

# Financial Statements Ask Projects Limited

---

For the year ended 31 March 2015



\*A55XP46A\*

A23

29/04/2016

#437

COMPANIES HOUSE

Registered number: 05100188

**Ask Projects Limited**  
**Registered number: 05100188**

## Company Information

<b>Directors</b>	J P Cross J J Hughes
<b>Company secretary</b>	J P Cross
<b>Registered number</b>	05100188
<b>Registered office</b>	3rd Floor Clarence House Manchester M2 4DW
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB
<b>Bankers</b>	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP

## Contents

	Page
<b>Directors' report</b>	1
<b>Directors' responsibilities statement</b>	2
<b>Independent auditor's report</b>	3 - 4
<b>Profit and loss account</b>	5
<b>Balance sheet</b>	6
<b>Notes to the financial statements</b>	7 - 12

# Directors' report

For the year ended 31 March 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

## **Directors**

The directors who served during the year were:

J P Cross  
J J Hughes

## **Going concern**

As discussed in more detail in note 1.2, the directors have considered the going concern status of the company and the risks and uncertainties the company faces. At 31 March 2015, the company had net liabilities of £13,632,655. The company's debt could be recalled on demand, however, the directors have assumed the continued support of the lender, the shareholders and the wider group in forming a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and further advance its agreed business plan. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

## **Disclosure of information to auditor**

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

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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 auditor is aware of that information.

## **Auditor**

The auditor, Grant Thornton UK LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 31 March 2011.

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



**J P Cross**  
Director

Date: 25 April 2016

## Directors' responsibilities statement

For the year ended 31 March 2015

The directors are responsible for preparing the Directors' 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 laws). 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 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;
- 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 Ask Projects Limited

We have audited the financial statements of Ask Projects Limited for the year ended 31 March 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement as set out on page 2, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2015 and of its 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 - Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 of the financial statements concerning the company's ability to continue as a going concern.

At 31 March 2015, the company had net liabilities of £13,632,655. As explained in note 1.2, the directors have prepared a business plan, together with forecasts and projections for the company through to 30 April 2017. These forecasts assume the continued support of Ask Developments Group Limited ("the group"), the group's principal lender and the company's shareholders.

This assumption, along with the other matters explained in note 1.2 to the financial statements indicate the existence of a material uncertainty which may cast significant doubt on 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.



## Independent auditor's report to the members of Ask Projects Limited

### **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, 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

*Grant Thornton UK LLP*

Christopher Martin  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Manchester

26 April 2016

## Profit and loss account

For the year ended 31 March 2015

	Note	2015 £	2014 £
Administrative expenses		(264,382)	(151,607)
Exceptional administrative expenses	4	(1,090,464)	(42,381)
Total administrative expenses		(1,354,846)	(193,988)
Other operating income	3,5	193,583	180,155
<b>Operating loss</b>	5	(1,161,263)	(13,833)
Interest payable	7	(494,256)	(879,392)
<b>Loss on ordinary activities before taxation</b>		(1,655,519)	(893,225)
Tax on loss on ordinary activities	8	-	-
<b>Loss for the financial year</b>	14	(1,655,519)	(893,225)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.



## Balance sheet

As at 31 March 2015

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Investments	9		-		-
<b>Current assets</b>					
Stocks	10	1,250,000		1,500,000	
Debtors	11	35,201		3,372,579	
Cash at bank		150,577		121,625	
		<u>1,435,778</u>		<u>4,994,204</u>	
<b>Creditors:</b> amounts falling due within one year	12	<u>(15,068,433)</u>		<u>(16,971,340)</u>	
<b>Net current liabilities</b>			<u>(13,632,655)</u>		<u>(11,977,136)</u>
<b>Total assets less current liabilities</b>			<u>(13,632,655)</u>		<u>(11,977,136)</u>
<b>Capital and reserves</b>					
Called up share capital	13		1		1
Profit and loss account	14		<u>(13,632,656)</u>		<u>(11,977,137)</u>
<b>Shareholders' deficit</b>	15		<u>(13,632,655)</u>		<u>(11,977,136)</u>

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



**J P Cross**  
Director

Date: 25 April 2016

The notes on pages 7 to 12 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 March 2015

## **1. Accounting policies**

### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### **1.2 Going concern**

The company currently meets its working capital requirements through intercompany loans provided by its ultimate parent company, Ask Developments Group Limited ("the group"). The parent company and group's working capital requirements are in turn supported by bank debt. Post year end, the parent company and certain other group entities have ceased to trade and are not considered to be a going concern. However, the directors intend that Ask Projects Limited will continue to trade and the financial statements should be prepared on a going concern basis.

