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Company Registration No. FC016893

Amshold Limited

Report and Financial Statements

30 June 2009



Amshold Limited

Report and financial statements 2009

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Amshold Limited

Report and financial statements 2009

Officers and professional advisers

Directors

Lord Sugar (resigned 30 June 2009)
Lady Sugar (resigned 30 June 2009)
L Baron
C T Sandy
A Cohen
D P Sugar
S Sugar

C Littner was appointed as a director with effect 1 July 2009

Secretary

RBC Wealth Management

Registered Office

Regent Trust Company (Jersey) Limited
La Motte Chambers
St Helier
Jersey
JE1 1PB
Channel Islands

Bankers

Lloyds TSB Bank plc
City Office
11-15 Monument Street
London
ECV 9JA

Solicitors

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

Auditors

Deloitte LLP
Chartered Accountants
London

Amshold Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2009.

Activities

The company is incorporated in Jersey as a private limited company and is an investment holding company which also provides management services. There are no plans to change these activities. The activities of the subsidiary and associated undertakings are: aircraft chartering; intermediate holding company; property investment and property trading.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend (2008: £nil). The loss on ordinary activities after taxation was £364,356 (2008: profit £43,728,177).

Directors

The current directors are listed on page 1 and served throughout the year, except where noted.

Charitable donation

During the year the company made a charitable donation of £2,000 (2008: £1,500) to a registered charity.

Going concern

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

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.

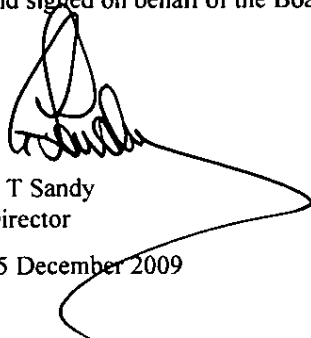
Indemnities

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

Auditors

A resolution has been passed dispensing with the obligation to appoint auditors annually. Accordingly, Deloitte LLP will remain in office until such time as the resolution is revoked.

Approved by the Board of Directors
and signed on behalf of the Board



C T Sandy
Director
15 December 2009

Amshold Limited

Statement of directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 proper accounting records that 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 (Jersey) Law 1991. 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 auditors' report to the members of Amshold Limited

We have audited the financial statements of Amshold Limited for the year ended 30 June 2009 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. 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 auditors' 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Jersey) Law 1991. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2009 and of its loss for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991.



Deloitte LLP
Chartered Accountants
London, United Kingdom

15 December 2009

Amshold Limited

Profit and loss account Year ended 30 June 2009

	Notes	2009 £	2008 £
Turnover	2	120,000	470,000
Other income		296,600	8,947
Administrative expenses		(1,044,760)	(1,071,641)
Operating loss	3	(628,160)	(592,694)
(Loss)/Profit on sale of investments	5	(5,002)	47,564,840
Income from fixed asset investments	4	1,744,721	2,814,068
Interest receivable and similar income	6	6,974,984	12,586,398
Interest payable and similar charges	7	(2,437,676)	(3,623,382)
Profit on ordinary activities before taxation		5,648,867	58,749,230
Tax on profit on ordinary activities	9	(6,013,223)	(15,021,053)
(Loss)/Profit on ordinary activities after taxation		<u>(364,356)</u>	<u>43,728,177</u>

There were no recognised gains or losses or movements in shareholder's funds for the current year or the previous year other than those stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.

All activities derive from continuing operations.

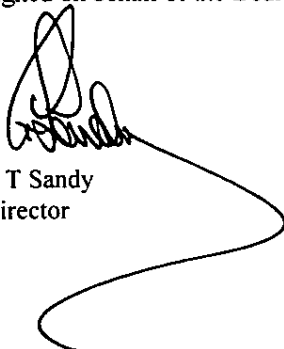
Amshold Limited

Balance sheet 30 June 2009

	Notes	2009 £	2008 £
Fixed assets			
Tangible fixed assets	10	858	112
Investments	11	103,333,779	162,310,722
		<u>103,334,637</u>	<u>162,310,834</u>
Current assets			
Debtors	12	206,628,489	198,480,765
Cash at bank and in hand		32,062,014	48,778
		<u>238,690,503</u>	<u>198,529,543</u>
Creditors: amounts falling due within one year	13	(113,152,032)	(119,345,903)
Net current assets		<u>125,538,471</u>	<u>79,183,640</u>
Total assets less current liabilities		<u>228,873,108</u>	<u>241,494,474</u>
Provisions for liabilities and charges	14	(13,656,911)	(25,913,921)
Net assets		<u>215,216,197</u>	<u>215,580,553</u>
Capital and reserves			
Called up share capital	15	24,400	24,400
Share premium account		59,134,356	59,134,356
Profit and loss account		156,057,441	156,421,797
Shareholders' funds	16	<u>215,216,197</u>	<u>215,580,553</u>

The financial statements of Amshold Limited, registered number FC016893, were approved by the board of directors and authorised for issue on 15 December 2009.

