



Ballymore Properties Holdings Limited and subsidiaries

Directors' report and consolidated
financial statements

For the year ended 31 March 2008

Registered number: 04910171

TUESDAY



ADG6X6V7

A16

27/01/2009

69

COMPANIES HOUSE

Ballymore Properties Holdings Limited and subsidiaries

Directors' report and consolidated financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	5
Independent auditor's report	6
Statement of accounting policies	8
Consolidated profit and loss account	12
Consolidated statement of total recognised gains and losses	13
Consolidated note of historical cost profits and losses	13
Consolidated balance sheet	14
Consolidated cash flow statement	15
Company balance sheet	16
Notes forming part of the financial statements	17



Ballymore Properties Holdings Limited and subsidiaries

Directors and other information

Directors

Sean Mulryan
Brian Fagan
Ray Hardy
David Brophy

Secretary

Brian Fagan

Registered office

St. Johns House
5 South Parade
Summertown
Oxford OX2 7JL

Registered number

04910171

Bankers

Allied Irish Bank (GB)
London

Anglo Irish Bank Corp
London

Fortis Bank S.A. / N.V.
London

Irish Nationwide Building Society
Belfast

Wurttembergische Hypothekbank
Aktiengesellschaft
London

Royal Bank of Scotland
London

Allied Irish Bank
Dublin

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Solicitors

Howard Kennedy
Harcourt House
19 Cavendish Square
London W1A 2AW

Lovells
65 Holborn Viaduct
London
EC4 2DY

Wragge & Co.
3 Waterhouse Square
142 High Holborn
London
EC1N 2SW

Ballymore Properties Holdings Limited and subsidiaries

Directors' report

The directors present their annual report and audited consolidated financial statements of Ballymore Properties Holdings Limited ("the company") and subsidiaries ("the group") for the year ended 31 March 2008.

Principal activity and results, review of the business and dividend

The principal activities of the group throughout the year were property development and investment. There has been no significant change in these activities during the year. However, the operating environment for the business has proven to be difficult during the year.

The carrying value of the group's tangible fixed assets as at 31 March 2008 is £333million (2007: £284 million) and the carrying value of stock is £1,143 million (2007: £717 million). The increase in tangible fixed assets from 31 March 2007 primarily relates to expenditure on a number of fixed assets under construction. In addition, the carrying value of an investment property was valued upwards by £7.3m, based on a third party assessment of its open market value.

The net increase in stock arises primarily from the continued development and enhancement of existing work in progress and secondly from acquisitions of development properties from fellow Group undertakings and third parties. The directors reviewed the carrying value of the group's stock in the context of current market conditions and provided for a diminution in the value of a number of these assets of £40.3 million (2007: £nil).

Under accounting convention, stock of work in progress and development properties are held at the lower of cost and net realisable value. This convention thus mandates recognition in the financial statements of any diminution in values below cost. However, the convention does not permit the recognition of the additional value that the group has generated and will continue to generate through obtaining planning permission on development properties and the generation of pre-completion sales commitments.

Many of the group's development properties were acquired a number of years ago at market prices then prevailing. Since that time, significant value has been added to these properties as they have been progressed through the planning process. The directors believe that there is significant unrecognised development value inherent in its stock and this will be realised as the sites are developed and sold in future accounting periods.

The carrying value of the company's financial fixed assets as at 31 March 2008, comprising investments in subsidiary undertakings, all of which are involved in property related activities, is £155 million (2007: £155 million).

The loss for the year was £11.9 million (2007 loss: £12.6 million) having provided for a diminution in the carrying value of stock of £40.3m (2007: £nil). The directors do not recommend the payment of a dividend.

Ballymore Properties Holdings Limited and subsidiaries

Directors' report (*continued*)

Future developments

The directors expect the general level of activity to be significantly impacted by the adverse conditions in the property market. Through prudent business planning, the directors make appropriate commercial decisions to commence, or otherwise, future development projects in line with market conditions.

In addition, the group have a number of developments in construction, which will reach completion in the coming years. These developments are underpinned by strong pre-sales and lettings. These properties are currently stated at the lower of cost and net realisable value and profits will be recognised at completion or disposal of the relevant assets.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the group are in the following categories:

Economic risk

- The risk of interest rate movements, the availability of finance and inflation having an adverse impact on property markets.
- The risk of unrealistic increases in development and operating costs impacting adversely on competitiveness of the group.
- The impact of planning decisions on the group's assets.

These risks are managed by due consideration to the interest rate environment, business planning, strict cost control and management of planning applications. In response to the current economic environment, the group has introduced a cost reduction programme.

Market risk

The directors manage market risk through careful attention to residential and commercial property markets and through appropriate business planning and pricing.

Financial risk

The credit crisis and prevailing economic conditions have affected the availability of development and working capital finance in the property sector as well as impacting prospective property purchasers. The directors are working closely with the group's key stakeholders in order to mitigate these factors.

Each of the companies within the group has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Key performance indicators used by management include turnover, unit completions and profitability per unit.

Ballymore Properties Holdings Limited and subsidiaries

Directors' report *(continued)*

Directors and secretary

The directors and secretary who held office at year end are listed on page 1. Mr D. Brophy was appointed as a director on 7 September 2007 and Dr. P. Bacon resigned as a director on 31 December 2007.

Political and charitable contributions

The group made no political contributions during the year (2007: *£nil*). The group made charitable contributions of £434,280 (2007: £466,936) during the year. As part of our community program we support and sponsor youth and elderly projects in London and other parts of the UK where we have developments. We also support the charity "Homeless Child" which helps homeless children worldwide.

Fixed assets

In the opinion of the directors, there is no material difference between the market value of the land and buildings of the group included in fixed assets and the book values of these assets at 31 March 2008.

Post balance sheet events

No events affecting the group have taken place since the end of the financial year which requires disclosure in the financial statements.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

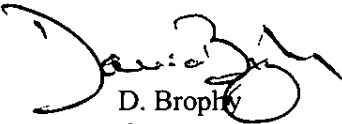
Auditor

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Chartered Accountants as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



B. Fagan
Director



D. Brophy
Director

22 December 2008

Ballymore Properties Holdings Limited and subsidiaries

Statement of directors' responsibilities

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 group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The group and parent company financial statements are required by law to give a true and fair view of the state of affairs of the group and parent company and of the profit or loss for that year.

