

Company Registration No. 2344929

Amsprop London Limited

Report and Financial Statements

30 September 2012



Amsprop London Limited

Report and financial statements 2012

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Amsprop London Limited

Report and financial statements 2012

Officers and professional advisers

Directors

Lord Sugar
Louise J Baron
Andrew N Cohen
Daniel Sugar
Simon Sugar
James Hughes
Claude Littner
Michael Ray
Roger Adams

Secretary

Michael Ray

Registered Office

Amshold House
Goldings Hill
Loughton
Essex
IG10 2RW

Bankers

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

Auditor

Deloitte LLP
London

Amsprop London Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 2012

Principal activities

The principal activity of the group is the holding of investment property and investing in companies in the IT Sector

Review of business

During the year the company made no further property purchases. The company sold The Gatehouse for £5,350,000 and completion took place on 3 October 2011. The company is the ultimate parent company of Viglen Technology Limited, Viglen Limited, Xenon Network Services Limited and Vigecom Limited. The company is also the ultimate parent company of Amscreen PLC, Amscreen Group Limited and Amscreen Europe GmbH. The company also indirectly has one associated company Pedegog Limited (trading as AtSchool).

The key performance indicators used by management in assessing the success of the company are net income from properties and investments which rose from £1,566,614 in 2011 to £1,595,291 in 2012. Capital growth of properties was £4,446,779 in the year (2011 £419,542). Total recognised gains in the year grew from £2,876,291 in 2011 to £8,642,273 in the current year.

The company's investment in the Viglen Technology Limited group of companies is measured by the operating profit, this increased to £2,658,536 in 2012 (2011 £1,857,030).

The company holds 62.511% of the share capital of Amscreen PLC, a company specialising in digital signage. The operating profit improved to a profit of £357,053 (2011 loss of £448,994).

Going concern

The directors have reviewed the current and projected financial position of the company and 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 company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adapt the going concern basis in preparing the report and financial statements.

Principal risks and uncertainties

Risk is present in all businesses and the Board regularly reviews the risks faced by the group.

The directors consider that the major risks and uncertainties to the group at this point in time are:

Financial risks

- **Exchange rate risk** – The group principally sells in sterling and buys in dollars. Therefore, there is a risk in terms of adverse exchange rate movements. The group mitigates this risk by hedging its exposure through the forward purchase of dollars. Additionally the group produces a new price list monthly. The forward exchange rate exposure, unhedged, is therefore limited to one month's sales.
- **Price risk** – The group is exposed to commodity price risk. The group considers that volatility in certain component prices is a regular part of its business environment. The group accepts this price risk and does not use commodity price risk management instruments.
- **Liquidity risk** – The group regularly reviews its liquidity to ensure that sufficient funds are available for ongoing operation and future developments. The group currently has unused overdraft facilities.

Amsprop London Limited

Directors' report (continued)

- **Credit risk** The group's credit risk is primary attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Uncertainties

- **Warranty** The group sells the majority of its products with between one and three years warranty support. A warranty provision is made on every product sold to cover the basic forecast cost of repairing the product. The amount that is provided is an estimate based on past experience, but by its nature does involve interest risk and uncertainty. In addition, sales of enhanced warranty products also carry an inherent risk. Income on these sales is deferred over the period of cover with the costs of providing the service being taken as and when the cost is incurred.
- **Market uncertainties** The IT industry continues to go through rapid changes. This in itself presents opportunities and uncertainties. The margins on hardware continue to be under pressure with the future being focused on high margin solutions and value added services.
- **Supply of components** There are times where components are in short supply with long lead times. The group's offering to its customers is to supply tailor-made solutions with short lead-times. This can cause problems during industry shortages. The group reduce this risk by, where possible:
 - multi sourcing components
 - strong, long-term supplier relationships
 - planning and forecasting component requirements
- **Property prices are uncertain** which could result in the group acquiring overpriced properties which could subsequently result in little or no growth. The estates team are fully aware of this and consequently will remain diligent in seeking acquisitions that can provide future growth from active management.

The group regularly reviews the situation and adjusts its plan accordingly.

Results

The results for the year are set out on page 9. Profit on ordinary activities before taxation was £5,512,523 (2011 £3,119,423). The profit for the financial year amounted to £4,195,494 (2011 £2,456,749).

