

BALLYMORE ASSET MANAGEMENT LIMITED

Directors' report and financial statements

For the year ended 31 March 2022

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BALLYMORE ASSET MANAGEMENT LIMITED

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BALLYMORE ASSET MANAGEMENT LIMITED

Company Information

Directors	P. Dalton J. Mulryan
Company secretary	P. Dalton
Registered number	06730532
Registered office	4th Floor 161 Marsh Wall London England E14 9SJ
Independent auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Banker	Barclays Bank 355 Station Road Harrow HA1 2AW
Solicitors	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD Kemp Little 138 Cheapside London EC2V 6BJ

BALLYMORE ASSET MANAGEMENT LIMITED

Directors' report For the Year Ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Directors' responsibilities statement in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, including its Section 1A.

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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Principal activity

The principal activities of the Company during the year were that of acting as a managing agent for the administration of service charges on various properties and managing cladding and remedial works projects. There have been no significant changes in activities during the year.

Business review

During the year to 31 March 2021 the Company made a significant loss due to the provision made against specific outstanding and overdue receivables of fees for acting as managing agent to a number of estates. In addition, the Company provided against loans which had been granted to support the operation of a number of estates where there was no certainty that those loans would be recoverable from service charge income of those estates.

During the year to 31 March 2022 and since year end the management team has restructured the processes, management structures and operational procedures of the business to improve the delivery of services and resolve legacy issues that contributed in the past to outstanding and overdue receivables. Net additional bad debt provisions of £0.3 million have been recognised during the year (see also Note 8).

The legislative and economic landscape continues to change with the introduction of new regulations and legislation including the Building Safety Act and the strengthening of the Defective Premises Act. These changes along with global economic conditions such as the increase in energy costs caused by the war in Ukraine, significantly increased premiums in the insurance market, and general cost inflation have driven increased costs for the Company and increased service charges for estates under management.

BALLYMORE ASSET MANAGEMENT LIMITED

Directors' report (continued) For the Year Ended 31 March 2022

Results and dividends

The loss for the year, after taxation, amounted to £1,720,203 (2021 - loss £9,875,029).

No dividends were declared for the year ended 31 March 2022 (2021 - £Nil).

Future developments

The directors continue to seek to improve delivery of the Company's services and to focus on managing and controlling the Company's cost base.

Directors

The directors who served during the year were:

P. Dalton
J. Mulryan
D. Pearson (resigned 1 April 2021)

Political contributions

The Company did not made any political donations during the year (2021 - £Nil).

Going concern

Notwithstanding having net liabilities of £1,840,295 as at 31 March 2022 (2021: *net liabilities* £9,855,716), the financial statements of the Company are prepared on the going concern basis, which the directors believe to be appropriate.

The Company has received confirmation from its parent that it will provide sufficient support to the Company to satisfy its obligations as they fall due for at least 12 months from the date of approval of these financial statements. The directors have assessed the financial and operational requirements of the company and having undertaken this review, the directors have a reasonable expectation that the company has adequate resources to fund its operations for the foreseeable future, and in particular for the period of at least 12 months from the date of approval of the financial statements, in line with the financial forecasts. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Disclosure of information to auditor

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

- so far as 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.

Post balance sheet events

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

Auditor

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

BALLYMORE ASSET MANAGEMENT LIMITED

**Directors' report (continued)
For the Year Ended 31 March 2022**

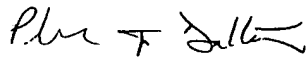
Small companies exemption

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

Strategic report

In preparing the director's report, the directors have taken advantage of the small companies exemption under section 414B of the Companies Act 2006 not to prepare a Strategic Report.

This report was approved by the board on 9 December 2022 and signed on its behalf.



.....
P. Dalton
Director

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ballymore Asset Management Limited ('the Company') for the year ended 31 March 2022 set out on pages 9 to 22, which comprise the Profit and loss account and other comprehensive income, the Balance sheet, the Statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. 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*, including its Section 1A.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* including its Section 1A; and
- the financial statements 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.

