £13,125,176 (2014: £12,745,005) at commercial rates of interest to Amshold Group Limited, a company ultimately controlled by Lord Sugar.

During the year the Group charged Amshold Group Limited £545,509 (2014: £423,377) for travel services and incurred management charges from Amshold Group Limited of £360,000 (2014: £160,000).

### 22. Controlling party

The Company is wholly owned by Lord Sugar.

### 23. Explanation of transition to FRS 102

This is the first year that the Group has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 30 September 2014 and the date of transition to FRS 102 was therefore 1 October 2013. As a consequence of adopting FRS 102, the goodwill accounting policy has changed to comply with that standard with a reduction in the useful economic life from 20 years to 5 years.

#### Consolidated reconciliation of equity

	Shareholders funds'		Non-controlling interest	
	At 1 Oct 2013 £	At 30 Sep 2014 £	At 1 Oct 2013 £	At 30 Sep 2014 £
Equity reported under previous UKGAAP	7,260,540	5,533,438	2,475,233	861,810
<b>Adjustments to equity on transition to FRS 102</b>				
Amortisation of goodwill	-	(169,556)	-	(44,109)
<b>Equity reported under FRS 102</b>	<u>7,260,540</u>	<u>5,363,882</u>	<u>2,475,233</u>	<u>817,701</u>

#### Reconciliation of consolidated profit or loss for year to 30 September 2014

	Group £
<b>Loss for the financial year under previous UK GAAP</b>	<u>(2,230,870)</u>
Amortisation of goodwill	(213,665)
<b>Profit for the financial year under FRS 102</b>	<u>(2,444,535)</u>

#### Notes to the reconciliation of equity and profit or loss for the year to 30 September 2014

FRS102 states that if an entity is unable to make a reliable estimate of the useful life of goodwill, the life shall not exceed five years. The goodwill remaining in the Group at 1 October 2013, the transition date, is being amortised over 5 years.