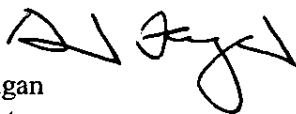
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 group and parent company will continue in business.

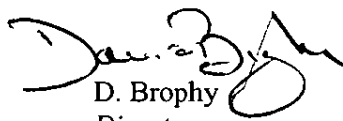
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board

B. Fagan
Director



D. Brophy
Director





KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Ballymore Properties Holdings Limited and subsidiaries

We have audited the group and parent company financial statements ("the financial statements") of Ballymore Properties Holdings Limited and subsidiaries for the year ended 31 March 2008 which comprises the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Statement of Total Recognised Gains and Losses, the Group Note of Historical Cost Profits and Losses, the Group Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Directors' Responsibilities on page 5, the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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.

Independent auditor's report to the members of Ballymore Properties Holdings Limited and subsidiaries *(continued)*

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 group's and 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the group's and parent company's affairs as at 31 March 2008 and of the group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information in the Directors' Report is consistent with the financial statements.



*Chartered Accountants
Registered Auditor
Dublin*

22 December 2008

Ballymore Properties Holdings Limited and subsidiaries

Statement of accounting policies

for the year ended 31 March 2008

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified to include the revaluation of investment properties, and comply with financial reporting standards of the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in England and Wales.

Basis of consolidation

The group financial statements consolidate the financial statements of the holding company and all its subsidiary undertakings made up to 31 March 2008.

The reorganisation of Ballymore Properties Holdings Limited ("BPHL") and its subsidiaries in October 2003 was accounted for using the merger method of accounting.

The results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Upon the acquisition of a business, fair values are attributed to the identifiable net assets acquired. Goodwill arising on acquisitions is dealt with as set out below.

Where a group company is party to a joint arrangement that is not an entity, that company accounts directly for its part of the income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

Joint ventures

Joint venture undertakings are those undertakings over which the group exercises control jointly with another party.

Joint ventures are accounted for using the gross equity method. The group's share of the profits less losses of joint ventures are included in the consolidated profit and loss account. The group's interests in their net assets or liabilities are included as fixed asset investments in the consolidated balance sheet at an amount representing the group's share of the fair values of the net assets at acquisition plus the group's share of post acquisition retained profits or losses. Goodwill arising on acquisition of joint ventures is dealt with as stated below.

The amount included in the consolidated financial statements in respect of the post acquisition profits of joint ventures are taken from financial statements made up to the balance sheet date.

Ballymore Properties Holdings Limited and subsidiaries

Statement of accounting policies (*continued*)
for the year ended 31 March 2008

Tangible fixed assets and depreciation

Investment properties

Investment properties are stated on the basis of open market value as defined by the Royal Institution of Chartered Surveyors. Investment properties are valued annually. Surpluses and deficits on valuation are taken directly to the revaluation reserve except for permanent deficits or their reversal which, on an individual property basis, are taken to the profit and loss account.

Profits and losses on the sale of investment properties included in the profit and loss account are calculated as the difference between the net sales proceeds and the carrying value.

No depreciation or amortisation is provided against investment properties which may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. These properties are not however held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary, in the directors' opinion, for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Construction in progress

Construction in progress comprises investment properties currently being developed, stated at cost. Cost includes interest which is capitalised from date of commencement of development until the development is complete. Interest is calculated by reference to specific borrowings.

Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation. No depreciation is provided on freehold land.

The charge for depreciation is calculated using the straight line method at rates estimated to charge to the profit and loss account the cost of each asset less its residual value over its estimated useful life. The following rates have been applied:

Freehold buildings	- 2% per annum
Hotel building core	- 2% per annum
Plant and machinery	- 5% per annum
Equipment, fixtures and fittings	- 5% - 33 ¹ / ₃ % per annum
Motor vehicles	- 25% per annum
Computer equipment	- 50% per annum

Leased assets

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Ballymore Properties Holdings Limited and subsidiaries

Statement of accounting policies (*continued*) for the year ended 31 March 2008

Financial fixed assets

Investments in associate undertakings and other investments are stated at cost less provisions for impairment in value. Income from financial fixed assets, together with any related tax credit, is recognised in the profit and loss account in the year in which it is receivable.

Subsidiaries contributed by the parent company in the course of the group reorganisation were stated at the directors' assessment of their open market value.

Quoted investments

Investments are stated at the lower of cost and market value.

Stock

Development properties

Development properties are properties acquired for future development and properties on which only initial development has commenced. These are stated at the lower of cost and net realisable value. Cost comprises purchase price and development costs. Net realisable value is defined as the current selling price of the completed developments less all further costs to completion and selling costs as estimated by the directors.

Work in progress

Work in progress, which comprises properties currently being developed, is stated at the lower of cost and net realisable value. Cost includes interest which is capitalised from date of commencement of development until the development is complete. Interest is calculated by reference to specific borrowings.

Work in progress represents costs incurred, net of amounts transferred to cost of sales, less foreseeable losses.

Profits on developments are not recognised until properties are structurally complete and legally transferred to the purchaser.

Properties held for resale

Properties held for resale, on which no further development is required, are stated at the lower of cost and net realisable value. Net realisable value is defined as the current selling price less all further costs to completion and selling costs as estimated by the directors.

Hotel stock

Stocks, which comprise food and liquor, are valued at the lower of cost and net realisable value.

Interest bearing borrowings

Immediately after issue, debt is stated at the fair value of the consideration received on the issue of the capital instrument after deduction of issue costs. The finance cost of the debt is allocated to periods over the term of the debt at a constant rate on the carrying amount.

Ballymore Properties Holdings Limited and subsidiaries

Statement of accounting policies (*continued*) *for the year ended 31 March 2008*

Turnover

Turnover, which is stated net of VAT, represents the net value of development and residential sales contracts completed together with construction income, rental income and project management fees on an accruals basis. Turnover is attributable to the principal activity of the group.

Interest payable

Interest payable, which has not been capitalised, is charged to the profit and loss account in the financial year in which it is incurred.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions or at a contracted rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange on the balance sheet date or the contracted rate and any gains or losses are included in the profit and loss account.

