ASK PROPERTY DEVELOPMENTS LIMITED

Report and Accounts

For the period 13 December 1999 to 31 March 2001

ERNST & YOUNG





Registered number 3895215

DIRECTORS

A Dodd	(appointed 21 December 1999)
K Knott	(appointed 21 December 1999)
London Law Services Limited	(appointed 31 December 1999, resigned 13 December 1999)

SECRETARY

K Knott	
London Law Secretarial Limited	(appointed 31 December 1999, resigned 13 December 1999)

AUDITORS

Ernst & Young LLP
100 Barbirolli Square
Manchester
M2 3EY

BANKERS

Co-operative Bank plc
1 Balloon Street
Manchester
M60 4EP

SOLICITORS

Eversheds
70 Great Bridgewater Street
Manchester
M1 5ES

REGISTERED OFFICE

53 Barnet House
Fountain Street
Manchester
M2 2AN

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DIRECTORS' REPORT

The directors present their report and audited accounts for the 15 month period from 13 December 1999 to 31 March 2001.

PRINCIPAL ACTIVITIES

The company was incorporated on 13 December 1999. One ordinary share was issued on incorporation at par and a further 4,999 ordinary shares issued at par on 15 February 2000.

The principal activity is that of a service company facilitating property development contracts.

RESULTS AND DIVIDENDS

The loss for the period was £26,945. The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who have held office during the period are shown on page 2.

DIRECTORS' INTERESTS

The directors beneficial interests in the shares of the company are as stated below:

	Ordinary shares of £1 each 31 March 2001 No.
A Dodd	1,350
S Bate(*)	1,350
K Knott	2,000
N Payne (*)	300

* The beneficial interests of Mr S Bate and Mr N Payne in the share capital of the company are held by Mr A Dodd.

AUDITORS

Ernst & Young LLP were as appointed as auditors to the company during the period. In accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the members at the Annual General Meeting.

By order of the Board

A G Dodd
Director

Date: 29/1/02

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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial period which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ENVIRONMENTAL POWER LIMITED

We have audited the company's financial statements for the period ended 31 March 2001, which comprise Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Reconciliation of Shareholders' Funds and the related notes 1 to 13. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2001 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Manchester

Date: 3rd 1 02

PROFIT AND LOSS ACCOUNT
for the 15 months ended 31 March 2001

	Notes	2001 £
TURNOVER	1,13	289,825
Cost of sales		(171,338)
GROSS PROFIT		118,487
Administrative expenses		(151,644)
OPERATING LOSS	2	(33,157)
Interest payable and similar charges	5	(183)
Interest receivable and similar income	5	6,395
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(26,945)
Tax on loss on ordinary activities		-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	11,12	(26,945)

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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the 15 months ended 31 March 2001

There are no gains and losses other than those included in the profit and loss account.

BALANCE SHEET
at 31 March 2001

	Notes	2001 £
FIXED ASSETS		
Tangible Fixed Assets	6	2,060
CURRENT ASSETS		
Debtors	7	497,779
CREDITORS: amounts falling due within one year	8	(142,391)
NET CURRENT ASSETS		355,388
TOTAL ASSETS LESS CURRENT LIABILITIES		357,448
CREDITORS: amounts falling due after more than one year	9	(379,393)
NET LIABILITIES		(21,945)
CAPITAL AND RESERVES		
Called - up share capital	10	5,000
Profit and loss account	11	(26,945)
EQUITY SHAREHOLDERS' DEFICIT	12	(21,945)

Approved, on behalf of the Board, by

A G Dodds
Director

Date: 29/1/02

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NOTES TO THE ACCOUNTS
for the year ended 31 March 2001

1. ACCOUNTING POLICIES

Accounting convention
The accounts are prepared under the historical cost convention, and in accordance with applicable accounting standards.

Stock and work in progress
Stock and work in progress are valued at the lower of cost and net realisable value. Costs represents the costs associated with bringing property developments held for resale, to their current condition. Costs 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 a rental income is derived and no development activity is taking place.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less deprecation. Depreciation provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

Computer equipment - 25% straight line.