The directors have prepared a business plan, together with forecasts and projections for the company through to 30 April 2017. These forecasts assume the continued support of the group, the group's principal lender and the company's shareholders. This assumption indicates the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

On this basis and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and further advance its agreed business plan. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **1.3 Cash flow**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **1.4 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

# Notes to the financial statements

For the year ended 31 March 2015

## 1. Accounting policies (continued)

### 1.5 Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost represents the costs associated with bringing property developments held for resale, to their current condition. Cost include acquisition costs, development costs and financing costs. Properties held for long term use within the business are classified as fixed assets. No interest is capitalised in respect of development properties from which rental income is derived and no development activity is taking place.

### 1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

### 1.7 Other operating income - rent and other income from properties

Rent receivable under property leases in respect of development properties is accounted for on a straight line basis over the duration of the lease and is shown net of VAT as other operating income.

## 2. Turnover

Sales of property developments are shown as turnover in respect of all developments which have been completed. Turnover excludes value added tax and other sales taxes. There were no sales of such developments during the year.

## 3. Other operating income

	2015	2014
	£	£
Other operating income	<u>193,583</u>	<u>180,155</u>

# Notes to the financial statements

For the year ended 31 March 2015

## 4. Exceptional administrative expenses

	2015	2014
	£	£
Provision against work in progress	253,787	1,500,000
Movement in provision for intercompany debtors	836,677	(1,457,619)
	<u>1,090,464</u>	<u>42,381</u>

## 5. Operating loss

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

	2015	2014
	£	£
Auditor's remuneration	4,750	-
Rent and other income from properties	(193,583)	(180,155)
	<u>(193,583)</u>	<u>(180,155)</u>

The auditor's remuneration was borne by the ultimate parent undertaking in the prior year.

## 6. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

## 7. Interest payable

	2015	2014
	£	£
On bank loans	<u>494,256</u>	<u>879,392</u>

## Notes to the financial statements

For the year ended 31 March 2015

**8. Taxation**

	2015	2014
	£	£
UK corporation tax charge on loss for the year	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015	2014
	£	£
Loss on ordinary activities before tax	(1,655,519)	(893,225)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	(347,659)	(205,442)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	175,702	-
Unrelieved tax losses and other deductions arising in the period	171,957	540,902
Other timing differences leading to an increase (decrease) in taxation	-	1
Non-taxable income	-	(335,461)
<b>Current tax charge for the year</b> (see note above)	-	-

**Deferred tax**

There is an unrecognised deferred tax asset of £1,948,143 (2014 - £1,784,374) relating to tax losses. It has not been recognised on the grounds that there is insufficient evidence to suggest that the losses will be utilised in the foreseeable future.

**9. Fixed asset investments**

The company holds the entire issued share capital of Ever 1824 Limited, a company incorporated in England and Wales. Ever 1824 Limited is a property developer. The directors reviewed the carrying value of the investment at 31 March 2011 and considered it appropriate to make a full impairment provision against the cost of investment (£2,806,485).

**10. Stocks**

	2015	2014
	£	£
Work in progress	1,250,000	1,500,000

# Notes to the financial statements

For the year ended 31 March 2015.

## 11. Debtors

	2015	2014
	£	£
Amounts owed by group undertakings	-	3,351,255
Other debtors	35,201	21,324
	<u>35,201</u>	<u>3,372,579</u>

## 12. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Bank loans and overdrafts	4,234,349	11,725,213
Trade creditors	2,319	-
Amounts owed to group undertakings	5,483,996	3,569,261
Other creditors	4,031,861	-
Accruals and deferred income	1,315,908	1,676,866
	<u>15,068,433</u>	<u>16,971,340</u>

The bank loans are secured against the property assets (Stocks) to which they relate.

## 13. Share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

## 14. Reserves

	Profit and loss account £
At 1 April 2014	(11,977,137)
Loss for the financial year	(1,655,519)
At 31 March 2015	<u>(13,632,656)</u>

# Notes to the financial statements

For the year ended 31 March 2015

## 15. Reconciliation of movement in shareholders' deficit

	2015	2014
	£	£
Opening shareholders' deficit	(11,977,136)	(11,083,911)
Loss for the financial year	(1,655,519)	(893,225)
Closing shareholders' deficit	<u>(13,632,655)</u>	<u>(11,977,136)</u>

## 16. Transactions with directors

Included in creditors are the following amounts due to directors:

	2015	2014
	£	£
J P Cross	652,000	-
J J Hughes	652,000	-
	<u>1,304,000</u>	<u>-</u>

## 17. Related party transactions

The company is a wholly owned subsidiary of Ask Developments Group Limited, the consolidated financial statements of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with other wholly owned members of the group.

## 18. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Ask Investments Limited, a company registered in England and Wales. The ultimate parent undertaking is Ask Developments Group Limited, a company registered in England and Wales.