

Parent for:  
9040181

**Company Registration No. 08557464**

**Amshold Trading Limited**

**Annual Report and Consolidated Financial Statements**

**Year ended 30 September 2020**



# **Amshold Trading Limited**

## **Report and financial statements 2020**

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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 (resigned 31 December 2020)

### **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  
Statutory Auditor  
The Hanover Building  
Corporation Street  
Manchester  
M4 4AH  
United Kingdom

# **Amshold Trading Limited**

## **Strategic report**

The directors present their strategic report of Amshold Trading Limited the Group for the year ended 30 September 2020.

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 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 Group'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 its customer base.

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

Despite the challenges posed by the coronavirus outbreak, the year to 30 September 2020 has been successful from a trading, operational and strategic perspective.

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.

The coronavirus outbreak resulted in the Group having to adapt to an unprecedented set of circumstances. In line with government advice, we seamlessly moved to the majority of our technical staff working from home and our manufacturing facility was closed on 23rd March 2020. We re-opened on 1st July 2020, again in line with government advice, once our premises had been made covid secure.

The Group reduced its spend in all areas, took advantage of the government's Coronavirus Job Retention and VAT Deferral Schemes and worked closely with its supply chain to suspend and then resume deliveries of components.

Our key customer, Clear Channel, maintained frequent dialogue with us throughout the year, keeping us informed and working closely with us to manage the impact of the coronavirus outbreak on both our businesses. Deliveries of new screens were suspended to Clear Channel during the closure of our manufacturing facility and we agreed a re-phasing of the current order book and a deferral of certain lease facility payments that were due in the year.

Our business model of providing our screen solutions on a lease facility that is payable over a number of years results in our cash flows for any period being largely related to product that has been shipped in prior periods. So whilst the closure of our manufacturing facility caused a reduction in sales for the current year, the incoming cash flows for the period were not significantly impacted by this closure and were very strong.

The challenges of the last 12 months have served to strengthen the Group's belief in its products, business model and target market. It has continued to invest significantly in research & development and has embarked on two major new product developments that are due to be launched later in 2021.

FRS 102 requires the Group to account for the outdoor screens as finance leases and as such, a finance lease rental receivable balance of £19,163,734 (2019: £25,763,923) is recorded within debtors, which will be recovered over the contract term of the screens that have been delivered to date.

On 28 February 2019 in the prior year, 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 10. The Group reported a profit after non-controlling interest of £4,284,819 in the year to September 2020 (2019: £5,923,442).

# 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:

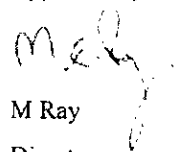
- The business is currently reliant on a single customer group and their European subsidiaries which in turn has a significant reliance on the European outdoor advertising sector. The outdoor advertising market did suffer from the European lockdowns that have been required due to the coronavirus outbreak. Digital screens were however used to good effect during the lockdowns as advertising was sent electronically to the screens and the screens were used for extensive public health messaging. Clear Channel did see a recovery in advertising once lockdowns were eased across Europe and expect this to be the case moving forward. To help mitigate the impact of the coronavirus outbreak, Clear Channel raised some additional equity and reduced their cost base. The advertising sector is still 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 possesses a high market share of the outdoor advertising industry across Europe and therefore represent an obvious and key target for the Group's products and solutions. Part of the Group's long term strategy is to extend its core customer base both within and beyond Europe. 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 & 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 cash flows over a number of years and the Group has lower barriers to adoption of its offering than other providers. This business model has served the Group well in the last twelve months and throughout the coronavirus outbreak, due to the reduction in the number of units sold being more than offset by the cash received from lease payments from units shipped in prior years. The cash generation of the Group in the year was therefore very strong. The Group does not anticipate any major negative implications arising from the "Brexit" process and has put in place the necessary processes for the increased administration involved in shipping products to Europe. 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.

### Future developments and subsequent events

The Group continues to invest significant time in seeking out further opportunities in the digital signage market and the media industry and there were no subsequent events to report.