Signed on behalf of the Board of Directors


 C T Sandy
 Director

Amshold Limited

Notes to the accounts Year ended 30 June 2009

1. Accounting policies

The financial statements are prepared in accordance with United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below and have been applied consistently in the current and prior year.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The financial statements are prepared on a historical cost convention basis and prepared on a going concern basis as discussed in the Directors' report on page 2.

Group accounts

The directors have not prepared consolidated financial statements for the company as it is itself a wholly owned subsidiary of Amshold Group Limited. Accordingly these financial statements present information only about the company as an individual undertaking and not about the group.

Tangible fixed assets

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

Fixtures and fittings - 20% on a reducing balance basis

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Taxation

The company has been deemed to be centrally managed and controlled in the UK, and is subject to UK corporation tax and reflects Jersey legislation enacted at the Balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Turnover

Turnover represents amounts derived from the provision of management services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. Revenue is recorded as it accrues, wholly arising in the United Kingdom.

Amshold Limited

Notes to the accounts Year ended 30 June 2009

3. Operating loss

	2009 £	2008 £
Operating loss is stated after charging:		
Depreciation - owned assets	214	28
Auditors' remuneration – fees for the statutory audit of the company's annual accounts	3,200	5,000
– other non-audit services	2,700	7,355
	<u>2,700</u>	<u>7,355</u>

4. Income from fixed asset investments

	2009 £	2008 £
Income from preference shares	55,910	55,910
Income from investments in loan notes	1,688,811	2,758,158
	<u>1,744,721</u>	<u>2,814,068</u>

5. (Loss)/Profit on sale of investments

	2009 £	2008 £
Sale of investments	(5,002)	47,564,840
	<u>(5,002)</u>	<u>47,564,840</u>

6. Interest receivable and similar income

	2009 £	2008 £
Foreign exchange profit	-	57,744
Interest receivable from other group companies	6,933,775	12,522,928
Other interest	41,209	5,726
	<u>6,974,984</u>	<u>12,586,398</u>

7. Interest payable and similar charges

	2009 £	2008 £
Foreign exchange loss	7,723	-
Other interest	8,157	-
Interest payable to other group companies	2,420,265	3,620,203
Bank loans, overdrafts and other loans	1,531	3,179
	<u>2,437,676</u>	<u>3,623,382</u>

Amshold Limited

Notes to the accounts Year ended 30 June 2009

8. Information regarding directors and employees

Directors' emoluments

	2009 £	2008 £
Aggregate emoluments	<u>381,678</u>	<u>311,928</u>

The emoluments of the highest paid director were £381,678 (2008: £311,928). All other directors are paid by Amsprop Estates Limited and their emoluments disclosed in those financial statements.

No directors were members of a pension scheme to which the company contributed in either the current or preceding financial years. There are no share option schemes in any group company.

Staff costs

The average number of other employees in the year was four (2008: two). Their total remuneration was:

	2009 £	2008 £
Wages and salaries	194,079	135,367
Social security costs	25,082	19,876
	<u>219,161</u>	<u>155,243</u>

9. Tax on profit on ordinary activities

(i) Analysis of tax charge on ordinary activities

	2009 £	2008 £
United Kingdom corporation tax at 28% (2008: 29.5%)	(11,998,772)	(3,152,673)
Group relief	(6,380,586)	(525,613)
Adjustment in respect of prior years	109,114	(61,246)
	<u>(18,270,244)</u>	<u>(3,739,532)</u>
Deferred taxation	<u>12,257,021</u>	<u>(11,281,521)</u>
	<u>(6,013,223)</u>	<u>(15,021,053)</u>

Amshold Limited

Notes to the accounts Year ended 30 June 2009

9. Tax on profit on ordinary activities (continued)

(ii) Factors affecting tax charge for the current period

The company has been deemed to be UK tax resident and is therefore subject to UK corporation tax.

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK: 28% (2008: 29.5%). The differences are explained below:

	2009 £	2008 £
Profit on ordinary activities before tax	5,648,867	58,749,200
Tax at 28% (2008:29.5%) thereon:	(1,581,683)	(17,332,619)
Effects of:		
Expenses not deductible for tax purposes	(13,864)	(24,587)
Income not taxable for tax purposes	15,683	14,049,467
Capital allowances in excess of depreciation	(3)	(3)
Chargeable gain crystallised in the period	(12,317,541)	-
Group relief paid at 100%	(4,481,950)	(370,543)
Adjustments in respect of prior periods	109,114	(61,246)
Current tax charge for year	<u>(18,270,244)</u>	<u>(3,739,532)</u>

With effect from the 2009 year of assessment Jersey abolished the exempt company regime for existing companies. Profit arising in the company for the 2009 year of assessment and future periods will be subject to tax at the rate of 0%. In the prior year the company was exempt from tax provisions under provisions of Article 123A of the Income Tax (Jersey) Law 1961 as amended. This status is renewable annually. The company plans to maintain this status for as long as it is available pending the introduction of a general zero rate of corporate income tax which will be introduced as from 1 January 2009. In order to hold exempt status an annual fee of £600 is payable. The fee is included as an expense in the profit and loss account as it is not dependent on the company's result.