Taxation

Taxation is provided on taxable profits arising at current rates.

Deferred taxation is accounted for, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19 - *Deferred Tax*. Provision is made at the tax rates which are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not they will be recovered.

Cash

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Ballymore Properties Holdings Limited and subsidiaries

Consolidated profit and loss account for the year ended 31 March 2008

	Note	2008 £'000	2007 £'000
Group turnover including share of joint ventures		260,589	30,828
Less: Share of joint ventures' turnover		(20)	(115)
Turnover - continuing operations	2	260,569	30,713
Cost of sales	3	(251,035)	(17,604)
Gross profit		9,534	13,109
Administrative expenses		(24,798)	(16,093)
Other income	4	22,763	548
Group operating profit/(loss) – continuing operations		7,499	(2,436)
Share of operating profit/(loss) in joint ventures	13	3	(376)
Profit/(loss) on ordinary activities before interest		7,502	(2,812)
Interest receivable and similar income			
- Group	5	4,230	2,126
- Joint ventures	13	536	4
Interest payable and similar charges			
- Group	6	(24,955)	(13,228)
- Joint ventures	13	(1,170)	-
Investment income	7	132	115
Loss on ordinary activities before taxation	8	(13,725)	(13,795)
Tax on loss on ordinary activities	10	1,716	1,262
Loss on ordinary activities after taxation		(12,009)	(12,533)
Minority interest	28	89	(49)
Loss for the financial year	26	(11,920)	(12,582)

On behalf of the board

B. Fagan
Director

D. Brophy
Director

Ballymore Properties Holdings Limited and subsidiaries

Consolidated statement of total recognised gains and losses for the year ended 31 March 2008

	<i>Note</i>	2008 £'000	2007 £'000
Loss for the financial year		(11,920)	(12,582)
Unrealised surplus on revaluation of investment properties	24	7,378	3,651
		<hr/>	<hr/>
Total recognised gains and losses for the year	27	(4,542)	(8,931)
		<hr/>	<hr/>

Consolidated note of historical cost profits and losses for the year ended 31 March 2008

	<i>Note</i>	2008 £'000	2007 £'000
Loss on ordinary activities before taxation		(13,725)	(13,795)
Revaluation surplus realised on disposal of investment property	24,26	15,500	-
		<hr/>	<hr/>
Historical cost profit/(loss) on ordinary activities before taxation		1,775	(13,795)
		<hr/>	<hr/>
Historical cost profit/(loss) for the year		3,580	(12,582)
		<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Consolidated balance sheet

as at 31 March 2008

	Note	2008 £'000	2007 £'000
Fixed assets			
Tangible assets	12	333,345	283,897
Investment in joint ventures	13	968	1,371
Financial assets	14	5,262	5,262
		<hr/>	<hr/>
		339,575	290,530
Current assets			
Stock	15	1,142,722	716,895
Debtors	16	165,710	96,429
Financial assets	17	397	459
Cash at bank and in hand	18	83,244	40,408
		<hr/>	<hr/>
		1,392,073	854,191
Creditors: amounts falling due within one year	19	(650,885)	(382,597)
		<hr/>	<hr/>
Net current assets		741,188	471,594
		<hr/>	<hr/>
Total assets less current liabilities		1,080,763	762,124
Creditors: amounts falling due after more than one year	20	(1,004,264)	(680,994)
		<hr/>	<hr/>
Net assets		76,499	81,130
Capital and reserves			
Called up share capital	23	100	100
Revaluation reserve	24	28,460	36,582
Other reserves	25	100	100
Profit and loss account	26	44,182	40,602
		<hr/>	<hr/>
Shareholders' funds	27	72,842	77,384
Minority interest	28	3,657	3,746
		<hr/>	<hr/>
		76,499	81,130
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 22 December 2008 and were signed on its behalf by:

B. Fagan
Director



D. Brophy
Director



Ballymore Properties Holdings Limited and subsidiaries

Consolidated cash flow statement for the year ended 31 March 2008

	<i>Note</i>	2008 £'000	2007 £'000
Net cash outflow from operating activities	<i>29</i>	(290,538)	(404,357)
Returns on investment and servicing of finance	<i>30</i>	(63,257)	(27,318)
Taxation – corporation tax paid		(3,114)	(4,581)
Capital expenditure and financial investment	<i>30</i>	16,450	(61,904)
		<hr/>	<hr/>
Net cash outflow before financing		(340,459)	(498,160)
Management of liquid resources	<i>30</i>	(54,707)	(18,897)
Financing	<i>30</i>	374,976	503,719
		<hr/>	<hr/>
Decrease in cash in the year		(20,190)	(13,338)
		<hr/>	<hr/>

Reconciliation of net cash flow to movement in net debt


	<i>Note</i>	2008 £'000	2007 £'000
Decrease in cash in the year	<i>31</i>	(20,190)	(13,338)
Cash inflow from change in debt financing	<i>31</i>	(374,976)	(503,719)
		<hr/>	<hr/>
Change in net debt resulting from cash flows	<i>31</i>	(395,166)	(517,057)
Interest rolled up into loan facilities	<i>31</i>	(22,011)	(14,501)
Net debt, at beginning of year	<i>31</i>	(829,982)	(298,424)
		<hr/>	<hr/>
Net debt, at end of year	<i>31</i>	(1,247,159)	(829,982)
		<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Company balance sheet as at 31 March 2008

	Note	2008 £'000	2007 £'000
Fixed assets			
Financial assets	14	154,600	154,600
Current assets			
Debtors	16	132,185	-
Cash at bank and in hand		30,001	100
		162,186	100
Creditors: amounts falling due within one year	19	(162,186)	(100)
Net current assets		-	-
Total assets less current liabilities		154,600	154,600
Net assets		154,600	154,600
Capital and reserves			
Called up share capital	23	100	100
Capital reserve – capital contribution	25	154,500	154,500
Profit and loss account	26	-	-
Shareholders' funds	27	154,600	154,600

These financial statements were approved by the board of directors on 22 December 2008 and were signed on its behalf by:


B. Fagan
Director


D. Brophy
Director

Ballymore Properties Holdings Limited and subsidiaries

Notes

forming part of the financial statements

1 Basis of preparation

The principal risks and uncertainties faced by the group and the company and the steps taken by the directors to address them are set out in the Directors' Report. The group and company's ability to realise the value of its property related assets and continue as a going concern is largely dependent on the continued financial support of their banks and other funders. The directors reviewed financial projections for a period of 12 months from the date of approval of these financial statements and assessed the group and company's required credit facilities. The directors also note that, notwithstanding the difficult market conditions, the group continues to negotiate the renewal of its banking facilities and continues to put in place new credit facilities with its bankers.