The coronavirus pandemic Covid-19 may impact our ability to receive product from our suppliers on a timely basis and a period of illness may impact our employees ability to work for us which in turn could impact our ability to service our customers. The longer term impact on the economy could impact future revenue levels.

Approved by the Board and signed on its behalf by:



M Ray  
Director

1 April 2021

# **Amshold Trading Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 September 2020. 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 and the Group, 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 Group has adequate resources to continue in operation for the foreseeable future. For the reasons set out in The Strategic Report (primarily due to the Group's leasing business model and how it has adapted during the last 12 months), the directors believe that any uncertainties arising from the ongoing coronavirus outbreak and the "Brexit" process will not have any major negative implications on the Group. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Dividends**

The directors do not propose the payment of a dividend (2019: 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.

## **Amshold Trading Limited**

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

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

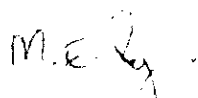
Each of the persons who is a director at the date of approval of this report confirms that:

- 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

1 April 2021

## **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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company to 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**

## **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 2020 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 ;and
- the related notes 1 to 21.

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

1 April 2021

## Amshold Trading Limited

### Consolidated profit and loss account For the year ended 30 September 2020

	Notes	2020 £	2019 £
Group turnover	3	11,563,424	19,964,190
Operating costs	5	(7,839,622)	(13,207,964)
Other income	8	250,860	-
<b>Group operating profit</b>		3,974,662	6,756,226
Interest receivable and similar income	6	1,106,408	1,223,326
Interest payable and similar charges	7	(57,868)	(214,611)
<b>Profit before taxation</b>	8	5,023,202	7,764,941
Tax credit/(charge) on profit	9	90,617	(971,412)
<b>Profit after taxation</b>		5,113,819	6,793,529
Non-controlling interest		(829,000)	(870,087)
<b>Retained profit for the financial year after non-controlling interest</b>		4,284,819	5,923,442

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.

All results derive from continuing operations.

## Amshold Trading Limited

### Consolidated balance sheet As at 30 September 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	10	88,972	204,304
		<u>88,972</u>	<u>204,304</u>
<b>Current assets</b>			
Stocks	12	2,394,876	2,955,337
Debtors due within one year	13	20,195,135	12,341,768
Debtors due after one year	13	6,829,966	14,013,597
Cash at bank and in hand		1,922,808	379,949
		<u>31,342,785</u>	<u>29,690,651</u>
<b>Current liabilities</b>			
Creditors due within one year	14	(7,315,162)	(6,269,925)
		<u>24,027,623</u>	<u>23,420,726</u>
<b>Net current assets</b>			
<b>Total assets less current liabilities</b>		<u>24,116,595</u>	<u>23,625,030</u>
<b>Creditors due after one year</b>	14	(2,763,373)	(7,385,738)
<b>Provisions for liabilities</b>	16	(111)	-
		<u>21,353,111</u>	<u>16,239,292</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	17	5,991,886	5,991,886
Profit and loss account		12,425,386	8,140,567
		<u>18,417,272</u>	<u>14,132,453</u>
<b>Shareholder's funds</b>			
Non-controlling interest		2,935,839	2,106,839
		<u>21,353,111</u>	<u>16,239,292</u>
<b>Total capital employed</b>			

The Group financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 1 April 2021. They were signed on its behalf by:



M Ray  
Director

# Amshold Trading Limited

## Company balance sheet As at 30 September 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Investments	11	8,970,490	8,970,490
<b>Current assets</b>			
Debtors due within one year	13	3,000	73,247
Debtors due after one year	13	4,014,941	6,000,000
Cash at bank and in hand		255,579	89,482
		4,273,520	6,162,729
<b>Current liabilities</b>			
Creditors due within one year	14	(69,072)	(1,878,953)
<b>Net current assets</b>		4,204,448	4,283,776
<b>Total assets less current liabilities</b>		13,174,938	13,254,266
<b>Creditors due after one year</b>	14	-	(2,004,545)
<b>Net assets</b>		13,174,938	11,249,721
<b>Capital and reserves</b>			
Called up share capital	17	5,991,886	5,991,886
Profit and loss account		7,183,052	5,257,835
<b>Shareholder's funds</b>		13,174,938	11,249,721

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 2020 accounted for in the books of the parent company was £1,925,217 (2019: £2,190,240 loss).