Viglen

Viglen is a successful IT company, which principally focuses on the education and public sector markets. It has made a significant contribution to the group's profit for the year to 30 September 2012.

Xenon

Xenon continues to support the Viglen business through its national engineering base. The company also continues to win support contracts, mainly within higher education.

Amsprop London Limited

Directors' report (continued)

AtSchool

The company has made a small profit in the year. It continues to look for ways to expand its customer base and to capitalise on schools e-learning credits.

Amscreen

Amscreen continues to be focused on developing its range of digital signage products. Its focus for the next year is to continue to grow its customer base and its advertising revenue across Europe.

Dividends

No dividend was declared or paid during the year (2011: £nil).

Employees

Detail 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. This is achieved through regular announcements via the notice boards of the group's performance.

Environment

The group seeks to minimise the environmental impact of its business and to operate in accordance with the standards required by law and codes of best practice.

Directors

The directors who are listed on page 1 held office throughout the year. Colin Sandy resigned as a director and company secretary on 7 February 2012. Michael Ray was appointed company secretary on 7 February 2012.

Supplier payment policy

It is the company's normal practice to pay its suppliers within the agreed payment terms provided that the suppliers meet their obligations. Trade creditors at the year end amounted to 65 days (2011: 55 days).

Political and charitable donations

No charitable or political donations were made during the year (2011: £nil).

Amsprop London Limited

Directors' report (continued)

Auditors

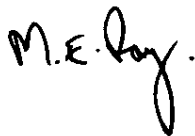
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP are deemed to be reappointed in accordance with an elective resolution made under s487(2) of the Companies Act 2006

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



M E Ray
Secretary
29 January 2013

Amsprop London Limited

Statement of directors' responsibilities

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.

Independent auditor's report to the members of Amsprop London Limited

We have audited the financial statements of Amsprop London Limited for the year ended 30 September 2012 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated and parent company balance sheets, the consolidated cash flow statement and the related notes 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Amsprop London Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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

Andrew Clark FCA

Andrew Clark FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK
29 January 2013

Amsprop London Ltd

Consolidated profit and loss account Year ended 30 September 2012

	Notes	2012 £	2011 £
Turnover	2	74,614,934	67,511,790
Operating costs	3	(69,128,231)	(64,354,515)
Operating profit		5,486,703	3,157,275
Interest receivable and similar income	5	120,936	52,232
Interest payable and similar charges	6	(95,116)	(90,084)
Profit on ordinary activities before taxation	7	5,512,523	3,119,423
Tax on profit on ordinary activities	8	(540,725)	(415,352)
Profit on ordinary activities after taxation		4,971,798	2,704,071
Minority interest	24	(776,304)	(247,322)
Profit for the financial year	20	4,195,494	2,456,749

All results are derived from continuing operations

Consolidated statement of total recognised gains and losses Year ended 30 September 2012

	2012 £	2011 £
Profit for the financial year	4,195,494	2,456,749
Unrealised surplus on revaluation of property	4,446,779	419,542
Total recognised gain and losses relating to the year	8,642,273	2,876,291

Amsprop London Limited

Consolidated balance sheet 30 September 2012

	Notes	2012 £	2011 £
Fixed assets			
Investment property	9	37,461,500	38,488,043
Fixed assets	10	1,379,426	1,218,521
Investments	11	-	-
Goodwill	12	3,579,013	3,870,605
		<u>42,419,939</u>	<u>43,577,169</u>
Current assets			
Stocks	13	5,337,960	4,039,060
Debtors amounts falling due within one year	14	26,788,230	13,580,721
Debtors amounts falling due after more than one year	14	280,054	390,561
Cash at bank and in hand		7,846,322	9,183,900
		<u>40,252,566</u>	<u>27,194,242</u>
Creditors: amounts falling due within one year	15	<u>(18,574,684)</u>	<u>(15,261,346)</u>
Net current assets		<u>21,677,882</u>	<u>11,932,896</u>
Total assets less current liabilities		64,097,821	55,510,063
Creditors: amounts falling due after more than one year	16	(7,092,086)	(7,097,096)
Provisions for liabilities	18	(288,404)	(357,193)
Net assets		<u>56,717,331</u>	<u>48,055,774</u>
Capital and reserves			
Called up share capital	19	41,490,000	41,490,000
Profit and loss account	20	(6,711,341)	(11,631,447)
Revaluation reserve	22	19,083,565	15,364,640
Shareholders' funds	23	53,862,224	45,223,193
Minority interest	24	2,855,107	2,832,581
Total capital employed		<u>56,717,331</u>	<u>48,055,774</u>

