

Registered number: 01586826

HAWK DEVELOPMENT MANAGEMENT LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



HAWK DEVELOPMENT MANAGEMENT LTD

COMPANY INFORMATION

Directors	Dr W W Frischmann CBE R S Frischmann
Registered number	01586826
Registered office	5 Manchester Square London W1U 3PD
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditor London N3 1XW
Bankers	Barclays Bank Plc 180 Oxford Street London W1D 1EA

HAWK DEVELOPMENT MANAGEMENT LTD

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HAWK DEVELOPMENT MANAGEMENT LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Directors submit their strategic report for the year ended 31 March 2016.

Principal Activities

The principal activity of the company during the year was that of development management.

Business review

Askett Hawk (Gosport) Limited, a joint venture company in partnership with London & General Property Limited, has received planning permission for the development of Fort Gilkicker which includes the restoration of this Grade II* listed Scheduled Ancient Monument and its conversion to 26 residencies. The property was sold by Askett Hawk (Gosport) Limited in November 2016.

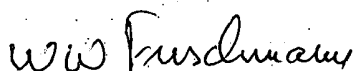
Principal risks and uncertainties

Management of risk is paramount to business success. The company operates a Business Management System with well established risk management procedures, involving the identification and monitoring of strategic and operational risks at the appropriate level of management. The Board regularly reviews material risks identified and risk management is embedded in our annual business planning and on-going forecasting process.

Financial key performance indicators

The trading result for the year, after taxation was a loss of £(240,586) (2015: profit £1,293,535). The Directors do not recommend a dividend be paid, leaving the retained loss for the year to be transferred to reserves.

This report was approved by the board and signed on its behalf.



Dr W W Frischmann CBE
Director

Date: 29 August 2017

HAWK DEVELOPMENT MANAGEMENT LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the audited financial statements for the year ended 31 March 2016.

Principal activity

The principal activity of the company was that of development management.

Directors

The directors who served during the year were:

Dr W W Frischmann CBE
R S Frischmann

Results and dividends

The loss for the year, after taxation, amounted to £240,586 (2015 - profit £1,293,535).

The directors do not recommend a dividend to be paid.

Future developments

There have been no significant future developments other than those disclosed in the Strategic Report.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Company's policy for payment of creditors

The company follows a standard code for payment of creditors and ensures that the finance department is aware of this policy and as far as possible adheres to it. It is the company's policy to agree terms of payment with each supplier and to abide as far as possible by those terms. A copy of this policy is available from the Registered Office.

Directors' insurance

Directors' and officers' liability insurance has been maintained by the company during the year.

HAWK DEVELOPMENT MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited 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 audited financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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;
- prepare the audited 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 audited 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.


Auditors

Under section 487(2) of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

HAWK DEVELOPMENT MANAGEMENT LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

This report was approved by the board and signed on its behalf.



Dr W W Frischmann CBE
Director

Date: 2nd August 2017

HAWK DEVELOPMENT MANAGEMENT LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HAWK DEVELOPMENT MANAGEMENT LTD

We have audited the financial statements of Hawk Development Management Ltd for the year ended 31 March 2016, set out on pages 7 to 24. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 Financial Reporting Council'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 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 Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit or loss 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified in this respect, we have considered the adequacy of the disclosure made in accounting policy 2.2 concerning the company's ability to continue as a going concern. The company did not trade in the current financial year. As at 31 March 2016, it had net liabilities of £268,793. Included with its creditors is an amount of £1,357,211 owed to group undertakings and the company is dependent on the continued support of these group undertakings to allow it to meet its financial obligations as

HAWK DEVELOPMENT MANAGEMENT LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HAWK DEVELOPMENT MANAGEMENT LTD (CONTINUED)

they fall due and not seeking repayment of existing loans made to this company. This indicates the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter 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 those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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