The Company financial statements of Amshold Trading Limited, registered number 8557464, were approved by the board of directors and authorised for issue on 1 April 2021. They were signed on its behalf by:



M Ray  
Director

## Amshold Trading Limited

### Consolidated statement of changes in equity For the year ended 30 September 2020

	Called up share capital	Profit and loss account	Shareholder's funds	Non- controlling interest	Total capital employed
	£	£	£	£	£
As at 1 October 2018	5,991,886	2,217,125	8,209,011	1,245,081	9,454,092
Profit for the financial year and total comprehensive income	-	5,923,442	5,923,442	870,087	6,793,529
Changes in stake in subsidiary	-	-	-	(8,329)	(8,329)
As at 30 September 2019	5,991,886	8,140,567	14,132,453	2,106,839	16,239,292
Profit for the financial year and total comprehensive income	-	4,284,819	4,284,819	829,000	5,151,291
As at 30 September 2020	5,991,886	12,425,386	18,417,272	2,935,839	21,353,111

### Company statement of changes in equity For the year ended 30 September 2020

	Called up share capital	Profit and loss account	Shareholder's funds
	£	£	£
As at 1 October 2018	5,991,886	7,448,075	13,439,961
Loss for the financial year and total comprehensive expense	-	(2,190,240)	(2,190,240)
As at 30 September 2019	5,991,886	5,257,835	11,249,721
Profit for the financial year and total comprehensive expense	-	1,925,217	1,925,217
As at 30 September 2020	5,991,886	7,183,052	13,174,938

## Amshold Trading Limited

### Consolidated cash flow statement For the year ended 30 September 2020

	Notes	2020 £	2019 £
Net cash inflow/(outflow) from operating activities	18	6,079,472	(1,042,522)
<b>Cash flows from investing activities</b>			
Interest received and similar income		1,106,408	1,219,551
Payments to acquire tangible fixed assets		(35,701)	(69,718)
<b>Net cash inflow from investing activities</b>		<u>1,070,707</u>	<u>1,149,833</u>
<b>Cash flows from financing activities</b>			
Interest paid and similar charges		(57,868)	(214,613)
Transfer from minority interest		-	(8,329)
Repayments of borrowings		(5,549,452)	-
<b>Net cash outflow from financing</b>		<u>(5,607,320)</u>	<u>(222,942)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>1,542,859</u>	<u>(115,631)</u>
<b>Cash and cash equivalents at beginning of year</b>		379,949	491,803
Effect of foreign exchange rate changes		-	3,777
<b>Cash and cash equivalents at end of year</b>		<u>1,922,808</u>	<u>379,949</u>



# **Amshold Trading Limited**

## **Notes to the financial statements For the year ended 30 September 2020**

### **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 includes the impact of Covid-19. 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 directors are aware of their duty to assess the ability of the Group to continue as a going concern and in particular are sensitive to this requirement given the current economic climate both within the UK and globally. Although the Group has strong interest in its offering, the current economic conditions experienced by the UK and Eurozone continue to create an uncertainty over the level of the demand for the Group's products and services.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate with its current cash balances. The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and in any case a period of not less than one year from the date of signing these financial statements. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual 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.

## **Amshold Trading Limited**

### **Notes to the financial statements (continued)** **For the year ended 30 September 2020**

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

##### **Turnover and interest received**

Turnover and interest received 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. Interest is accounted for on an accruals basis.

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
Fixtures, fittings and equipment	- 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 2020**

### **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 expensed 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 2020**

### **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.

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2020

### 1. Accounting policies (continued)

#### Government grants

Government grants are recorded in other income. Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

In response to the Covid-19 pandemic the Group took advantage of the Coronavirus Job Retention Scheme which resulted in the Group receiving a government grant to cover the salary costs of a number of employees.

The receipt was recognised in the profit and loss account in other income. The Group also took part in the VAT Deferral Scheme which was announced by the government to assist businesses with their cash flow during the Covid-19 pandemic. Therefore the VAT payments which were payable in March through to June 2020 were deferred with the total amount payable at year end included in other taxes and social security amounts due (see note 14).