On the basis of the group's existing credit facilities, its strong ongoing relationships with its bankers, the continuation of funding and having reviewed financial projections, the directors believe that appropriate funding will be available to the group and company to meet their obligations for the foreseeable future. Accordingly, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2 Turnover	2008 £'000	2007 £'000
Turnover is analysed as follows:-		
Sale of properties and construction income	244,809	17,429
Rental income and management fees	11,229	13,284
Hotel turnover	4,531	-
	<hr/>	<hr/>
	260,569	30,713
	<hr/>	<hr/>

All turnover is generated in the United Kingdom.

3 Cost of sales

Cost of sales includes a provision of £40,280,000 (2007: £nil) in respect of stock.

4 Other income	2008 £'000	2007 £'000
Consideration for surrender of tax losses to group undertakings	22,393	-
Other operating income	370	548
	<hr/>	<hr/>
	22,763	548
	<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

5	Group interest receivable and similar income	2008	2007
		£'000	£'000
	Bank deposit interest	2,774	1,649
	Interest on intercompany loans	-	139
	Interest on loans to joint ventures	1,456	338
		<u>4,230</u>	<u>2,126</u>
6	Interest payable and similar charges	2008	2007
		£'000	£'000
	On loans wholly repayable other than by instalments within five years	95,003	51,065
	Less: Capitalised interest included in cost of sales/stocks/fixed assets under construction	(70,699)	(37,837)
	Other interest	651	-
		<u>24,955</u>	<u>13,228</u>
7	Investment income	2008	2007
		£'000	£'000
	Income from financial assets	132	115
8	Statutory and other information	2008	2007
		£'000	£'000
	Loss on ordinary activities before taxation is stated after charging / (crediting):		
	Depreciation of tangible fixed assets	1,191	355
	Directors' remuneration (note 9)	1,500	-
	Gain on disposal of fixed assets	(20,238)	-
		<u></u>	<u></u>
	Auditor's remuneration - audit fees	358	150
	- tax advisory fees	911	646
	- consultancy fees	104	-
		<u></u>	<u></u>

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

9 Directors' remuneration and transactions	2008 £'000	2007 £'000
--	---------------	---------------

Directors' remuneration

Total emoluments	1,500	-
------------------	-------	---

Emoluments of the highest paid director	1,500	-
---	-------	---

Material interests of directors in contracts with the group

Dr. Bacon completed on an apartment at the New Providence Wharf development for a consideration of £525,000. This transaction will be put before the members of the company at the next annual general meeting for ratification.

No emoluments are paid to the directors of the company by the company.

10 Tax on loss on ordinary activities	2008 £'000	2007 £'000
---------------------------------------	---------------	---------------

(a) Analysis of credit for the year

UK corporation tax

Current tax on income for the year	275	-
Adjustment in respect of prior years	(1,619)	5,281

Total current tax	(1,344)	5,281
--------------------------	----------------	--------------

Deferred taxation (note 22)

Origination/reversal of timing differences	(1,317)	(6,257)
Effect of decreased tax rate	121	-
Adjustment in respect of previous years	824	(286)

Total deferred tax	(372)	(6,543)
---------------------------	--------------	----------------

Tax on loss on ordinary activities	(1,716)	(1,262)
---	----------------	----------------

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

10 Tax on loss on ordinary activities (continued)

(b) Factors affecting current tax charge for the year

The current tax charge for the year differs from the standard rate of corporation tax. The differences are explained below:

	2008 £'000	2007 £'000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(13,725)	(13,795)
Loss on ordinary activities multiplied by the standard Corporation tax rate in the UK of 30%	(4,117)	(4,138)
<i>Effects of:</i>		
Expenses not deductible	(1,128)	362
Capital allowances	(896)	16
Profit on disposal of fixed asset	5,739	-
Other timing differences	1,861	1,357
Utilisation of tax losses	(1,184)	-
Losses carried back	-	2,185
Tax and losses carried forward	-	218
Adjustment in respect of prior years	(1,619)	5,281
Total current tax charge	(1,344)	5,281

(c) Factors expected to affect the tax charge in future periods

The UK corporation tax rate is currently 30% but is expected to be reduced to 28% effective from 1 April 2008.

The only other known factors which will impact on the tax charge in future periods are disclosed in Note 22.

Ballymore Properties Holdings Limited and subsidiaries

Notes *(continued)*

11 Staff numbers and costs

The average number of employees employed within the group including executive directors, during the year was 185 (2007: 129).

	2008	2007
Administration	82	59
Construction	103	70
	<hr/>	<hr/>
	185	129
	<hr/>	<hr/>

The aggregate payroll costs of employees were:

	2008 £'000	2007 £'000
Wages and salaries	14,655	8,636
Social security costs	1,750	1,024
	<hr/>	<hr/>
	16,405	9,660
	<hr/>	<hr/>

The company has no employees.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

12 Tangible fixed assets

<i>Group</i>	Freehold investment properties £'000	Construction in progress £'000	Freehold land and buildings £'000	Hotel building core £'000	Plant and machinery £'000	Equipment, fixture and fittings and motor vehicles £'000	Total £'000
<i>Cost</i>							
At beginning of year	224,342	53,870	5,412	-	-	1,774	285,398
Additions	18,423	64,087	-	-	-	298	82,808
Revaluation	7,378	-	-	-	-	-	7,378
Transfers	-	(26,317)	1,000	25,999	3,686	18,600	22,968
Disposals	(62,515)	-	-	-	-	-	(62,515)
At end of year	187,628	91,640	6,412	25,999	3,686	20,672	336,037
<i>Cost</i>							
Valuation	187,628	91,640	6,412	25,999	3,686	20,672	148,409
							187,628
At end of year	187,628	91,640	6,412	25,999	3,686	20,672	336,037
<i>Depreciation</i>							
At beginning of year	-	-	418	-	-	1,083	1,501
Charge for year	-	-	108	200	243	640	1,191
At end of year	-	-	526	200	243	1,723	2,692
<i>Net book value</i>							
At 31 March 2008	187,628	91,640	5,886	25,799	3,443	18,949	333,345
At 31 March 2007	224,342	53,870	4,994	-	-	691	283,897