Conclusions relating to going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.



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

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.



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

Report on the audit of the financial statements (continued)

Other information

The directors are responsible for the other information presented in the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- 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; and
- 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;
- the directors were entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



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

Respective Responsibilities and restrictions on use (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance, other irregularities about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an opinion in 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, other irregularities 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

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.

E. O'Driscoll (Senior statutory auditor)

for and on behalf of
KPMG Statutory Auditor

Chartered Accountants

1 Stokes Place
St. Stephen's Green
Dublin 2

9 December 2022

BALLYMORE ASSET MANAGEMENT LIMITED

Profit and loss account and other comprehensive income For the Year Ended 31 March 2022

	Note	2022 £	2021 £
Turnover		5,712,586	5,804,822
Cost of sales		(719,982)	(379,968)
Gross profit		4,992,604	5,424,854
Administrative expenses		(6,367,557)	(4,993,233)
Exceptional items	8	(345,261)	(10,305,495)
Operating loss	3	(1,720,214)	(9,873,874)
Interest receivable and similar income	5	11	-
Interest payable and similar expenses	6	-	(138)
Loss before tax		(1,720,203)	(9,874,012)
Tax on loss	7	-	(1,017)
Loss for the financial year		(1,720,203)	(9,875,029)

The notes on pages 12 to 22 form part of these financial statements.

All amounts relate to continuing operations.

There are no items of comprehensive income in the financial year or preceding financial year other than those dealt with in the profit and loss account. Accordingly no statement of other comprehensive income has been prepared.

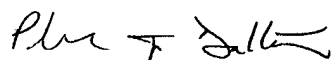
BALLYMORE ASSET MANAGEMENT LIMITED
Registered number: 06730532

Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	123,942	7,700
		<u>123,942</u>	<u>7,700</u>
Current assets			
Debtors: amounts falling due within one year	10	4,502,239	1,323,464
Cash at bank and in hand	11	364,261	789,365
		<u>4,866,500</u>	<u>2,112,829</u>
Creditors: amounts falling due within one year	12	(2,352,419)	(11,976,245)
Net current assets/(liabilities)		<u>2,514,081</u>	<u>(9,863,416)</u>
Total assets less current liabilities		<u>2,638,023</u>	<u>(9,855,716)</u>
Provisions for liabilities			
Provisions for liabilities	14	(4,478,318)	-
		<u>(4,478,318)</u>	<u>-</u>
Net liabilities		<u>(1,840,295)</u>	<u>(9,855,716)</u>
Capital and reserves			
Called up share capital	15	9,735,625	1
Profit and loss account		(11,575,920)	(9,855,717)
		<u>(1,840,295)</u>	<u>(9,855,716)</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 9 December 2022.



.....
P. Dalton
Director

The notes on pages 12 to 22 form part of these financial statements.

BALLYMORE ASSET MANAGEMENT LIMITED

Statement of changes in equity For the Year Ended 31 March 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	1	(9,855,717)	(9,855,716)
Loss for the year	-	(1,720,203)	(1,720,203)
Shares issued during the year	9,735,624	-	9,735,624
At 31 March 2022	9,735,625	(11,575,920)	(1,840,295)

Statement of changes in equity For the Year Ended 31 March 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	1	19,312	19,313
Loss for the year	-	(9,875,029)	(9,875,029)
At 31 March 2021	1	(9,855,717)	(9,855,716)

The notes on pages 12 to 22 form part of these financial statements.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

1. Accounting policies

Basis of preparation of financial statements

Ballymore Asset Management Limited (the "Company") is a private company limited by shares and incorporated, domiciled and registered in the UK, registered number: 06730532. Its registered address is: 4th Floor, 161 Marsh Wall, London, E14 9SJ.

These financial statements were prepared in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgements in applying the Company's accounting policies (see note 2).

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements are prepared on the historical cost basis.