### 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.

#### *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.

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

#### 3. Turnover and segmental analysis

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

		2020	2019
		£	£
<b>Turnover</b>			
Aircraft chartering	United Kingdom	-	496,592
Digital signage	United Kingdom	9,834,801	12,981,753
Digital signage	Rest of the World	1,458,123	4,696,710
Media activities	United Kingdom	270,500	1,789,135
		<u>11,563,424</u>	<u>19,964,190</u>
		2020	2019
		£	£
<b>Profit before taxation</b>			
Aircraft chartering		-	338,665
Digital signage		4,717,634	5,586,605
Media activities		143,944	1,533,966
Other trading profits		161,624	305,707
		<u>5,023,202</u>	<u>7,764,943</u>

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

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

##### Directors' emoluments

	2020 £	2019 £
Directors' remuneration	428,371	471,804
	<u>428,371</u>	<u>471,804</u>

The emoluments of the highest paid director were £247,084 (2019: £257,556). No directors were members of a pension scheme to which the Group contributed in the current year (2019: no directors). There are no share option schemes in the Group.

	2020 £	2019 £
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	2,099,101	2,356,016
Social security costs	239,981	237,802
Pension costs	90,481	80,420
	<u>2,429,563</u>	<u>2,674,238</u>
<b>The average monthly number of employees (including directors):</b>	<b>Number</b>	<b>Number</b>
Office, support and sales	20	19
Engineering	14	13
Production	18	20
	<u>52</u>	<u>52</u>

At 30 September 2020, the Company Amshold Trading Limited has nil (2019: nil) employees, other than directors.

#### 5. Operating costs

	2020 £	2019 £
Raw materials and consumables	3,984,375	8,576,492
Other external charges	-	531,433
Staff costs	2,429,563	2,674,238
Depreciation	151,033	484,792
Reversal of Impairment of tangible fixed assets	-	(619,820)
Other operating charges	1,274,651	1,560,829
<b>Total operating costs</b>	<u>7,839,622</u>	<u>13,207,964</u>

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2020

### 6. Interest receivable and similar income

Interest receivable and similar income can be split as follows:

	2020 £	2019 £
Interest receivable on finance leases	1,105,372	1,215,754
Bank and other interest	1,036	3,795
Exchange gain on foreign currency balances	-	3,777
	<u>1,106,408</u>	<u>1,223,326</u>

### 7. Interest payable and similar charges

Interest payable and similar charges can be split as follows:

	2020 £	2019 £
Related party loans	1,906	25,503
Bank and other interest	55,962	20,533
Overdrafts	-	168,575
	<u>57,868</u>	<u>214,611</u>

### 8. Profit before taxation is stated after charging/(crediting):

	2020 £	2019 £
Audit of the Company's accounts	15,180	15,000
Audit of the Company's subsidiaries	22,500	21,630
Depreciation	151,033	484,792
Reversal of impairment of tangible fixed assets	-	(619,820)
Hire of plant and machinery	36,880	42,149
Operating lease payments		
Land and buildings	204,426	204,426
Other	26,012	32,226
Government grants for support with payroll costs	(250,860)	-
Research and development	164,983	210,390
Foreign exchange gains	-	(3,777)
Cost of stock recognised as an expense	<u>3,984,375</u>	<u>8,576,492</u>

Other than audit fee, there were no other services paid to the Company's auditor (2019: nil).



# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2020

### 9. Tax credit/(charge) on profit

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

	2020 £	2019 £
<b>Current year</b>		
United Kingdom corporation tax at 19% (2019: 19%) based on the profit for the year	(177,984)	(687,577)
Adjustment in respect of prior years	274,249	-
Deferred tax	(5,537)	-
<b>Total current tax credit/(charge)</b>	<b>90,728</b>	<b>(687,577)</b>
Effects of decrease in tax rates on opening liability	-	29,256
Origination and reversal of timing differences	190	(521,466)
Increase in estimate of recoverable deferred tax asset	-	208,375
Adjustment in respect of prior years	(301)	-
<b>Total deferred tax charge</b>	<b>(111)</b>	<b>(283,835)</b>
<b>Tax credit /(charge) on profit</b>	<b>90,617</b>	<b>(971,412)</b>

The standard rate of tax applied to reported profit on ordinary activities is 19% (2019: 19%). Finance Bill 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 30 September 2019 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year ended 30 September 2020. Furthermore however, in the March 2021 Budget it was announced that the main UK rate will increase to 25% after 1 April 2023. As substantive enactment is after the balance sheet date, deferred tax balances as at 30 September 2020 continue to be measured at a rate of 19%.

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

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2019: 19%). The actual tax credit/(charge) 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:

	2020 £	2019 £
Profit before taxation	5,023,202	7,764,941
Tax charge at 19% (2019: 19%):	(954,409)	(1,475,339)
Factors affecting credit:		
Expenses not deductible for tax purposes	(333,752)	(5,931)
Research and development tax credits	177,109	199,566
Patent Box tax relief	291,150	-
Adjustment in respect of prior years	273,948	-
Unprovided deferred tax movements	304,071	321,181
Income not taxable	332,500	48
Effects of decrease in tax rates on opening liability	-	(45,687)
<b>Total tax credit/(charge)</b>	<b>90,617</b>	<b>(971,412)</b>

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

#### 10. Tangible fixed assets

##### Group

	Fixtures, fittings and equipment £	Plant and machinery £	Leasehold improvements £	Computer equipment and screens £	Total £
<b>Cost</b>					
At 1 October 2019	103,662	505,414	125,685	2,214,333	2,949,094
Additions	263	21,284	1,255	12,899	35,701
Disposals	(10,333)	(50,767)	-	(1,787,847)	(1,848,947)
At 30 September 2020	93,592	475,931	126,940	439,385	1,135,848
<b>Accumulated depreciation</b>					
At 1 October 2019	86,124	409,797	81,110	2,167,759	2,744,790
Charge for the year	4,429	74,498	29,140	43,966	151,033
Disposals	(10,333)	(50,767)	-	(1,787,847)	(1,848,947)
At 30 September 2020	80,220	433,528	110,250	422,878	1,046,876
<b>Net book value</b>					
At 30 September 2020	13,372	42,403	16,690	16,507	88,972
At 30 September 2019	17,538	95,617	44,575	46,574	204,304

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

#### 11. Fixed assets investments

##### Company

	2020	2019
	£	£
Investment in Amscreen PLC	8,970,489	8,970,489
Investment in Amstar Media Limited	1	1
Investment in subsidiaries	8,970,490	8,970,490

*Amstar Media Limited, incorporated in the United Kingdom, is 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	06618670	82.80%
Amscreen Group Limited (indirectly)	United Kingdom	Digital signage	02751472	100%
<b>Registered address: Amshold House, Goldings Hill, Loughton, Essex, IG10 2RW</b>				
Amstar Media Limited	United Kingdom	Media industry	09040151	100%

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.

#### 12. Stocks

	Group	
	2020	2019
	£	£
Raw materials	2,043,096	2,642,965
Finished goods and goods for resale	351,780	312,372
	2,394,876	2,955,337

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

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

#### 13. Debtors

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	2,932,578	369,303	-	-
Other debtors	52	52	-	-
Finance lease rental receivable	19,163,734	25,763,923	-	-
Amounts owed by group companies	4,000,000	-	4,014,941	6,000,000
Other taxation	325,055	3,000	3,000	-
Deferred taxation (Note 15)	202,837	208,375	-	-
Prepayments and accrued income	400,845	10,712	-	73,247
	<u>27,025,101</u>	<u>26,355,365</u>	<u>4,017,941</u>	<u>6,073,247</u>

#### *Group*

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

	<b>2020</b>		<b>2019</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	12,333,768	12,945,870	11,750,326	12,615,801
Between one and five years	6,829,966	6,991,311	14,013,597	14,503,352
	<u>19,163,734</u>	<u>19,937,181</u>	<u>25,763,923</u>	<u>27,119,153</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 2020 (2019: same).