Ballymore Properties Holdings Limited and subsidiaries

Notes *(continued)*

12 Tangible fixed assets *(continued)*

An investment property is held by Vitely Limited, a 75% subsidiary. The minority shareholder in Vitely Limited is entitled to a finder's fee in the event of a sale of the investment property. The property is stated at its market value less the estimated amount of the finder's fee. The property was valued by the directors of the company, on an open market basis on 31 March 2008 at £26,000,000.

On 17 April 2008, Savills revalued an investment property held by Ballymore Properties Limited, a wholly owned subsidiary, on an open market basis at £58,500,000. The surplus arising on this revaluation of £6,452,813 has been transferred to the revaluation reserve.

The group's other investment properties were valued by the directors of the company, on an open market basis on 31 March 2008 at £108,394,432.

The directors are satisfied that there is no material difference between the value at which the investment properties are included in the financial statements and their open market values at 31 March 2008.

The historical cost of the investment properties was £156,534,000 *(2007: £185,126,000)*.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. The maximum amount which could become payable in these circumstances is £6,424,264 *(2007: £11,226,242)*. At present it is not envisaged that any tax will become payable in the foreseeable future.

The amount at which construction in progress is stated includes capitalised interest of £10,230,204 *(2007: £5,263,995)*.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

13 Investment in joint ventures	2008 £'000	2007 £'000
---------------------------------	---------------	---------------

Group

Investment in joint ventures	968	1,371
------------------------------	-----	-------

- (a) The group owns 1 ordinary share of £1 in Bishopsgate Goodsynd Regeneration Limited, a property development company, which represents 50% of the issued shared capital at 31 March 2008. The group's joint venture partner, Hammerson plc, holds the remaining 50% of the equity share capital. The joint venture is in the design phase of a mixed use scheme of approximately 3.3 million sq ft.
- (b) The group holds a 50% participation in Central Regeneration Limited Partnership, a property development entity, stated at a cost of £2. The group's joint venture partner, Merepark, holds the remaining 50% of the equity share capital and is acting as project manager on the development. Planning permission has been received for a mixed use scheme of approximately 650,000 sq ft with construction scheduled to commence in the short term.
- (c) In April 2005, British Waterways Board appointed the group, together with Canary Wharf Group plc as its partner, for the development of Wood Wharf. The Wood Wharf Limited Partnership ("WWLP") has been established to oversee the development of an approximately 6.5 million sq ft (gross) mixed use scheme in which the group has a 25.0% effective interest. The group has subscribed £1,000 (50%) of equity share capital in Canary Wharf Ballymore Limited, the partner in WWLP, which in turn has invested £500 (50%) in WWLP. The group has provided interest free long-term loans to fund the working capital requirements of the partnership, which are repayable out of development profits.
- (d) The group owns 200 ordinary B shares of £1 in Downriver Properties Limited, a property development company, which represents 40% of the issued shared capital at 31 March 2008.
- (e) The group holds a 25% participation in Renshaw Regeneration Limited Liability Partnership, a property development entity, stated at a cost of £50.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

13 Investment in joint ventures (continued)

The investment in the joint ventures comprises:

	Investment in joint ventures £'000	Shares of net assets £'000	Fair value adjustment £'000	Total £'000
At beginning of year	382	(1,393)	2,382	1,371
Share of operating profit	-	3	-	3
Share of interest receivable and similar income	-	536	-	536
Share of interest payable and similar charges	-	(1,170)	-	(1,170)
Investment during year	228	-	-	228
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	610	(2,024)	2,382	968
	<hr/>	<hr/>	<hr/>	<hr/>

2008
£'000

2007
£'000

The share in net assets/(liabilities) of the joint ventures (excluding the fair value adjustments) comprises:

Share of gross assets		
Share of fixed assets	13,299	3,515
Share of current assets	51,636	39,369
	<hr/>	<hr/>
	64,935	42,884
Share of gross liabilities		
Liabilities due within one year	(25,885)	122
Liabilities due after one year	(41,074)	(44,399)
	<hr/>	<hr/>
	(66,959)	(44,277)
	<hr/>	<hr/>
	(2,024)	(1,393)
	<hr/>	<hr/>

The group has given guarantees and undertakings in the normal course of business to joint venture partners regarding the performance and obligations of subsidiary undertakings.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

14 Financial assets

Group

	2008 £'000	2007 £'000
At beginning of year	5,262	4,139
Additions – Donwell Investments Limited	-	1,123
	<hr/>	<hr/>
At end of year	5,262	5,262
	<hr/>	<hr/>

Unquoted investments includes 5,262,298 (2007: 5,262,298) 2.5% Cumulative Redeemable Preferences Shares of £1 each in Donwell Investments Limited, a property development company whose registered office is Ballymount House, Ballymount Road, Kingswood, Dublin 24, Ireland.

Company

	2008 £'000	2007 £'000
Investments in subsidiary undertakings		
At beginning and end of year	154,600	154,600
	<hr/>	<hr/>

15 Stock

Group

	2008 £'000	2007 £'000
Development properties	448,227	237,352
Work in progress	644,307	466,713
Properties held for resale	50,154	12,830
Hotel stock	34	-
	<hr/>	<hr/>
	1,142,722	716,895
	<hr/>	<hr/>

The amount at which stock is stated includes capitalised interest of £95,536,123 (2007: £41,264,179).

