

Financial Statements Ask Projects Limited

For the year ended 31 March 2014

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COMPANIES HOUSE

Registered number: 05100188

Company Information

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

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Directors' report

For the year ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors

The directors who served during the year were:

J P Cross
J J Hughes
S D Bate (resigned 31 August 2013)
K J Knott (resigned 09 August 2013)

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, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



J P Cross
Director

Date: 23 March 2015

Directors' responsibilities statement

For the year ended 31 March 2014

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 and 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 2014, 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.

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 2014 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.

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.



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

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

24 March 2015

Profit and loss account

For the year ended 31 March 2014

	Note	2014 £	2013 £
Administrative expenses		(151,607)	(122,468)
Exceptional administrative expenses	4	(42,381)	(919,166)
Total administrative expenses		(193,988)	(1,041,634)
Other operating income	3,5	180,155	211,504
Operating loss	5	(13,833)	(830,130)
Interest receivable		-	346
Interest payable	7	(879,392)	(221,668)
Loss on ordinary activities before taxation		(893,225)	(1,051,452)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year	14	(893,225)	(1,051,452)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 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 2014

	Note	£	2014 £	As restated 2013 £
Fixed assets				
Investments	9		-	-
Current assets				
Stocks	10	1,500,000		3,000,000
Debtors	11	3,372,579		1,941,649
Cash at bank		121,625		62,776
		<u>4,994,204</u>		<u>5,004,425</u>
Creditors: amounts falling due within one year	12	<u>(16,971,340)</u>		<u>(16,088,336)</u>
Net current liabilities			<u>(11,977,136)</u>	<u>(11,083,911)</u>
Net liabilities			<u>(11,977,136)</u>	<u>(11,083,911)</u>
Capital and reserves				
Called up share capital	13		1	1
Profit and loss account	14		<u>(11,977,137)</u>	<u>(11,083,912)</u>
Shareholders' deficit	15		<u>(11,977,136)</u>	<u>(11,083,911)</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: 23 March 2015

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

Notes to the financial statements

For the year ended 31 March 2014

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 meets its day to day working capital requirements through intercompany loans provided by its ultimate parent company, Ask Developments Group Limited. The parent company and group's working capital requirements are in turn supported by bank debt. The company's ultimate parent undertaking, Ask Developments Group Limited, has undertaken to provide the company with continued support.

The directors have prepared a business plan together with forecasts and projections for the group through to 31 December 2016. These forecasts assume the continued support of the group's principal lender as evidenced by the Development Management Agreement entered into with the principal lender in April 2014. This Agreement regulates the management of the assets across the group until 31 December 2016.

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, develop its property portfolio 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 company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

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

1.5 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 2014

1. Accounting policies (continued)

1.6 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.

1.7 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.

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 completed developments during the year.

3. Other operating income

	2014	2013
	£	£
Other operating income	<u>180,155</u>	<u>211,504</u>

Notes to the financial statements

For the year ended 31 March 2014

4. Exceptional administrative expenses

	2014	2013
	£	£
Provision against work in progress	1,500,000	200,000
Movement in provision for intercompany debtors	(1,457,619)	719,166
	<u>42,381</u>	<u>919,166</u>

5. Operating loss

The operating loss is stated after crediting:

	2014	2013
	£	£
Rent and other income from properties	(180,155)	(211,504)

The auditor's remuneration has been borne by the ultimate parent undertaking in the current and prior year.

6. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2013 - £NIL).

7. Interest payable

	2014	2013
	£	£
On bank loans	<u>879,392</u>	<u>221,668</u>

Notes to the financial statements

For the year ended 31 March 2014

8. Taxation

	2014	2013
	£	£
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 (2013 - higher than) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014	2013
	£	£
Loss on ordinary activities before tax	(893,225)	(1,051,452)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	(205,442)	(252,348)
Effects of:		
Expenses not deductible for tax purposes	-	172,600
Unrelieved tax losses and other deductions arising in the period	540,902	79,748
Other timing differences leading to an increase (decrease) in taxation	1	-
Non-taxable income	(335,461)	-
Current tax charge for the year (see note above)	-	-

Deferred tax

There is an unprovided deferred tax asset of £1,784,374 (2013 - £1,519,165) relating to tax losses. It has not been recognised on the grounds that there is insufficient evidence to suggest that the timing differences will reverse 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

	2014	2013
	£	£
Work in progress	1,500,000	3,000,000

Notes to the financial statements

For the year ended 31 March 2014

11. Debtors

	2014	2013
	£	£
Amounts owed by group undertakings	3,351,255	1,893,636
Other debtors	21,324	38,878
Prepayments and accrued income	-	9,135
	<u>3,372,579</u>	<u>1,941,649</u>

12. Creditors:

Amounts falling due within one year

	2014	As restated 2013
	£	£
Bank loans and overdrafts	11,725,213	11,725,213
Trade creditors	-	574
Amounts owed to group undertakings	3,569,261	3,565,075
Accruals and deferred income	1,676,866	797,474
	<u>16,971,340</u>	<u>16,088,336</u>

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

At the year ended 31 March 2013, loans repayable on demand amounting to £11,725,213 were disclosed as payable in more than one year. The comparatives have therefore been restated to show these loans as due in less than one year at 31 March 2013, to reflect their recallable nature.

13. Share capital

	2014	2013
	£	£
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 2013	(11,083,912)
Loss for the financial year	(893,225)
	<u>(11,977,137)</u>
At 31 March 2014	

Notes to the financial statements

For the year ended 31 March 2014

15. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Opening shareholders' deficit	(11,083,911)	(10,032,459)
Loss for the financial year	(893,225)	(1,051,452)
Closing shareholders' deficit	<u>(11,977,136)</u>	<u>(11,083,911)</u>

16. 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.

17. 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.

Ask Developments Group Limited is the smallest and largest group preparing consolidated financial statements that include the company. Copies of the consolidated financial statements of Ask Developments Group Limited can be obtained from Clarence House, 3rd Floor Clarence House, Manchester, M2 4DW.