Turnover
All turnover in the year arose in respect of the company's principal activity the development and sale of properties, which is a continuing activity carried out in the United Kingdom.

Deferred taxation
Deferred taxation is provided at appropriate rates on all timing differences using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Cash flow statement
The company has taken advantage of the exemption contained within FRS1 (Revised) relating to small companies and accordingly has not prepared and presented a cash flow statement.

2. OPERATING LOSS

	15 months ended 31 March 2001 £
Operating loss is stated after charging:	
Auditors' remuneration	500
Depreciation	686

3. STAFF COSTS

	15 months ended 31 March 2001 £
Wages and salaries	142,049
Social security costs	15,539
Pension costs	13,750
	171,338

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NOTES TO THE ACCOUNTS
for the year ended 31 March 2001

4. DIRECTORS REMUNERATION

	15 months ended 31 March 2001 £
Salaries	142,048
Pension costs	13,750
	155,798

5. INTEREST

Interest payable	*15 months ended 31 March 2001* £
Bank loans and overdrafts	183
Interest receivable	
Bank interest	3,978
Other interest	2,417
	6,395

6. FIXED ASSETS

	Computer Equipment £
Cost:	
On incorporation	-
Additions	2,746
At 31 March 2001	2,746
Depreciation:	
On incorporation	-
Charge for period	686
At 31 March 2001	686
Net book value	
At 31 March 2001	2,060

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NOTES TO THE ACCOUNTS
for the year ended 31 March 2001

7. DEBTORS

	Notes	2001 £
Trade debtors		434
Amounts due from related undertaking	13	273,000
Other debtors		28,864
Prepayments		194,981
Unpaid share capital		500
		497,779

8. CREDITORS: amounts falling due within one year

	Notes	2001 £
Bank overdraft		62,559
Trade creditors		17,271
Accruals		57,879
Other creditors	13	4,682
		142,391

The bank overdraft is secured by right of offset with the accounts of Westport Developments Limited, a related company (note 13).

9. CREDITORS: amounts falling due after more than one year

	Notes	2001 £
Amounts owed to related undertaking	13	379,393

The related undertakings have given a commitment that they will not demand repayment until the company's finances permit and not for a period of at least a year from the balance sheet date.

10. SHARE CAPITAL

	No	2001 £
Authorised:		
Ordinary shares of £1 each	5,000	5,000
Allotted, called – up and full paid:		
Ordinary shares of £1 each	5,000	5,000

The company issued on ordinary share on incorporation at par and a further 4,999 ordinary shares at par on 15 February 2000, to provide initial working capital.

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NOTES TO THE ACCOUNTS
for the year ended 31 March 2001

11. STATEMENT OF MOVEMENTS RESERVES

	Profit and loss account £
On incorporation	-
Retained loss for the period	(26,945)
Balance at 31 March 2001	(26,945)

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS/(DEFICIT)

	15 month period ended 31 March 2001 £
Loss for the period	(26,945)
Issue of share capital	5,000
Net reduction in shareholders' funds	(21,945)
Opening shareholders' funds	-
Closing shareholders' deficit	(21,945)

13. RELATED PARTY TRANSACTIONS

Creditors	*Notes*	*2001* £
Westport Developments Limited	1	379,393
L'attitude Sports Limited	2	273
		379,666

1. This balance relates to a loan advanced in the period in order to enable the company to meet its obligations. This loan is unsecured and interest free. Mr A Dodd, a director and shareholder of Ask Property Developments Limited, is also a director and shareholder of Westport Developments Limited (note 9).

2. This balance relates to expenses paid by L'attitude sports Limited on behalf of Ask Property Developments Limited which are due to be recharged. Mr A Dodd is a director and shareholder of L'attitude Sports Consultancy Limited. This amount is included within other creditors (note 8).

Debtors

	Notes	*2001* £
Southside Regeneration Limited	1	273,000

1. During the year the company charged the above named company for services (shown as turnover) provided. Southside Regeneration Limited is a subsidiary of Westport Developments Limited (note 7).

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