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

16 Debtors	2008 £'000	2007 £'000
<i>Group</i>		
Amounts due within one year		
Trade debtors	6,675	6,118
Amounts due from group undertakings	85,017	40,762
Amounts due from related parties	42,286	28,154
Other debtors	17,539	13,736
Deferred tax asset (note 22)	5,605	5,233
Prepayments and accrued income	8,588	2,426
	<u>165,710</u>	<u>96,429</u>
<i>Company</i>		
Amounts due from group undertakings	<u>132,185</u>	<u>-</u>
<i>Group</i>		
Amounts due from related parties		
Donwell Investments Limited	557	426
Bishopsgate Goodsynd Regeneration Limited	19,655	14,133
Canary Wharf Ballymore General Partner Limited	7,613	8,488
Canary Wharf Ballymore Limited	7,801	4,050
Canary Wharf Ballymore (One) Limited	2,713	-
Central Regeneration Limited Partnership	2,731	1,057
Renshaw Regeneration LLP	126	-
Millharbour 2 LLP	59	-
M2 Co-Ownership	110	-
Downriver Properties Limited	507	-
Ballymore International Developments Limited	414	-
	<u>42,286</u>	<u>28,154</u>
17 Financial assets	2008 £'000	2007 £'000
<i>Group</i>		
Quoted investments	<u>397</u>	<u>459</u>

At 31 March 2008 the market value of the quoted investments was £396,825 (2007: £458,915).

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

18 Cash at bank and in hand	2008	2007
	£'000	£'000
Non-restricted cash balances	5,280	17,151
Restricted cash balances	77,964	23,257
	<hr/>	<hr/>
	83,244	40,408
	<hr/>	<hr/>

Restricted cash represents cash held in escrow received from purchasers.

19 Creditors: amounts falling due within one year	2008	2007
	£'000	£'000

Group

Bank loans and overdrafts (note 21)	263,425	176,139
Trade creditors	12,004	3,890
Amounts owed to group undertakings	223,387	96,322
Amounts owed to related parties	375	-
Other creditors	273	37
Taxation and social welfare	4,373	9,015
Accruals and deferred income	147,048	97,194
	<hr/>	<hr/>
	650,885	382,597
	<hr/>	<hr/>

Company

Amounts owed to group undertakings	162,186	100
	<hr/>	<hr/>

Group

Amounts owed to related parties

RQB (Isle of Man) Limited	86	-
Inacity	271	-
Ballymore International Developments Limited	18	-
	<hr/>	<hr/>
	375	-
	<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

20 Creditors: amounts falling due after more than one year	2008	2007
	£'000	£'000

Group

Bank loans and overdrafts (note 21)	944,014	625,994
Secured Mezzanine Bonds 2011	45,000	45,000
Other creditors	15,250	10,000
	<hr/>	<hr/>
	1,004,264	680,994
	<hr/>	<hr/>

The Mezzanine Bond is repayable on 12 May 2011. Interest on the Bond is accrued at 15% per annum on a daily basis and is added annually to the principal amount. The company has the right to redeem the Bonds after 12 November 2008 in tranches not less than £10,000,000 on giving 30 days notice to the Bondholders. The aggregate amount of the principal and interest on redemption may not be less than an amount equal to 140% of the nominal value of the Bonds redeemed.

21 Bank borrowings

	Within one year £'000	Between one and two years £'000	Between two and five years £'000	Total £'000
<i>Group</i>				
<i>Repayable other than by instalments</i>				
Bank overdrafts	8,319	-	-	8,319
Bank loans	255,106	341,519	602,495	1,199,120
	<hr/>	<hr/>	<hr/>	<hr/>
	263,425	341,519	602,495	1,207,439
	<hr/>	<hr/>	<hr/>	<hr/>

The bank loans and overdrafts are secured by fixed and floating charges over the assets of group undertakings and cross guarantees by certain group undertakings.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

22 Deferred tax asset	2008 £'000	2007 £'000
<i>Group</i>		
At beginning of year	5,233	(1,310)
Origination/reversal of timing differences	1,317	6,257
Effect of decreased tax rates	(121)	-
Adjustment in respect of previous years	(824)	286
	<hr/>	<hr/>
At end of year	5,605	5,233
	<hr/>	<hr/>

As this is an asset, the balance has been disclosed as a debtor (Note 16).

22 Deferred tax asset (continued)	2008 £'000	2007 £'000
<i>Elements of deferred taxation</i>		
Liability in respect of accelerated capital allowances on property acquired from parent company	(1,379)	(1,477)
Tax losses carried forward	3,000	3,000
Other timing differences	3,984	3,710
	<hr/>	<hr/>
	5,605	5,233
	<hr/>	<hr/>

Provision has been made in respect of all deferred taxation liabilities expected to crystallise in the future other than the following:

	2008 £'000	2007 £'000
On revaluation of investment properties (note 12)	6,424	11,226
	<hr/>	<hr/>
23 Called up share capital	2008 £'000	2007 £'000
<i>Group and company</i>		
<i>Authorised:</i>		
100,000 (2007: 100,000) ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid:</i>		
100,000 (2007: 100,000) ordinary shares of £1 each	100	100
	<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

24 Revaluation reserve	2008	2007
	£'000	£'000
<i>Group</i>		
At beginning of year	36,582	32,931
Unrealised surplus on revaluation of investment properties	7,378	3,651
Revaluation surplus realised on the disposal of investment property transferred to profit and loss account	(15,500)	-
	<hr/>	<hr/>
At end of year	28,460	36,582
	<hr/>	<hr/>
25 Other reserves	2008	2007
	£'000	£'000
<i>Group</i>		
Capital contribution	154,500	154,500
Merger reserve - excess of value attributed to shares contributed over their nominal value	(154,500)	(154,500)
Other capital reserves	100	100
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>
<i>Company</i>		
Capital contribution	154,500	154,500
	<hr/>	<hr/>
	154,500	154,500
	<hr/>	<hr/>

Group reorganisation

The capital contribution, merger reserve and other capital reserves arise from a group reorganisation which took place in October 2003.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

26 Reconciliation of profit and loss account	2008 £'000	2007 £'000
<i>Group</i>		
At beginning of year	40,602	53,184
Loss for the year retained by:		
- Ballymore Properties Holdings Limited	-	-
- Subsidiaries	(11,920)	(12,582)
Revaluation surplus realised on disposal of investment property transferred from revaluation reserve	15,500	-
	<hr/>	<hr/>
At end of year	44,182	40,602

Company

Ballymore Properties Holdings Limited (the "Company") is exempt under Section 230(4) of the Companies Act 1985 from the requirement to present its own profit and loss account and related notes. The Company made neither a profit nor a loss in the financial year and has a nil profit and loss account reserve at both year-ends.