David Landau FCA (Senior Statutory Auditor)

for and on behalf of
Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditor

London
Date: 11 September 2017

HAWK DEVELOPMENT MANAGEMENT LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Turnover	4	-	1,523,200
Gross profit		-	1,523,200
Administrative expenses		(247,957)	(17,271)
Operating (loss)/profit	5	(247,957)	1,505,929
Interest receivable and similar income	8	4	134,748
Interest payable and expenses	9	(72)	-
Other finance income		(12,000)	(2,600)
(Loss)/profit before tax		(260,025)	1,638,077
Tax on (loss)/profit	11	19,439	(344,542)
(Loss)/profit for the year		(240,586)	1,293,535
Other comprehensive income for the year			
Actuarial losses on defined benefit pension scheme		(110,700)	(119,900)
Movement of deferred tax relating to pension surplus		(74,260)	5,628
Other comprehensive income for the year		(184,960)	(114,272)
Total comprehensive income for the year		(425,546)	1,179,263

The notes on pages 10 to 24 form part of these financial statements.

HAWK DEVELOPMENT MANAGEMENT LTD
REGISTERED NUMBER: 01586826

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	7,558	7,558
		<u>7,558</u>	<u>7,558</u>
Current assets			
Debtors: amounts falling due within one year	13	258,544	2,059,403
Cash at bank and in hand	14	1,668,250	27,968
		<u>1,926,794</u>	<u>2,087,371</u>
Creditors: amounts falling due within one year	15	(1,746,145)	(1,566,876)
Net current assets		<u>180,649</u>	<u>520,495</u>
Total assets less current liabilities		<u>188,207</u>	<u>528,053</u>
Pension liability		(457,000)	(371,300)
Net assets		<u>(268,793)</u>	<u>156,753</u>
Capital and reserves			
Called up share capital	18	12,502	12,502
Profit and loss account		(281,295)	144,251
		<u>(268,793)</u>	<u>156,753</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

W W Frischmann

Dr W W Frischmann CBE
 Director

Date: 29 August 2017

The notes on pages 10 to 24 form part of these financial statements.

HAWK DEVELOPMENT MANAGEMENT LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2014	12,502	(1,035,012)	(1,022,510)
Comprehensive income for the year			
Profit for the year	-	1,293,535	1,293,535
Actuarial losses on pension scheme	-	(114,272)	(114,272)
Other comprehensive income for the year	-	(114,272)	(114,272)
Total comprehensive income for the year	-	1,179,263	1,179,263
At 1 April 2015	12,502	144,251	156,753
Comprehensive income for the year			
Loss for the year	-	(240,586)	(240,586)
Actuarial losses on pension scheme	-	(184,960)	(184,960)
Total comprehensive income for the year	-	(425,546)	(425,546)
At 31 March 2016	12,502	(281,295)	(268,793)

The notes on pages 10 to 24 form part of these financial statements.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. General information

The principal activity of Hawk Development Management Ltd ('the company') is that of development management.

The company is a private company limited by shares and is incorporated in England and Wales. The address of its Registered Office is 5 Manchester Square, London W1U 3PD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006. The date of transition to FRS 102 was 1 April 2014.

Information on the impact of first-time adoption of FRS 102 is given in note 18.23

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future and will be able to meet its debts as they fall due.

As at 31 March 2016, it had net liabilities of £268,793. Included within creditors is an amount of £1,357,211 owed to group undertakings and the company is dependent on the continued support of these group undertakings to allow it to meet its financial obligations as they fall due and not seeking repayment of existing loans made to this company.

The directors are confident that this support will continue for at least the next 12 months from the date of signature of these accounts.

In the event that the funding is withdrawn and alternative sources of funding are not available, the going concern basis would be invalid and adjustments would have to be made to reduce the value of the assets to their recoverable amount and to provide for further liabilities that might arise.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant and machinery	-	25% Straight Line
Fixtures and fittings	-	25% Straight line

No depreciation is provided on freehold buildings on the grounds that it would be immaterial.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities, like trade and other accounts receivable and payable, loans from banks and other third parties, loans and related parties and investments in non-puttable ordinary shares.