These financial statements of Amsprop London Limited, registered number 2344929, were approved by the Board of Directors on 29 January 2013

Signed on behalf of the Board of Directors

M. E. Ray
M E Ray
Director

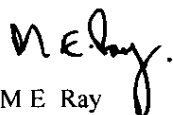
Amsprop London Limited

Company balance sheet 30 September 2012

	Notes	2012 £	2011 £
Tangible fixed assets			
Investment property	9	37,461,500	38,488,043
Investments	11	5,220,030	5,212,957
Fixed assets	10	-	19,458
		<u>42,681,530</u>	<u>43,720,458</u>
Current assets			
Debtors	14	10,991,982	185,828
Cash at bank and in hand		526,925	1,762,484
		<u>11,518,907</u>	<u>1,948,312</u>
Creditors: amounts falling due within one year	15	<u>(809,146)</u>	<u>(986,682)</u>
Net current assets		<u>10,709,761</u>	<u>961,630</u>
Net assets		<u>53,391,291</u>	<u>44,682,088</u>
Capital and reserves			
Called up share capital	19	41,490,000	41,490,000
Profit and loss account	20	(7,182,274)	(12,172,552)
Revaluation reserve	22	19,083,565	15,364,640
Shareholders' funds	23	<u>53,391,291</u>	<u>44,682,088</u>

These financial statements of Amsprop London Limited, registration number 2344929, were approved by the Board of Directors on 29 January 2013

Signed on behalf of the Board of Directors



M E Ray
Director

Amsprop London Limited

Consolidated cash flow statement Year ended 30 September 2012

	Notes	2012 £	2011 £
Net cash (outflow) / inflow from operating activities	25	<u>(4,220,916)</u>	<u>4,030,729</u>
Returns on investments and servicing of finance			
Interest received		120,936	52,232
Interest paid		(39,206)	(34,174)
Dividends paid on preference shares		(55,910)	(55,910)
Dividend paid to minority interest holders		(750,000)	-
Exchange rate gain		53	-
Net cash outflow from returns on investments and servicing of finance		<u>(724,127)</u>	<u>(37,852)</u>
Taxation			
Corporation tax paid		(745,318)	(262,839)
Capital expenditure and financial investments			
Purchase of investment properties		(9,121)	(373,501)
Purchase of tangible fixed assets		(988,536)	(466,698)
Sale of division		-	1,736,918
Sale of tangible fixed assets		26,970	40,135
Sale of investment properties		5,330,543	-
Investments in subsidiaries		(7,073)	(145,526)
Acquisitions		-	(100,059)
Net cash inflow from capital expenditure and financial investments		<u>4,352,783</u>	<u>691,269</u>
Financing			
Proceeds from share issue in subsidiary		-	4,900
Net cash inflow from financing		<u>-</u>	<u>4,900</u>
(Decrease) / Increase in cash in year	27	<u><u>(1,337,578)</u></u>	<u><u>4,426,207</u></u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and applicable accounting standards and under the historical cost convention modified by the revaluation of certain freehold properties. The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year. Compliance with SSAP 19 'Accounting for investment properties' requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given below.

Going concern

The group and company's business activities, together with the factors likely to affect its future development, performance and financial position, including principal risks and uncertainties, are set out in the Directors Report on pages 2 to 5.