Amshold Limited

Notes to the accounts Year ended 30 June 2009

10. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 July 2008	716
Additions	960
	<hr/>
At 30 June 2009	1,676
	<hr/>
Accumulated depreciation	
At 1 July 2008	604
Charge for the year	214
	<hr/>
At 30 June 2009	818
	<hr/>
Net book value	
At 30 June 2009	858
	<hr/>
At 30 June 2008	112
	<hr/>

11. Investments

	Shares in subsidiary undertakings £	Other £	Total £
Cost			
At 1 July 2008	12,480,928	149,829,794	162,310,722
Acquisitions	567,528	-	567,528
Disposals	(2)	(59,544,469)	(59,544,471)
	<hr/>	<hr/>	<hr/>
At 30 June 2009	13,048,454	90,285,325	103,333,779
	<hr/>	<hr/>	<hr/>

Other investments relate to £84,694,325 loan notes in Amshold Securities and £5,591,000 preference shares in Viglen Technology plc. On 20 October 2008 Amshold Limited redeemed its loan notes in ENIC for £25,005,000. On 6 April 2009, the loan notes in BSKyB were redeemed for £34,539,469.

The balance of other investments is unlisted. Additional information in respect of subsidiary undertakings and other investments is given in note 17.

Amshold Limited

Notes to the accounts Year ended 30 June 2009

12. Debtors

	2009 £	2008 £
Amounts owed by group undertakings	205,722,943	196,915,438
Trade debtors	130,427	478
Other debtors	711,262	700,690
Prepayments and accrued income	63,857	864,159
	<u>206,628,489</u>	<u>198,480,765</u>

Interest is received on the amount owed from other group companies at variable rates based on Bank of England base rate.

13. Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	7,936	57,948
Amounts owed to group undertakings	107,002,560	117,568,961
Corporation tax	5,934,713	1,687,495
Other creditors	17,426	14,719
Accruals and deferred income	189,397	16,780
	<u>113,152,032</u>	<u>119,345,903</u>

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

14. Provisions for liabilities and charges

	2009 £	2008 £
At 1 July	25,913,921	14,632,414
(Credit)/Charge to profit and loss	(12,257,010)	11,281,507
At 30 June	<u>13,656,911</u>	<u>25,913,921</u>

This relates to the deferred chargeable gain on loan notes.

15. Share capital

	2009 £	2008 £
Authorised:		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called up, allotted and fully paid:		
24,400 ordinary shares of £1 each	<u>24,400</u>	<u>24,400</u>

Amshold Limited

Notes to the accounts Year ended 30 June 2009

16. Reconciliation of movements in shareholder's funds

	2009 £	2008 £
Opening shareholders' funds	215,580,553	171,852,376
(Loss)/Profit for the financial year	(364,356)	43,728,177
Closing shareholders' funds	<u>215,216,197</u>	<u>215,580,553</u>

17. Additional information on subsidiary undertakings and other investments

Subsidiary undertakings	Country of registration	Activity	Proportion of ordinary shares held %
Amsair Limited	England and Wales	Aircraft chartering	100
Amsprop Limited	England and Wales	Intermediate holding company	100
Amsprop Investments Limited	England and Wales	Property investment	100
Amsprop Estates Limited	England and Wales	Property trading	100
Amshold Securities Limited	England and Wales	Administration of loan notes	100

All shareholdings are in the name of Amshold Limited except for Amsprop Investments Limited and Amsprop Estates Limited which are wholly owned subsidiaries of Amsprop Limited.

The company holds 100% of the preference shares in Viglen Technology Limited.

18. Related party transactions

The company has taken advantage of the exemption from related party disclosure of transactions with subsidiaries in accordance with Paragraph 3(c) of Financial Reporting Standard No. 8.

The following related party transactions took place during the year:-

- Fees totalling £nil (2008: £420,000) from Amstrad plc in respect of the services of Lord Sugar. £nil was outstanding at 30 June 2009 (2008: £35,000).
- Fees totalling £50,000 (2008: £50,000) from Amsprop Estates Limited in respect of the services of Lord Sugar. The amount due from Amsprop Estates Limited at 30 June 2009 was £8,945,644 (2008 due to Amsprop Estates: £13,213,879).
- A preference share dividend of £55,910 (2008:£55,910) was received in the year from Viglen Technology Limited. 70% Viglen Technology Limited is owned by Amsprop London Limited which in turn is ultimately controlled by Lord Sugar.
- Management fees of £50,000 (2008: £100,000) were charged by Amsprop Estates Limited.

19. Ultimate parent company

At 30 June 2009, the company was indirectly controlled by Lord Sugar. Following his appointment as a Government advisor, Lord Sugar resigned as a director of all group companies on 30 June 2009.

The ultimate parent company is Amshold Group Limited, a company incorporated in Great Britain, which is the parent undertaking of the smallest and largest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Amshold Group Ltd are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.