(i) Financial assets

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Basic debt instruments, including basic loans, are required to be measured at amortised cost using the effective interest method. For debt instruments provided at a below-market interest rate, consideration has been given to the appropriate rate to be used in the discounting of these debt instruments. An interest rate that is considered to be appropriate, taking into account third party rates, has been adopted in the discounting of the interest free loans.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.10 Pensions

The company operates a defined benefit pension scheme which requires payments to be made into separately administered funds by the employer. Regular valuations are prepared by independent professionally qualified actuaries to determine the level of contributions required to fund the benefits in the scheme rules.

The company accounts for pensions in accordance with Section 28. Retirement benefits and costs are charged as follows:

- a charge representing the expected increase in scheme liabilities is charged annually to the Statement of Comprehensive Income. This is based on the present value of scheme liabilities at the beginning of the period.
- a credit representing the expected return on scheme assets is included annually in the Statement of Comprehensive Income. This is based on the market value of the assets of the scheme at the start of the period allowing for expected cash flows during the period.

Actuarial gains and losses together with deferred tax movements are recognised in full in the Statement of Comprehensive Income as they arise. The difference between the fair value of scheme assets and the present value of scheme liabilities is recognised as a retirement benefit asset or liability on the balance sheet. To the extent that it is recoverable, any related deferred tax asset or liability is included within the relevant category of asset or liability.

2.11 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgments (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

(i) Defined benefit pension scheme

The company has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors, together with appropriate professional advice from independent consulting actuaries, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

4. Turnover

All turnover arose within the United Kingdom.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>2,860</u>	<u>2,860</u>

During the year, no director received any emoluments (2015 - £NIL).

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>2,860</u>	<u>2,860</u>
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	<u>750</u>	<u>750</u>

7. Employees

The company had no employees other than the directors, who did not receive any remuneration (2015 - £Nil).

8. Interest receivable

	2016 £	2015 £
Other interest receivable	<u>4</u>	<u>134,748</u>
	<u>4</u>	<u>134,748</u>

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

9. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	72	-
	<u>72</u>	<u>-</u>

10. Other finance costs

	2016 £	2015 £
Interest income on pension scheme assets	41,200	74,600
Net interest on net defined benefit liability	(53,200)	(77,200)
	<u>(12,000)</u>	<u>(2,600)</u>

11. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	(10,416)	344,542
	<u>(10,416)</u>	<u>344,542</u>
Group taxation relief	(9,023)	-
	<u>(19,439)</u>	<u>344,542</u>
Total current tax	<u>(19,439)</u>	<u>344,542</u>

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	(260,025)	1,638,077
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	(52,005)	343,996
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	25,945	-
Deferred tax not recognised	26,060	-
Other differences leading to an increase (decrease) in the tax charge	(10,416)	546
Group relief	(9,023)	-
Total tax charge for the year	(19,439)	344,542

Factors that may affect future tax charges

There are tax losses available to utilise against future trading profits of £130,301 (2015: £nil).

HAWK DEVELOPMENT MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2015	7,558	22,858	11,806	42,222
At 31 March 2016	7,558	22,858	11,806	42,222
Depreciation				
At 1 April 2015	-	22,858	11,806	34,664
At 31 March 2016	-	22,858	11,806	34,664
Net book value				
At 31 March 2016	7,558	-	-	7,558
At 31 March 2015	7,558	-	-	7,558

In the opinion of the directors, the market value of the properties as at the year end is not less than cost.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

13. Debtors

	2016 £	2015 £
Trade debtors	-	1,657,942
Amounts owed by group undertakings	9,024	327,201
Tax recoverable	43,520	-
Prepayments and accrued income	206,000	-
Deferred taxation	-	74,260
	<u>258,544</u>	<u>2,059,403</u>

Amounts owed by group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

14. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	1,668,249	27,968
	<u>1,668,249</u>	<u>27,968</u>

15. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	1,357,211	1,200,657
Corporation tax	-	344,542
Other creditors	358,064	7,767
Accruals and deferred income	30,870	13,910
	<u>1,746,145</u>	<u>1,566,876</u>

Amounts owed to group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

16. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at amortised cost	9,024	1,985,143
	<u>9,024</u>	<u>1,985,143</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(1,746,145)	(1,222,333)
	<u>(1,746,145)</u>	<u>(1,222,333)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and trade debtors.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings, other creditors and accruals.