The group and company regularly updates its trading and financial projections, which make allowance for anticipated market conditions. These show that the group and company should be able to work within the terms of its committed overdraft facilities, which were not used in 2012 and have been renewed to December 2013. The group and company currently has no external debt. After making enquiries, and considering the uncertainties described above, the directors have a reasonable expectation that the group and company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the directors continue to adopt the going concern basis in preparing the annual report and accounts.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are despatched to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

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

Extended warranties

Income from extended warranties is held as deferred income and released over the length of the extended warranty. Costs associated with the extended warranty are taken to profit and loss account as and when the costs are incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	- over the shorter of the life of the lease and the useful life
Motor vehicles	- 25% on cost
Fixtures and fittings	- 10% - 33% on cost

Consolidation

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, which is 20 years. Provision is made for any impairment.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

1 Accounting policies (continued)

Investment properties

In accordance with SSAP 19, investment properties are revalued annually internally and externally every five years and the aggregate surplus or deficit is transferred to revaluation reserve. Any diminution in value below historic cost, which is believed to be permanent, is written off to the profit and loss account in the year in which it arises. No depreciation is provided in respect of investment properties.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principles set out in SSAP 19. The directors consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot be separately identified or quantified. Sale of investment properties are recognised on exchange of contract.

Investments

In the consolidated accounts, shares in associated undertakings are accounted for using the equity method. The consolidated profit and loss account includes the group's share of the pre-tax results and attributable taxation of the associated undertakings based on audited financial statements for the financial year. In the consolidated balance sheet, the investment in associated undertakings is shown at the group's share of the net assets of the associated undertakings. Goodwill arising on the acquisition of an associate is capitalised as part of the carrying amount in the consolidated balance sheet and amortised over its estimated useful economic life, which is 20 years.

Fixed asset investments

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

Current asset investments

Current asset investments are held at market value.

Stocks and work in progress

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

Research and development

Expenditure on research and development is charged against profits in the year in which it is incurred.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

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.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

1. Accounting policies (continued)

Deferred taxation

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 tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

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.

Contributions to pension funds

The company operates a defined contribution pension scheme in respect of certain employees and pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Leases

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

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Borrowings

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period.

Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to foreign exchange risk. Gains and losses on contracts hedging forecast transactional cash flows of foreign currency denominated costs are recognised in the hedged periods.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

2. Turnover and segmental results

Turnover, net assets and operating profit/(loss) on ordinary activities before taxation are attributable to the IT sector, digital signage and property and shares investments. Turnover, operating profit/(loss) and net assets arise predominantly within the United Kingdom are analysed as follows

	2012 £	2011 £
Turnover		
IT market	67,270,543	63,117,708
Digital Signage	5,641,136	2,719,288
Property and shares	1,703,255	1,674,794
	<u>74,614,934</u>	<u>67,511,790</u>
Operating profit/(loss)		
IT market	2,658,536	1,857,030
Digital Signage	357,053	(448,994)
Property and shares	2,471,114	1,749,239
	<u>5,486,703</u>	<u>3,157,275</u>
Net assets		
IT market	4,656,682	5,211,273
Digital Signage	3,889,388	3,375,370
Property and shares	48,171,261	39,469,131
	<u>56,717,331</u>	<u>48,055,774</u>

3. Operating costs

	2012 £	2011 £
Other operating income	953,481	268,374
Changes in work in progress and finished goods	786,012	(778,289)
Raw materials and consumables	(55,161,826)	(48,935,566)
Other external charges	(4,617,887)	(4,339,095)
Staff costs	(10,834,223)	(9,792,248)
Depreciation	(808,173)	(596,175)
Profit on sale of fixed asset	7,512	19,312
Loss on sale of properties	(112,016)	-
Profit on sale of investments	1,128,073	-
Amortisation of goodwill	(291,592)	(274,394)
Exceptional income (see note 12)	-	267,016
Other operating charges	(177,592)	(193,450)
	<u>(69,128,231)</u>	<u>(64,354,515)</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

4 Staff costs

Staff costs for the group, including directors, during the year were as follows

	2012 £	2011 £
Wages and salaries	9,632,049	8,706,303
Social security costs	1,044,130	941,746
Pension costs	158,044	144,199
	<u>10,834,223</u>	<u>9,792,248</u>

The average number of employees of the group during the year, including directors, was 277 (2011 258)

	2012 Number	2011 Number
Viglen Limited Production and Warehouse	44	43
Viglen Limited Sales and Administration	136	125
Xenon Network Services Limited	57	57
Amscreen PLC	40	33
	<u>277</u>	<u>258</u>

The company had no employees during the year (2011 none)

Remuneration in respect of directors was as follows

	2012 £	2011 £
Directors' remuneration	349,546	270,898
Pension contribution	50,000	43,000
	<u>399,546</u>	<u>313,898</u>

The pension contributions were made in respect of one director (2011 one)