#### *Company*

Amounts owed by group companies includes £4,000,000 (2019: £6,000,000) representing a loan to Amsprop REAT Limited a Company wholly owned by Lord Sugar and repayable in more than one year.

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2020

### 14. Creditors

#### Amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	1,190,869	1,642,150	18,013	-
Amounts owed to other group companies	-	-	-	1,805,869
Other taxes and social security costs	1,268,059	499,816	5,350	-
Accruals and deferred income	4,718,120	3,748,587	15,000	15,000
Deferred income	138,114	-	-	-
Corporation tax	-	379,372	30,709	58,084
	<u>7,315,162</u>	<u>6,269,925</u>	<u>69,072</u>	<u>1,878,953</u>

#### Amounts falling due after one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts owed to related parties	-	2,004,545	-	2,004,545
Bank loan	-	3,544,907	-	-
Deferred income	2,763,373	1,836,286	-	-
	<u>2,763,373</u>	<u>7,385,738</u>	<u>-</u>	<u>2,004,545</u>

#### Group

At 30 September 2020 the Group owed £nil (2019: £2,004,545) to Amshold Group Limited, a company controlled by Lord Sugar, repayable in more than one year and included in other creditors. The loan bears interest of 0.4% and was fully repaid on 3 February 2020.

#### Company

At 30 September 2020 the Company owed £nil (2019: £2,004,545) to Amshold Group Limited, a company controlled by Lord Sugar, repayable in more than one year. The loan bears interest of 0.4% and was repaid in full on 3 February 2020.

### 15. Deferred tax asset

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

	Group	
	2020	2019
	£	£
	Recognised	
Excess of depreciation over tax allowances	201,999	207,545
Other timing differences	838	830
Deferred tax asset	<u>202,837</u>	<u>208,375</u>

# Amshold Trading Limited

## Notes to the financial statements (continued) For the year ended 30 September 2020

### 16. Provisions for liabilities

	<b>Group Deferred tax</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At 1 October	-	24,004
Charged to the profit and loss in the year	(111)	(24,004)
At 30 September	(111)	-
<b>Analysis of deferred tax provision:</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Capital allowances in excess of depreciation	(111)	-

### 17. Called up share capital

	<b>Ordinary shares of £1 each</b>	
	<b>Number</b>	<b>£</b>
At 30 September 2019 and 30 September 2020		
Called up, allotted and fully paid	5,991,886	5,991,886

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

Reconciliation of operating profit to net cash outflow from operating activities

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Group operating profit	3,974,662	6,756,226
Depreciation charge	151,033	484,792
Impairment of tangible fixed assets	-	(619,820)
Corporation tax paid	(288,644)	(206,197)
Operating cash flow before movement in working capital	3,837,051	6,415,001
Decrease/(Increase) in stocks	560,461	(446,032)
Increase in debtors	(669,736)	(2,019,717)
Increase/(Decrease) in creditors	2,351,696	(13,437,717)
Sale of subsidiary	-	8,445,943
Net cash inflow/(outflow) from operating activities	6,079,472	(1,042,522)

## Amshold Trading Limited

### Notes to the financial statements (continued) For the year ended 30 September 2020

#### 19. Leasing commitments

At 30 September 2020 the Group has total future minimum lease payments under non-cancellable operating leases as follows:

	2020		2019	
	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	204,426	9,363	204,426	22,932
In the second to fifth years	173,497	8,774	377,923	20,274
	<u>377,923</u>	<u>18,137</u>	<u>582,349</u>	<u>43,206</u>

#### 20. Related party transactions

At 30 September 2020 the Group owed £nil (2019: £2,004,545) at commercial rates of interest to Amshold Group Limited, a company ultimately controlled by Lord Sugar and paid £1,906 (2019: £25,503) of interest in the year.

During the year the Group charged Amshold Group Limited £nil (2019: £329,870) for travel services and incurred management charges from Amshold Group Limited of £60,000 (2019: £60,000).

During the year the Company charged Amscreen Group Limited £188,274 (2019: £357,096) 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.

#### 21. 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.