17. Deferred taxation

	2016 £
At beginning of year	74,260
Charged to profit or loss	(74,260)
	<u></u>

18. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u></u>	<u></u>
Allotted, called up and partly paid		
12,500 Ordinary shares of £1 each	12,500	12,500
	<u></u>	<u></u>

HAWK DEVELOPMENT MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

19. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

20. Pension commitments

The company is the principal employer of a defined benefit pension scheme, with assets held in a separately administered fund. The scheme provides retirement benefits on the basis of members' final salary. The plan is administered by independent trustees, who are responsible for ensuring that the plan is sufficiently funded to meet current and future obligations. Additional contributions are agreed with the trustee to reduce the funding deficit where necessary.

A comprehensive actuarial valuation of the company pension scheme, using the projected unit credit method was carried out at 31 March 2016 by Foden Baynes Associates Limited, independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions:

Expected rate of salary increases	N/A
Expected rate of increase of pensions in payment	1.45%
Discount rate	3.45%
Rate of inflation	1.95%

The mortality assumptions used were as follows:

Longevity at age 65 for current pensioners	
- Men	19.4 years
- Women	21.3 years
Longevity at age 65 for future pensioners	
- Men	21 years
- Women	23.1 years

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Reconciliation of scheme assets and liabilities

During the year, the company became the principal employer of a defined benefit pension scheme. Accordingly, comparatives have not been included within these accounts.

	Defined Benefit Obligation	Fair Value of Plan Assets	Benefit Liability
Brought forward	(1,582,900)	1,211,600	(371,300)
Expenses paid	-	-	-
Net interest	(53,200)	41,200	(12,000)
Benefits paid	36,700	(36,700)	-
Return on plan assets	17,100	(127,800)	(110,700)
Actuarial charges			
Contributions paid during the year into the scheme		37,000	37,000
At 31 March 2016	<u>(1,582,300)</u>	<u>1,125,300</u>	<u>(457,000)</u>

The fair value of the plan assets was:

Asset Class	£	%
Equities	717,100	63.73
Bonds/ Gilts	389,900	34.65
Cash (and other)	18,300	1.63
Total	1,125,300	100.00

The plan assets do not include any of the company's financial instruments.

The company also operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in the independently administered funds. No contributions were payable to the fund at the balance sheet date and included in creditors (2015: £Nil).

21. Related party transactions

Where possible, the company has taken advantage of the exemption conferred by FRS 102 Section 33 from the requirement to disclose transactions with wholly owned group undertakings.

Included within other creditors is a balance due to an entity in which key management personnel have an interest. The balance at the year end was £179,339 (2015: £nil). The movement is due to management charges incurred and intercompany funding. The management charge recognised as an expense in the year is £83,700 (2015: £nil).

HAWK DEVELOPMENT MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

22. Controlling party

The company is a wholly owned subsidiary of Universal Project Management Services Limited, a company registered in England and Wales.

The ultimate parent company at the year end was Frischmann Holdings Ltd, a company registered in England and Wales.

Copies of the consolidated financial statements of Frischmann Holdings Ltd may be obtained from the following address:

5 Manchester Square, London, W1U 3PD.

23. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014.

The policies adopted under the entity's previous accounting framework are not materially different to FRS 102 and there are no changes in accounting policies which reconcile the profit for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and FRS 102.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemption under FRS 102 paragraph 1.12(b) on the basis that it is a qualifying entity and the ultimate parent undertaking, Frischmann Holdings Ltd, includes the equivalent disclosures in its own consolidated financial statements. The disclosure exemption is the requirement to prepare a statement of cash flows.