The amount set out above includes remuneration in respect of the highest paid director as follows

	2012 £	2011 £
Highest paid director	<u>230,500</u>	<u>175,000</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

5. Interest receivable and similar income

	2012	2011
	£	£
Interest receivable and similar income	120,936	52,232

6. Interest payable and similar charges

	2012	2011
	£	£
Interest payable and similar charges	(39,206)	(34,174)
Preference dividend	(55,910)	(55,910)
	<u>(95,116)</u>	<u>(90,084)</u>

7 Profit on ordinary activities before taxation is stated after charging

	2012	2011
	£	£
Fees payable to the company's auditors for the audit of the company's annual accounts	7,100	7,280
for the audit of the company's subsidiaries	57,900	56,700
for group tax services	-	2,374
	<u>65,000</u>	<u>66,354</u>

	2012	2011
	£	£
Operating lease payments		
Plant and machinery	12,289	29,284
Land and buildings	925,711	876,360
Loss on sale of properties	112,016	-
Profit on sale of fixed assets	(7,512)	(19,312)
Depreciation of fixed assets	808,173	596,175
Amortisation of goodwill	291,591	274,394
	<u>2,142,577</u>	<u>1,885,325</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

8. Tax on loss on ordinary activities

Group	2012 £	2011 £
Current taxation		
United Kingdom Corporation tax		
Current tax on income for the year at 25% (2011 27%)	(687,128)	(501,991)
Adjustment in respect of prior years' tax provisions	156,910	115,355
Total current taxation	<u>(530,218)</u>	<u>(386,636)</u>
Deferred taxation		
Movement in short term timing differences	(3,675)	(24,299)
Prior year adjustment	(6,832)	(4,417)
Tax on loss on ordinary activities	<u>(540,725)</u>	<u>(415,352)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 25% (2011 27%)
The actual tax charge of the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

Group	2012 £	2011 £
Profit on ordinary activities before tax	<u>5,512,523</u>	<u>3,119,423</u>
Tax on profit on ordinary activities before tax at standard rate	(1,378,131)	(842,144)
Factors affecting charge for the year:		
Permanent differences	(88,972)	(444,900)
Capital allowances in excess of depreciation	18,094	24,299
Utilisation of brought forward losses	717,486	620,879
Other timing differences	(40)	101,934
Unutilised losses carried forward	(4,492)	(733)
R & D tax credits	48,927	38,674
Current tax charge for the year	<u>(687,128)</u>	<u>(501,991)</u>

Deferred tax on the revaluation of fixed assets estimated to be £4,580,056 (2011 £3,994,806) has not been provided for. A deferred tax asset is not provided on the capital losses carried forward of £19,150,339 (2011 £20,438,178) and the excess management expenses of £1,494,843 (2011 £2,730,545) as they are unlikely to be utilised in the foreseeable future.

Factors affecting future tax charges

Deferred tax has been calculated at a rate of 24% which reflects the future annual corporation tax rate.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

9. Investment property

	Freehold £
Group and company	
Valuation and net book value	
At 1 October 2011	38,488,043
Additions	9,121
Disposals	(5,330,543)
Net surplus on revaluation during the year	4,294,879
At 30 September 2012	<u>37,461,500</u>
Representing	
Properties valued	
Cost	18,377,935
Net surplus	19,083,565
	<u>37,461,500</u>

The investment properties were valued by the directors at 30 September 2012 on a valuation prepared internally by a company director, a qualified chartered surveyor, on an open market basis