27 Reconciliation of shareholders' funds	2008 £'000	2007 £'000
<i>Group</i>		
At beginning of year	77,384	86,315
Total recognised gains and losses for the year	(4,542)	(8,931)
	<hr/>	<hr/>
At end of year	72,842	77,384
	<hr/>	<hr/>
<i>Company</i>		
At beginning and end of year	154,600	154,600
	<hr/>	<hr/>
28 Minority interest	2008 £'000	2007 £'000
At beginning of year	3,746	3,697
Share of (loss)/profit	(89)	49
	<hr/>	<hr/>
At end of year	3,657	3,746
	<hr/>	<hr/>

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

29 Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	2008 £'000	2007 £'000
Group operating profit/(loss)	7,499	(2,436)
Depreciation charge	1,191	355
Write down of financial assets investments	62	73
Profit on disposal of tangible fixed assets	(20,238)	-
Diminution of stock	40,280	-
Increase in stock net of transfer to tangible fixed assets	(426,363)	(477,913)
Increase in debtors	(61,915)	(24,512)
Increase in creditors	168,946	100,076
Net cash outflow from operating activities	(290,538)	(404,357)

30 Analysis of cashflows for headings netted in the cash flow statement

	2008 £'000	2007 £'000
Returns on investments and servicing of finance		
Interest and similar income received	2,512	2,205
Interest and similar charges paid	(65,769)	(29,523)
Net cash outflow from returns on investment and servicing of finance	(63,257)	(27,318)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(63,072)	(60,399)
Disposal of tangible fixed assets	79,750	-
Purchase of financial assets	(228)	(1,505)
Net cash inflow/(outflow) from capital expenditure and financial investment	16,450	(61,904)
Financing		
Increase in borrowings	528,246	503,719
Repayment of borrowings	(153,270)	-
Net cash inflow from financing	374,976	503,719

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

30 Analysis of cashflows for headings netted in the cash flow statement (continued)

	2008 £'000	2007 £'000
Management of liquid resources		
Restricted funds	(54,707)	(18,897)
Net cash outflow from the management of liquid resources	(54,707)	(18,897)

31 Analysis of net debt	As at 31 March 2007 £'000	Cashflow £'000	Other non- cash changes £'000	As at 31 March 2008 £'000
Cash at bank and in hand	17,151	(11,871)	-	5,280
Bank overdraft	-	(8,319)	-	(8,319)
	<u>17,151</u>	<u>(20,190)</u>	<u>-</u>	<u>(3,039)</u>
Bank loans due within one year	(176,139)	(23,750)	(55,217)	(255,106)
Bank loans due after one year	(625,994)	(351,226)	33,206	(944,014)
Secured Mezzanine Bonds 2011	(45,000)	-	-	(45,000)
	<u>(847,133)</u>	<u>(374,976)</u>	<u>(22,011)</u>	<u>(1,244,120)</u>
Debt				
	<u>(847,133)</u>	<u>(374,976)</u>	<u>(22,011)</u>	<u>(1,244,120)</u>
Net debt	<u>(829,982)</u>	<u>(395,166)</u>	<u>(22,011)</u>	<u>(1,247,159)</u>

Other non-cash changes are the effect of interest rolled up into loan facilities and the effect of the movement of bank loans between classifications.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

32 Commitments and contingencies

There are ongoing commitments under operating leases for the hire of plant and equipment. Such commitments rarely exceed one month.

The company has issued performance undertakings in the normal course of business in respect of the activities of its subsidiaries.

The company, together with its subsidiaries, has guaranteed the indebtedness of group companies to certain financial institutions. The indebtedness is secured by charges on the assets of the various group companies. The amounts outstanding in respect of guarantee facilities at 31 March 2008 was £770 million (2007: £613 million).

Additional amounts may become payable to property vendors in the event that specified density targets are exceeded on planning approval. The group may also incur contingent finance costs based on a percentage of the profits earned on the successful development of some of the group's properties.

33 Related parties and control

The company's parent company is Ballymore Holdings & Investments Limited, a company incorporated in Jersey. That company's parent is Ballymore Properties, a company incorporated in the Republic of Ireland. The company was controlled by Mr S Mulryan throughout the period.

The smallest group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Ballymore Properties Holdings & Investments Limited. The largest group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Ballymore Properties.

Vitely Limited, a 75% subsidiary of the company, holds 5,262,298 2.5% Cumulative Redeemable Preference Shares of £1 each in Donwell Investments Limited, a company which is under the control of Mr. Paddy Kelly, a director of Vitely Limited. Dividend income during the year in respect of this investment amounted to £131,557 (2007: £115,151). There is dividend income receivable from Donwell Investments Limited of £557,005 (2007: £425,448) at year end.

The company has availed of the exemption available in Financial Reporting Standard No 8 *Related Party Disclosures*, from disclosing transactions with its subsidiary companies.

Significant transactions with other group companies are as follows:

	2008 £'000	2007 £'000
Goods and services supplied to other group companies on normal trading terms	18,902	5,939
Goods and services purchased from other group companies on normal trading terms	197,354	171,685

Details of other related party transactions are disclosed throughout the financial statements as they arise.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

34 Post balance sheet events

There are no significant post balance sheet events which would materially affect the financial statements.

