

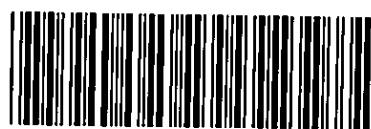
Company Registration No. 2477288

Amsprop Investments Limited

Report and Unaudited Financial Statements

Year ended 30 June 2016

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Amsprop Investments Limited

Report and unaudited financial statements 2016

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Profit and loss account	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8

Amsprop Investments Limited

Report and unaudited financial statements 2016

Officers and professional advisers

Directors

Louise J Baron
Andrew N Cohen
Daniel P Sugar
Simon Sugar
James Hughes
Claude M Littner
Roger G Adams
Michael E Ray

Secretary

Michael E Ray

Registered office

Amshold House
Goldings Hill
Loughton
Essex
IG10 2RW

Bankers

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

Solicitors

Maples Teesdale LLP
30 King Street
London
EC2V 8EE

Amsprop Investments Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the year ended 30 June 2016.

This directors' report has been prepared in accordance with the special provisions relating to small companies under S415A the Companies Act 2006.

Principal activities

The Company is principally engaged in the business of property investment. These properties are held for their long term investment potential and accordingly are treated as investment properties.

Business review

The result for the year after taxation was a profit of £23,066,932 (2015: £83,920,316). The profit and loss account for the year is set out on page 5

Going concern

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

On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

Financial risks

The directors considered the risks attached to the Company's financial instruments which principally comprise operating debtors and operating creditors and loans to and from other group companies. The directors have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the Company. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities and the financial statements.

The director's policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the year.

Dividends

The directors do not propose the payment of a dividend (2015: £nil).

Directors

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

Amsprop Investments Limited

Directors' report (continued)

Directors indemnities

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

Approved by the Board and signed on its behalf by

A handwritten signature in black ink, appearing to read 'M. E. Ray' followed by a stylized flourish.

M. E Ray

Director

17 March 2017

Amsprop Investments Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

Amsprop Investments Limited

Profit and loss account For the year ended 30 June 2016

	Notes	2016 £	2015 £
Turnover	2	9,372,126	8,579,022
Operating costs		<u>(2,952,757)</u>	<u>(2,471,070)</u>
Operating profit		6,419,369	6,107,952
Fair value movement on investment property		12,877,462	69,784,566
Profit on sale of investment property		4,797,125	28,398,400
Finance income	4	387,489	277,944
Finance costs	5	<u>(435,618)</u>	<u>(880,588)</u>
Profit on ordinary activities before taxation		24,045,827	103,688,274
Tax charge on profit on ordinary activities	6	<u>(978,895)</u>	<u>(19,767,958)</u>
Profit on ordinary activities after taxation		<u><u>23,066,932</u></u>	<u><u>83,920,316</u></u>

All activities derive from continuing operations.

As there are no other sources of comprehensive income other than the profit for the financial year, the Company has not included a consolidated statement of comprehensive income

Amsprop Investments Limited

Balance sheet 30 June 2016

	Notes	2016 £	2015 £
Fixed assets			
Investment properties	7	271,263,179	338,362,773
Current assets			
Debtors	8	1,194,016	733,878
Cash at bank and in hand	9	21,866,058	21,942,601
		<u>23,060,074</u>	<u>22,676,479</u>
Creditors: amounts falling due within one year	10	<u>(90,652,141)</u>	<u>(171,656,158)</u>
Net current liabilities		<u>(67,592,067)</u>	<u>(148,979,679)</u>
Total assets less current liabilities		203,671,112	189,383,094
Provisions for liabilities	11	<u>(18,800,532)</u>	<u>(27,579,446)</u>
Net assets		<u>184,870,580</u>	<u>161,803,648</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account		<u>184,870,480</u>	<u>161,803,548</u>
Shareholders' funds		<u>184,870,580</u>	<u>161,803,648</u>

For the year ending 30 June 2016 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies Directors' responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of Amsprop Investments Limited, registered number 2477288 were approved by the board of directors and authorised for issue on 17 March 2017. They were signed on its behalf by:



M. E. Ray

Director

Amsprop Investments Limited

Statement of changes in equity At 30 June 2016

	Called up share capital	Profit and loss account	Shareholders funds'
	£	£	£
As at 30 June 2014	100	77,883,233	77,883,333
Profit for the financial year	-	83,920,316	83,920,316
As at 30 June 2015	100	161,803,548	161,803,648
Profit for the financial year	-	23,066,932	23,066,932
As at 30 June 2016	<u>100</u>	<u>184,870,480</u>	<u>184,870,580</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

1. Accounting policies

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

Amsprop Investments Limited is a company incorporated in the United Kingdom with its registered office at Amshold House, Goldings Hill, Loughton, Essex, IG10 2RW.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

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

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facility.

After making 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 annual report and financial statements.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost of effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

Sale of properties

Disposals of properties are recognised where contracts have been unconditionally exchanged during the accounting year.

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 substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company'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.