Going concern

Notwithstanding having net liabilities of £1,840,295 as at 31 March 2022 (2021: *net liabilities* £9,855,716), the financial statements of the company are prepared on the going concern basis, which the directors believe to be appropriate.

The Company has received confirmation from its parent that it will provide sufficient support to the Company to satisfy its obligations as they fall due for at least 12 months from the date of approval of these financial statements. The directors have assessed the financial and operational requirements of the company and having undertaken this review, the directors have a reasonable expectation that the company has adequate resources to fund its operations for the foreseeable future, and in particular for the period of at least 12 months from the date of approval of the financial statements, in line with the financial forecasts. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets under the cost model 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.

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:

Motor vehicles	-	25%
Office equipment	-	33%

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 profit or loss.

Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

1. Accounting policies (continued)

Finance costs

Finance costs are charged to profit or loss 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.

Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Interest income

Interest income is recognised in profit or loss using the effective interest method.

Provisions

Provisions are measured at the best estimate (including risks and uncertainties) of the expenditure required to settle the present obligation, and reflects the present value of expenditures required to settle the obligation where the time value of money is material.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

1. Accounting policies (continued)

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, the key judgements made by the directors relate to the recoverability of debtors (note 10) and the level of provisions (note 14).

3. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	15,663	17,724
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	25,000	25,000
Operating lease rentals	-	10,000
	<u> </u>	<u> </u>

Directors' remuneration was borne by another group company in 2022 and 2021.

4. Employees

The average monthly number of employees, including directors, during the year was 73 (2021 - 48).

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

5. Interest receivable and similar income

	2022 £	2021 £
Bank interest receivable	11	-

6. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	-	138

7. Taxation

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	-	1,017
Total current tax	-	1,017

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
(Loss) on ordinary activities before tax	(1,720,203)	(9,874,012)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(326,839)	(1,876,062)
Effects of:		
Expenses not deductible for tax purposes	-	64,201
Adjustments to tax charge in respect of prior periods	-	1,017
Movement in deferred tax not recognised	202,159	(1,574)
Group relief	124,680	1,813,435
Total tax charge for the year	-	1,017

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

7. Taxation (continued)

Factors that may affect future tax charges

The Chancellor has confirmed an increase in the corporation tax (CT) rate from 19% to 25% with effect from 1 April 2023.

At 31 March 2022 there is an unrecognised deferred tax asset of £290,412 in respect of accelerated capital allowances (2021: £11,037).

8. Exceptional items

	2022 £	2021 £
Restructuring costs	-	500,000
Provisions against loans provided to estates	(250,000)	6,125,624
Other exceptional costs associated with estate management	595,261	3,679,871
	<u>345,261</u>	<u>10,305,495</u>

In prior year, the Company provided loans of £6,125,624 to a number of different estates. As there was no certainty that these loans could be repaid by these estates from excess cashflows, the directors provided in full for the recovery of these loans. During the year to 31 March 2022, £250,000 of the loans were repaid (and the related provision was released) while £4,495,624 of the loans were written off. Full provision has been retained against the remaining outstanding loans.

The Company charges monthly fees to estates. Due to insufficient operating cashflows from certain estates, those estates have not been in a position to repay the monthly management and other fees. Each year, the directors have provided in full for any such fees which are more than 90 days old.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

9. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost			
At 1 April 2021	59,124	33,307	92,431
Additions	-	131,905	131,905
At 31 March 2022	<u>59,124</u>	<u>165,212</u>	<u>224,336</u>
Depreciation			
At 1 April 2021	59,124	25,607	84,731
Charge for the year on owned assets	-	15,663	15,663
At 31 March 2022	<u>59,124</u>	<u>41,270</u>	<u>100,394</u>
Net book value			
At 31 March 2022	<u>-</u>	<u>123,942</u>	<u>123,942</u>
At 31 March 2021	<u>-</u>	<u>7,700</u>	<u>7,700</u>

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

10. Debtors

	2022 £	2021 £
Trade debtors	797,585	-
Amounts owed by group companies	39,082	-
Amounts owed by related parties	3,500,718	1,179,348
Other debtors	102,612	125,844
VAT recoverable	11,956	-
Prepayments	50,286	18,272
	<u>4,502,239</u>	<u>1,323,464</u>

Amounts owed by group companies and related parties are unsecured, interest-free and repayable on demand.

11. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>364,261</u>	<u>789,365</u>

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	324,259	27,571
Amounts owed to group companies	27,500	1,740,000
Amounts owed to related parties	73,083	-
Social security	182,163	74,202
Value-added tax	-	3,779,240
Other creditors	141,986	4,537,842
Accruals	1,603,428	1,838,369
Deferred income	-	(20,979)
	<u>2,352,419</u>	<u>11,976,245</u>

Amounts owed to group undertakings and related parties are unsecured, interest free and repayable on demand.

Certain amounts included in other creditors at 31 March 2021 have been reclassified to provisions (Note 14) as it is considered that this presentation is more appropriate given the nature of the liabilities.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

13. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at amortised cost	<u>4,804,258</u>	<u>2,094,557</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(566,828)</u>	<u>(8,101,824)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, and debtors excluding taxes, prepayments and accrued income.

Financial liabilities at amortised cost comprise trade creditors, amounts owed to group undertakings, amounts owed to related parties and other creditors.

14. Provisions for liabilities

	Total £
Provisions for claims	4,478,318
At 31 March 2022	<u>4,478,318</u>

At 31 March 2022 provisions for liabilities relate to potential claims that are uncertain in terms of timing and quantum. They are measured at the directors' best estimate at the balance sheet date of the expenditure required to settle the obligation.

15. Share capital

	2022 £	2021 £
Authorised		
9,735,625 (2021 - 1,000) Ordinary shares of £1.00 each	<u>9,735,625</u>	<u>1,000</u>
Allotted, called up and fully paid		
9,735,625 (2021 - 1) Ordinary shares of £1.00 each	<u>9,735,625</u>	<u>1</u>

During the year, the Company issued an additional 9,735,624 shares at a nominal value of £1.00 each.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

16. Commitments and contingencies

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	65,018	65,018
Later than 1 year and not later than 5 years	130,214	195,231
	<u>195,232</u>	<u>260,249</u>

At 31 March 2022, the Company had no other commitments for capital expenditure not yet incurred or provided for in the financial statements (2021: £Nil).

17. Controlling party

The Company is a wholly owned subsidiary of London Residential Holdco Limited since October 2021. Prior to that, the Company was wholly owned by Ballymore Development Management Limited. The Company's ultimate parent is Eglinford Unlimited Company, a company incorporated in the Republic of Ireland and its registered address is 18 Esplanade St Helier, Jersey, JE4 8RT. 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 Eglinford 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.

BALLYMORE ASSET MANAGEMENT LIMITED

Notes to the financial statements For the Year Ended 31 March 2022

18. Related party transactions

The Company has availed of the exemption available in FRS 102.33.1A from disclosing transactions with Eglinford Unlimited Company and its wholly owned subsidiary undertakings.

To the extent not disclosed elsewhere in these financial statements, details of transactions and balances with other related parties and the nature of those relationships are set out below:

	2022
	£
Transactions with related companies	
Sales to related parties jointly controlled by Mr. S. Mulryan	1,437,212
Recharge of costs from related party controlled by Mr. S. Mulryan (included in accruals)	960,000
	<hr/>
Balances with related companies	
Amounts owed by related parties controlled by Mr. S. Mulryan	3,500,000
Amounts owed by related parties jointly controlled by Mr. S. Mulryan	718
Amounts owed to related parties controlled by Mr. S. Mulryan	72,286
Amounts owed to related parties jointly controlled by Mr. S. Mulryan	797

In the year to 31 March 2021, sales to related parties amounted to £5,625,986. At 31 March 2021, amounts due from related parties amounted to £1,179,348 while there were no amounts due to related parties.

19. Post balance sheet events.

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