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

10. Tangible fixed assets

	Leasehold improve- ment £	Fixtures, fittings, tools and equipment £	Motor vehicles £	Total £
Group				
At 1 October 2011	370,146	3,777,822	412,568	4,560,536
Additions	-	903,762	84,774	988,536
Disposals	-	(91,077)	(60,022)	(151,099)
At 30 September 2012	<u>370,146</u>	<u>4,590,507</u>	<u>437,320</u>	<u>5,397,973</u>
Depreciation				
At 1 October 2011	221,793	2,869,906	250,316	3,342,015
Charged in the year	35,615	700,059	72,499	808,173
Disposals	-	(71,619)	(60,022)	(131,641)
At 30 September 2012	<u>257,408</u>	<u>3,498,346</u>	<u>262,793</u>	<u>4,018,547</u>
Net book value				
At 30 September 2012	<u>112,738</u>	<u>1,092,161</u>	<u>174,527</u>	<u>1,379,426</u>
At 30 September 2011	<u>148,353</u>	<u>907,916</u>	<u>162,252</u>	<u>1,218,521</u>
Company				
At 1 October 2011		29,980		29,980
Disposals		(29,980)		(29,980)
At 30 September 2012		<u>-</u>		<u>-</u>
Depreciation				
At 1 October 2011		10,522		10,522
Charged in the year		-		-
Disposals		(10,522)		(10,522)
At 30 September 2012		<u>-</u>		<u>-</u>
Net book value				
At 30 September 2012		<u>-</u>		<u>-</u>
At 30 September 2011		<u>19,458</u>		<u>19,458</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

11. Fixed asset investments

Group

The group's associated undertaking at 30 September 2012 was a 49% shareholding in Pedegog Limited (trading as AtSchool) incorporated in the United Kingdom

Company

£

Investment in subsidiaries

Cost and net book value

At 1 October 2011

5,212,957

Additions

7,073

At 30 September 2012

5,220,030

The subsidiary investments at 30 September 2012 comprise a 70% shareholding in Viglen Technology Limited, and a 62.511% shareholding in Amscreen PLC

The company's principal subsidiary undertakings are Viglen Limited, Xenon Network Services Limited, Vigecon Limited, Viglen Technology Limited, Amscreen PLC and Amscreen Group Limited which all operate in the United Kingdom. Viglen Limited, Xenon Network Services Limited and Viglen Technology Limited engage in IT Solutions mainly in the public sector. Amscreen PLC and Amscreen Group Limited engage in digital signage. Viglen Technology Limited wholly owns Viglen Limited, Xenon Network Services Limited and Vigecon Limited and is itself 70% owned by Amsprop London Limited. Amscreen Group Limited and Amscreen Europe GmbH are wholly owned by Amscreen PLC which is itself 62.511% owned by Amsprop London Limited.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

12 Goodwill

On 11 December 2002 the company acquired a 70% interest in Viglen Technology Limited. As a result of the acquisition goodwill of £5,441,199 was generated. This is being amortised over twenty years from 11 December 2002.

On 25 July 2008 the company acquired a 60% interest in Amscreen PLC. As a result of the acquisition, goodwill of £3,296,976 was generated. This is being amortised over twenty years from 25 July 2008. This investment has subsequently increased to 62.511%.

On 6th December 2010 Amscreen PLC disposed of its M2M business for a consideration of £3.4m, of which £1.4m was deferred and contingent on sales of certain products. £1,648,488 of the original goodwill was attached to the sale.

Group	Cost £	Amortisation £	Net book value £
At 30 September 2011	7,502,440	(3,631,835)	3,870,605
Amortisation during year	-	(291,592)	(291,592)
At 30 September 2012	<u>7,502,440</u>	<u>(3,923,427)</u>	<u>3,579,013</u>

13. Stocks

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Raw materials and consumables	3,454,571	2,931,949	-	-
Work in progress and finished goods	1,883,389	1,107,111	-	-
	<u>5,337,960</u>	<u>4,039,060</u>	<u>-</u>	<u>-</u>

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

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

14. Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	15,077,997	12,088,768	133,480	18,630
Other debtors	10,942,463	139,175	10,831,473	32,443
Amounts owed by group companies	-	-	-	-
Corporation tax	91,363	91,125	-	-
Prepayments and accrued income	676,407	1,261,653	27,029	134,755
	<u>26,788,230</u>	<u>13,580,721</u>	<u>10,991,982</u>	<u>185,828</u>

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other debtors	200,000	300,000	-	-
Deferred tax (see note 17)	80,054	90,561	-	-
	<u>280,054</u>	<u>390,561</u>	<u>-</u>	<u>-</u>

Amsprop London Limited

Notes to the financial statements Year end 30 September 2012

15. Creditors: amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	11,658,072	8,016,862	3,955	143,853
Other creditors	587,378	348,317	198,168	348,317
Corporation tax	87,128	301,990	-	-
Other taxes and social security costs	3,066,144	2,950,677	70,440	51,775
Accruals	1,617,586	2,040,515	536,583	442,737
Deferred income	1,558,376	1,602,987	-	-
	<u>18,574,684</u>	<u>15,261,348</u>	<u>809,146</u>	<u>986,682</u>