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

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

1. Accounting policies (continued)

Taxation (continued)

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. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Cash flows

As the Company is a wholly-owned subsidiary, the cash flows of the Company are included in the consolidated accounts of Amshold Group Limited which are publicly available (note 15). Consequently the Company is exempt under the provisions of Financial Reporting Standard 1 (Revised) – “Cash Flow Statements”, from publishing a separate cash flow statement.

2. Turnover

Turnover represents amounts derived from the provision of services and rental income on investment properties which fall within the Company's ordinary activities after deduction of trade discounts and value added tax. The turnover and pre-tax loss all arises in the United Kingdom. Rent increases arising from rent reviews are taken into account when such reviews have been agreed with tenants. On new leases with rent free periods rental income is allocated evenly over the period from the date of lease commencement to the date of the first rent review. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Turnover can be analysed as follows:

	2016 £	2015 £
Rental income	9,264,085	8,398,860
Miscellaneous income	108,041	180,162
	<u>9,372,126</u>	<u>8,579,022</u>

3. Staff costs

The Company had no employees in either the current or prior year. The directors received no emoluments during the current or prior year.

4. Finance income

	2016 £	2015 £
Bank and other interest	387,489	277,944
	<u>387,489</u>	<u>277,944</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

5. Finance costs

	2016 £	2015 £
Interest payable to other group companies	434,689	874,334
Bank and other interest	929	6,254
	<u>435,618</u>	<u>880,588</u>

6. Tax charge on profit on ordinary activities

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

	2016 £	2015 £
UK corporation tax charge at 20% (2015 20.75%)	(9,757,809)	(6,773,143)
Total current tax charge	(9,757,809)	(6,773,143)
Origination and reversal of timing differences	(141,674)	(304,754)
Profit on fair value movement of investment property	6,162,643	(12,701,086)
Effects of decrease in tax rates on opening liability	2,757,945	11,025
Total deferred tax credit/(charge)(note 11)	8,778,914	(12,994,815)
	<u>(978,895)</u>	<u>(19,767,958)</u>
Tax charge on profit on ordinary activities		

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

6. Tax charge on profit on ordinary activities (continued)

(ii) Factors affecting tax charge for the current year

The standard rate of tax for the year, based on the UK standard of corporation tax is 20% (2015: 20.75%) The actual tax charge for the current and previous year is the same as the standard rate for the reasons set out in the following reconciliation.

	2016 £	2015 £
Profit on ordinary activities before tax	24,045,827	103,688,274
Tax charge at 20% (2015: 20.75%)	(4,809,165)	(21,516,029)
Factors affecting charge:		
Group relief not paid for	132,864	567,388
Permanent differences	(14,340)	44,098
Effects of indexation	700,975	580,585
Effects of changes in tax rates	2,176,394	556,000
Income not taxable	834,377	-
Tax current tax charge for year	<u>(978,895)</u>	<u>(19,767,958)</u>

7. Investment properties

	Total £
At 1 July 2015	338,362,773
Additions	14,933
Disposals	(79,991,989)
Surplus arising on valuation	<u>12,877,462</u>
At 30 June 2016	<u>271,263,179</u>

The investment properties were valued by the directors at 30 June 2016 on a valuation prepared internally by a Company director, a qualified chartered surveyor, on an open market basis.

8. Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	217,677	178,670
Other debtors	40,500	-
Prepayments and accrued income	935,839	555,208
	<u>1,194,016</u>	<u>733,878</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

9. Cash at bank and in hand

	2016 £	2015 £
Company cash at bank and in hand	20,483,011	21,015,179
Tenant deposits	1,383,047	927,422
	<u>21,866,058</u>	<u>21,942,601</u>

10. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	36,754	98,259
Amounts owed to other group companies	81,523,814	163,860,566
Other creditors	1,848,062	1,474,820
Other taxation	357,840	322,335
Corporation tax	4,878,905	3,386,572
Accruals and deferred income	2,006,766	2,513,606
	<u>90,652,141</u>	<u>171,656,158</u>

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

11. Provisions for liabilities

	2016 £	2015 £
Deferred taxation movement for the year		
At 1 July	27,579,446	14,584,631
(Credit)/Charge to profit and loss account	(8,778,914)	12,994,815
At 30 June	<u>18,800,532</u>	<u>27,579,446</u>
Analysis of deferred tax provision:		
	2016 £	2015 £
Capital allowances that are less than depreciation	938,904	1,060,717
Other timing differences	157,415	-
Deferred tax on retained surplus on revaluation of property	17,704,213	26,518,729
	<u>18,800,532</u>	<u>27,579,446</u>

Amsprop Investments Limited

Notes to the financial statements For the year ended 30 June 2016

12. Share capital

	2016 £	2015 £
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	100	100

15. Ultimate parent company and controlling party

At 30 June 2016, the Company was indirectly wholly-owned by Lord Sugar.

The immediate parent company is Amsprop Limited, a company incorporated in the United Kingdom and registered in England and Wales

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

16. Related party transactions

In respect of other related party transactions, the Company has taken advantage of the exemption from related party disclosure in accordance with Paragraph 3(c) of Financial Reporting Standard No. 8

17. Post balance sheet events

On 14 October 2016, the Company completed the purchase of 1 Chancery Lane, London, WC2, for £17,250,000