

Registered number: 06705313

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Directors' report and financial statements

For the Year Ended 31 March 2018

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BALLYMORE PROPERTIES MANAGEMENT LIMITED

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BALLYMORE PROPERTIES MANAGEMENT LIMITED

Company Information

DIRECTORS	D. Pearson J. Mulryan S. Mulryan
COMPANY SECRETARY	D. Pearson
REGISTERED NUMBER	06705313
REGISTERED OFFICE	4th Floor 161 Marsh Wall London E14 9SJ
INDEPENDENT AUDITOR	KPMG, Statutory Auditor Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2 Ireland
SOLICITORS	Howard Kennedy No. 1 London Bridge London SE1 9BG

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Directors' report For the Year Ended 31 March 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the 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 to 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.

DIRECTORS

The directors who served during the year were:

D. Pearson
J. Mulryan
S. Mulryan

BALLYMORE PROPERTIES MANAGEMENT LIMITED

**Directors' report (continued)
For the Year Ended 31 March 2018**

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

AUDITOR

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

SMALL COMPANIES NOTE

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 on 23 July 2018 and signed on its behalf.


D. Pearson
Director



Independent auditor's report to the members of Ballymore Properties Management Limited

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ballymore Properties Management Limited ('the Company') for the year ended 31 March 2018, which comprise the Profit and loss account, the Balance sheet and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



Independent auditor's report to the members of Ballymore Properties Management Limited (continued)

Based solely on our work on the other information;

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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

We have nothing to report on these matters/in regard to these matters.

2 Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements including being satisfied that they give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities



Independent auditor's report to the members of Ballymore Properties Management Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

A handwritten signature in black ink, appearing to read 'C. Mullen'.

C. Mullen (Senior statutory auditor)

for and on behalf of

KPMG, Statutory Auditor

Chartered Accountants

1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

24 July 2018

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Profit and loss account For the Year Ended 31 March 2018

	Note	2018 £	2017 £
Turnover	4	50,589	-
Cost of sales		(36,314)	-
Gross profit		14,275	-
Administrative expenses		(46,561)	-
Operating loss	5	(32,286)	-
Interest receivable and similar income		3	-
Interest payable and similar expenses		(50,209)	-
Loss before tax		(82,492)	-
Tax on loss	6	-	-
Loss for the financial year		(82,492)	-

All amounts relate to continuing operations.

The company had no other comprehensive income in the financial year or the previous financial year and therefore, no statement of other comprehensive income is provided.

BALLYMORE PROPERTIES MANAGEMENT LIMITED
Registered number: 06705313

Balance sheet
As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	7	99,799	-
Investment property	8	8,010,500	-
		<u>8,110,299</u>	<u>-</u>
Current assets			
Debtors	9	1	7,699
Cash at bank and in hand		104,359	80
		<u>104,360</u>	<u>7,779</u>
Creditors: amounts falling due within one year	10	(8,289,372)	-
Net current (liabilities)/assets		<u>(8,185,012)</u>	<u>7,779</u>
Total assets less current liabilities		<u>(74,713)</u>	<u>7,779</u>
Net (liabilities)/assets		<u><u>(74,713)</u></u>	<u><u>7,779</u></u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(74,714)	7,778
		<u>(74,713)</u>	<u>7,779</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 July 2018.

.....
D. Pearson
Director

The notes on pages 9 to 15 form part of these financial statements.

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2018

1. General information

Ballymore Properties Management Limited is a company limited by shares and incorporated and domiciled in the UK.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is GBP.

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

The following principal accounting policies have been applied:

Going concern

Notwithstanding having net liabilities of £74,713 at 31 March 2018, the financial statements of the company are prepared on the going concern basis, which the directors believe to be appropriate.

The company is dependent on funds provided to it by its parent company and fellow group companies ("the group"). The group has confirmed that it will continue to make available such funds as are needed by the company to fund its operations. In particular, the group will not seek repayment of amounts owed to it for at least 12 months from the date of approval of the financial statements. The directors have concluded that this will enable the company to meet its liabilities as they fall due for payment and therefore to continue in operational existence for at least 12 months from the date of approval of the financial statements.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

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

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	50%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

Investment property

Investment property comprises residential units which have been capitalised at their open market value.

Investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise and no depreciation is provided.

Debtors

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

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

Financial instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors

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

Finance costs

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

Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

BALLYMORE PROPERTIES MANAGEMENT LIMITED

**Notes to the financial statements
For the Year Ended 31 March 2018**

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

In the process of applying the company's accounting policies, the key judgments made by management concern the valuation of investment property (note 8).

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Rental income	50,589	-

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	19,960	-
Fees payable to the Company's auditor for the audit of the company's annual accounts	3,000	-

During the year, no director received any emoluments (2017 - £NIL). The company has no employees (2017 - none).

During the current and prior year central operating costs were recharged from another group company.

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2018

6. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	(82,492)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	(15,673)	-
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,097	-
Group relief	14,999	-
Movement in deferred tax not recognised	(423)	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. Finance Bill 2016 further reduced the 18% rate to 17% from 1 April 2020, following substantive enactment on 6 September 2016. Together this will reduce the company's future tax charge accordingly.

Due to the uncertainty of the recoverability of the tax losses, a deferred tax asset of £19,313 (2017 - £21,585) has not been recognised. The unrecognised deferred tax asset at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

BALLYMORE PROPERTIES MANAGEMENT LIMITED

**Notes to the financial statements
For the Year Ended 31 March 2018**

7. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2017	-
Additions	<u>119,759</u>
At 31 March 2018	<u>119,759</u>
Depreciation	
At 1 April 2017	-
Charge for the year	<u>19,960</u>
At 31 March 2018	<u>19,960</u>
Net book value	
At 31 March 2018	<u><u>99,799</u></u>
At 31 March 2017	<u><u>-</u></u>

8. Investment property

	Freehold investment property £
Valuation	
At 1 April 2017	-
Additions at cost	<u>8,010,500</u>
At 31 March 2018	<u><u>8,010,500</u></u>

During the year the company acquired 5 residential apartments from fellow group companies at an open market value.

Investment property is carried at fair value determined annually by the directors and is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specified asset. No depreciation is provided.

BALLYMORE PROPERTIES MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2018

9. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	1	7,659
Other debtors	-	40
	<u>1</u>	<u>7,699</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	3,500	-
Amounts owed to group undertakings	8,246,600	-
Accruals and deferred income	39,272	-
	<u>8,289,372</u>	<u>-</u>

Amounts owed to group undertakings are unsecured and repayable on demand. Interest accrues at 4% per annum on the outstanding balance.

11. Controlling party and related party transactions

The company is a wholly owned subsidiary of Ballymore Investments Limited (BIL), a company incorporated in England and Wales. BIL's immediate parent is Ballymore Limited. The company's ultimate parent company is Ballymore Properties Unlimited Company incorporated in the Republic of Ireland. The company was controlled throughout the year by Mr S. Mulryan.

The largest group in which the results of the company are consolidated is that headed by Ballymore Properties Unlimited Company.

The smallest group in which the results of the company are consolidated is that headed by Ballymore Limited. The consolidated financial statements of Ballymore Limited are available from the company's registered office which is 4th Floor, 161 Marsh Wall, London, E14 9SJ.

The company has availed of the exemption available in FRS 102.1AC.35 from disclosing transactions with Ballymore Properties Unlimited Company and its wholly owned subsidiary undertakings.

Two of the company's investment properties were let to directors at open market rent during the year, resulting in rental income of £36,718, which is included in accruals at year end.

12. Post balance sheet events

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