16 Creditors amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Falling due between one and two years				
Deferred income	734,041	743,924	-	-
Falling due between two and five years				
Deferred income	767,045	762,172	-	-
Falling due after five years				
1% fixed coupon cumulative redeemable preference shares of £1 each	5,591,000	5,591,000	-	-
	<u>7,092,086</u>	<u>7,097,096</u>	<u>-</u>	<u>-</u>

Cumulative redeemable preference shares carry an entitlement to dividend at the rate 1% per annum, payable on 1 October every year and may be redeemed at £1 per share at any time at the option of the company. In the event of the issue of a Controlling Interest Notice the company must redeem all the preference shares then in issue. Holders of the redeemable preference shares have the right on a winding-up to receive in priority to any other classes of shares, the sum of £1 per share together with any arrears of dividend. Preference shares have no voting rights attached to them. There is no premium payable on redemption.

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

17 Deferred tax asset

	Group		Company	
	2012	2011	2011	2011
	£	£	£	£
Movement on deferred taxation				
At 1 October	90,561	119,277	-	-
Debit to profit and loss account	(3,675)	(24,299)	-	-
Prior year adjustment	(6,832)	(4,417)	-	-
At 30 September	<u>80,054</u>	<u>90,561</u>	<u>-</u>	<u>-</u>
	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Depreciation in excess of capital allowances	80,054	90,561	-	-
Deferred tax asset	<u>80,054</u>	<u>90,561</u>	<u>-</u>	<u>-</u>

18. Provisions for liabilities and charges

	Total £
At 30 September 2011	357,193
Utilised during the year	(234,259)
Provided during the year	165,470
At 30 September 2012	<u>288,404</u>

The warranty provision above relates to the expected future cost of providing warranty support

19. Called up share capital

	2012		2011	
	Ordinary shares of £1 each		Ordinary shares of £1 each	
	Number	£	Number	£
Authorised	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
Called up, allotted and fully paid	<u>41,490,000</u>	<u>41,490,000</u>	<u>41,490,000</u>	<u>41,490,000</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

20. Profit and loss account

	Group £	Company £
At 30 September 2011	(11,631,447)	(12,172,552)
Transfer to minority interests	(3,295)	-
Profit for the financial year	4,195,494	4,262,424
Transfer from revaluation reserve on realisation	727,854	727,854
Exchange rate gain	53	-
	<u>(6,711,341)</u>	<u>(7,182,274)</u>
At 30 September 2012	<u>(6,711,341)</u>	<u>(7,182,274)</u>

21. Profit for the financial year

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 parent company's profit after taxation for the financial year amounts to £4,262,424 (2011 £1,758,628)

22. Revaluation reserve

	2012 £	2011 £
At 1 October 2011	15,364,640	14,945,098
Surplus on revaluations during the year	4,446,779	419,542
Transfer to profit and loss account on disposal of property	(727,854)	-
	<u>19,083,565</u>	<u>15,364,640</u>
At 30 September 2012	<u>19,083,565</u>	<u>15,364,640</u>

23. Reconciliation of movements in shareholders' funds

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Opening shareholders' funds	45,223,193	42,324,199	44,682,088	42,503,918
Profit for the financial year	4,195,494	2,456,749	4,262,424	1,758,628
Transfer to minority interest	(3,295)	22,703	-	-
Movement on revaluation reserve during the year	4,446,779	419,542	4,446,779	419,542
Exchange rate gain	53	-	-	-
	<u>53,862,224</u>	<u>45,223,193</u>	<u>53,391,291</u>	<u>44,682,088</u>
Closing shareholders' funds	<u>53,862,224</u>	<u>45,223,193</u>	<u>53,391,291</u>	<u>44,682,088</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

24. Minority interests

	Total £
At 1 October 2011	2,832,581
Profit attributable to minority interest for the year	776,304
Transfer from profit and loss account	3,295
Dividends paid	(750,000)
Shares purchased from minority interest	(7,073)
	<hr/>
At 30 September 2012	<u>2,855,107</u>