35 Subsidiary undertakings and other undertakings

(a) Subsidiary undertakings

<i>Name</i>	<i>Proportion held by company subsidiary</i>		<i>Activity</i>
Ballymore Limited	100%	-	Investment holding
Osborne Trading Limited	100%	-	Investment holding
Zelah Limited	100%	-	Investment holding
Ballymore Properties Limited	-	100%	Property development and investment
Ballymore Commercial Limited	-	100%	Property investment
Ballymore Projects Limited	-	100%	Services
Ballymore Properties (Plumbers Row) Limited	-	100%	Property development
Domaine Developments Limited	-	100%	Property development and investment
Landor (Dundee Wharf) Limited	-	90%	Property development and investment
Landor Residential Limited	-	90%	Property development
Ballymore Ontario Limited	-	90%	Property development and investment
Milltop Limited	-	100%	Property development
RT Group Developments (Snow Hill) Limited	-	100%	Property development
St. John's Square Co. Limited	-	100%	Property investment
Monomind Limited	-	100%	Property investment
Pridebank Limited	-	100%	Property development
Kilopoint Limited	-	100%	Property investment
Vitely Limited	-	75%	Property investment
Headaid Limited	-	100%	Property investment
Ballymore Properties (Lanark Square) Limited	-	100%	Property investment
Bristol Exeter House Limited	-	100%	Property development and investment
Ballymore London Arena Limited	-	100%	Property development
Spanacre Limited	-	100%	Services
Ballymore (Carmen Street) Limited	-	100%	Property development
Ballymore (Bow Paper) Limited	-	100%	Property development
Metromaze Limited	-	100%	Investment holding
Boldcount Limited	-	100%	Investment holding
Bow Waste Paper Mills Limited	-	100%	Property development
Ballymore (Cornwall Street) Limited	-	100%	Property investment
Ballymore Developments Limited	-	100%	Investment holding
Arrowhead Commercial Limited	-	100%	Property development
Ballymore NPW Hotel Limited	-	100%	Property investment
Ballymore (Battersea Park Road) Limited	-	100%	Property investment
Ballymore (Cuba Street) Limited	-	100%	Property development
Cuba Street Limited	-	100%	Property development
Ballymore Millharbour Limited	-	100%	Property development
Ballymore Wood Wharf Holdings Limited	-	100%	Investment holding

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

35 Subsidiary undertakings and other undertakings (continued)

(a) Subsidiary undertakings (continued)

Ballymore (Wood Wharf) Limited	-	100%	Investment holding
Ballymore Investments Limited	-	100%	Investment holding
Ballymore Colmore Row Limited	-	100%	Property investment
Broadnote Limited	-	100%	Property development
Clearstorm Limited	-	100%	Property development
East London Haulage Limited	-	100%	Property development
Ghostcharm Limited	-	100%	Property development
Ballymore Fulham Limited	-	100%	Property development
Ballymore (Hayes) Limited	-	100%	Property development
Ballymore Projects (Unex) Limited	-	100%	Property development
Ballymore Development Management Services Limited	-	100%	Non-trading
Ballymore Snow Hill (Hotel) Limited	-	100%	Property investment
Ballymore (Arrowhead) Limited	-	100%	Non-trading
Ballymore (Express Wharf) Limited	-	100%	Non-trading
Domaine Properties Limited	-	100%	Non-trading
Landor 2 Limited	-	100%	Non-trading
Boldbury Limited	-	100%	Property development
Allibay Limited	-	100%	Property development
Allibay 2 Limited	-	100%	Property development
Glossover Limited	-	100%	Property development
SCI Boldcount	-	100%	Property investment
Ballymore (Wood Wharf One) Limited	-	100%	Property development
Docklands Self Storage Limited	-	100%	Non-trading
Turnell Waste Limited	-	100%	Non-trading

All companies other than as set out below are incorporated in the United Kingdom having their registered offices at St. Johns House, 5 South Parade, Summertown, Oxford OX2 7JL and operate in the United Kingdom.

Osborne Trading Limited and Zelah Limited are incorporated in the Isle of Man. Their registered offices are at One Circular Road, Douglas, Isle of Man.

The registered office for SCI Boldcount is 2 Avenue de Provence, 06002 Eze, France.

The registered office of Ballymore Development Management Services Limited and Boldbury Limited is 19 Cavendish Square, London W1A 2AW

The registered office of Ballymore (Cuba Street) Limited and Turnell Waste Limited is 8 Princes Parade, Liverpool.

All shareholdings in subsidiary undertakings consist of ordinary shares. In the opinion of the directors the investments are worth at least the amount stated in the balance sheet.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

35 Subsidiary undertakings and other undertakings (continued)

(b) Joint ventures

Name	Proportion held by		Activity
	company	subsidiary	
Bishopsgate Goodsynd Regeneration Limited	-	50%	Property development
Canary Wharf Ballymore Limited	-	50%	Property development
Canary Wharf Ballymore (General Partner) Limited	-	50%	Property development
Canary Wharf Ballymore One Limited	-	50%	Property development
Canary Wharf Ballymore One (General Partner) Limited	-	50%	Property development
Central Regeneration Limited Partnership	-	50%	Property development
Renshaw Regeneration LLP	-	25%	Property development
Downriver Properties Limited	-	40%	Property development

The registered office of Bishopsgate Goodsynd Regeneration Limited Partnership is 10 Grosvenor Street, London W1K 4BJ.

The registered office of Canary Wharf Ballymore Limited, Canary Wharf Ballymore (General Partner) Limited, Canary Wharf Ballymore One Limited and Canary Wharf Ballymore is 30th Floor, One Canada Square, Canary Wharf, London E14 5AB.

The registered office of Central Regeneration Limited Partnership is 26 Hale Park, Altrincham, Cheshire WA15 9NN.

The registered office of Renshaw Regeneration LLP is Halebrook House, Scott Drive, Altrincham WA15 8AB.

The registered office of Downriver Properties Limited is 82 St. John Street, London EC1M 4JN.

Ballymore Properties Holdings Limited and subsidiaries

Notes (continued)

35 Subsidiary undertakings (continued)

(c) Joint arrangements

<i>Name</i>	<i>Proportion held by</i>		<i>Activity</i>
	<i>company</i>	<i>subsidiary</i>	
Millharbour LLP	-	33 ¹ / ₃ %	Property development
Millharbour 2 LLP	-	33 ¹ / ₃ %	Property development
Thames Royal Docklands	-	50%	Property development
M2 Co-ownership	-	95%	Property development

The trading address of Millharbour LLP and Millharbour 2 LLP is Oracle House, 55 South Street, Epsom, Surrey KT18 7PX.

The trading address of Thames Royal Docklands and M2 Co-ownership is Pointe North, 3 Greenwich View Place, London E14 9NN.

Where a group undertaking is party to a joint arrangement, which is not an entity, the group accounts directly for its part of the income, expenditure, assets, liabilities, and cash flows.

36 Approval of financial statements

The directors approved the financial statements on 22 December 2008.