25. Net cash inflow from operating activities

	2012 £	2011 £
Operating profit	5,486,703	3,157,275
Amortisation of goodwill	291,592	274,394
Depreciation	808,173	596,175
Profit on sale of fixed assets	(7,512)	(19,312)
Profit on sale of division	-	(267,016)
(Increase) / Decrease in stocks	(1,298,900)	1,923,451
(Increase) / Decrease in debtors	(13,107,271)	247,136
Increase / (Decrease) in creditors	3,724,709	(2,334,442)
(Decrease) / Increase in deferred income	(49,621)	419,817
(Decrease) / Increase in provisions	(68,789)	33,251
	<hr/>	<hr/>
	<u>(4,220,916)</u>	<u>4,030,729</u>

26. Reconciliation of net cash flow to movement in net funds

	2012 £	2011 £
(Decrease) / Increase in cash in the year	(1,337,578)	4,426,207
Cash inflow from charge in debt and lease finance	-	-
	<hr/>	<hr/>
Change in net funds	<u>(1,337,578)</u>	<u>4,426,207</u>
	<hr/>	<hr/>
Opening net funds / (deficit)	<u>3,592,900</u>	<u>(833,307)</u>
	<hr/>	<hr/>
Closing net funds	<u>2,255,322</u>	<u>3,592,900</u>

Amsprop London Limited

Notes to the financial statements Year ended 30 September 2012

27. Analysis of changes in net funds

	2011 £	Cash flow £	2012 £
Cash at bank and in hand	9,183,900	(1,337,578)	7,846,322
Preference shares	(5,591,000)	-	(5,591,000)
	<u>3,592,900</u>	<u>(1,337,578)</u>	<u>2,255,322</u>

28. Leasing commitments

At 30 September 2012 the group has annual non-cancellable lease commitments, which expire

	2012		2011	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	850	-	850	1,170
Between one and two years	48,000	4,352	-	1,960
Between two and five years	65,120	-	213,120	-
Over five years	717,426	-	717,426	-
	<u>831,396</u>	<u>4,352</u>	<u>931,396</u>	<u>3,130</u>

29. Related party transactions

During the year Viglen Limited sold services worth £41,313 (2011 £17,573) to Amshold Group Limited. At 30 September 2012 the amount receivable was £5,667 (2011 £3,396). During the year Viglen Limited purchased services worth £135,000 (2011 £135,000) from Amshold Group Limited. At the year end Amscreen Group Limited owed £5,400 (2011 £5,418) to Amshold Group Limited. Amshold Group Limited is 100% owned by Lord Sugar.

The group has taken advantage of the exemptions conferred by Financial Reporting Standard Number 8 "Related Party Disclosures", in respect of transactions with group undertakings.

At 30 September 2012 Amshold Group Limited owed £10,816,813 to Amsprop London Limited.

30. Controlling party

The company is directly owned by Lord Sugar who owns 100% of the issued share capital.

31. Contingent liabilities

There were no contingent liabilities at 30 September 2012 (2011 £nil).

At 30 September 2012 the company had a commitment to purchase US Dollars under the terms of foreign exchange contracts to the value of £nil (2011 £1,226,692). The fair value of the contracts being £nil (2011 £56,840).

Amsprop London Limited

Unaudited information

Detailed Profit & Loss account – parent company

Year ended 30 September 2012

	Unaudited	
	2012	2011
	£	£
Turnover		
Property sales	-	-
Rental income	1,595,291	1,566,614
Other income	107,964	108,180
	<u>1,703,255</u>	<u>1,674,794</u>
Cost of Sales		
Property sales	(112,016)	-
Share disposal	1,128,073	168,361
	<u>(4,202,470)</u>	<u>168,361</u>
Gross profit	2,719,312	1,843,155
Administrative expenses		
Management fees	50,000	47,865
Audit and accountancy fees	7,512	7,654
Professional fees	55,430	5,736
Legal fees	102,866	-
Property costs	41,619	26,989
Depreciation	-	3,974
Entertainment	-	1,698
Bad debts	1,181	-
	<u>258,608</u>	<u>93,916</u>
Operating profit	2,460,704	1,749,239
Dividend income	1,760,410	-
Interest receivable and similar income	80,382	11,625
Interest payable and similar charges	(39,072)	(2,236)
Profit on ordinary activities before taxation	<u>4,262,424</u>	<u>1,758,628</u>