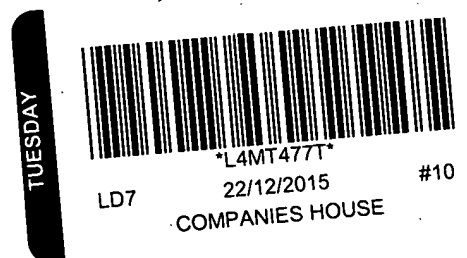


Registered number: 04549046

LANDOR RESIDENTIAL LIMITED

Directors' report and financial statements

for the year ended 31 March 2015



LANDOR RESIDENTIAL LIMITED

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LANDOR RESIDENTIAL LIMITED

Company Information

DIRECTORS	B.Fagan (resigned 31 October 2014) D.Pearson J.Mulryan S.Mulryan
COMPANY SECRETARY	D. Pearson
REGISTERED NUMBER	04549046
REGISTERED OFFICE	St John's House 5 South Parade Summertown Oxford OX2 7JL
INDEPENDENT AUDITOR	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2 Ireland
SOLICITORS	Howard Kennedy Fsi No. 1 London Bridge London SE1 9BG

LANDOR RESIDENTIAL LIMITED

Strategic report for the year ended 31 March 2015

INTRODUCTION

The directors present their strategic report for the year ended 31 March 2015.

BUSINESS REVIEW

The principal activity of the company is property development and investment. There has been no significant change to this activity during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

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

Going concern

The company's future performance in the markets in which it operates will be influenced by macro-economic, financial, credit and property industry conditions which are generally outside of the company's control.

The principal assumptions made by the directors in determining that the going concern basis is the correct basis of preparation of these financial statements is set out in Note 1.

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 on prospective property purchasers. The directors are working closely with the company's key stakeholders in order to mitigate these factors.

The company 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 average sales price per foot, completion levels and project cashflow.

Economic risk

The house building industry is sensitive to the macroeconomic environment internationally, nationally and regionally such as interest rates and world-wide consumer confidence.

As such, the following represent the primary economic risks to the company:

- The risk relating to the availability of finance, and ongoing liquidity and interest rate movements having an adverse impact on property markets.
- The risk of unrealistic increases in development and operating costs impacting adversely on competitiveness of the group.

These risks are managed by due consideration of the interest rate environment, business planning and strict cost control.

LANDOR RESIDENTIAL LIMITED

**Strategic report (continued)
for the year ended 31 March 2015**

Market risk

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

This report was approved by the board on 24 September 2015 and signed on its behalf.

**D. Pearson
Director**

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line and a small flourish.

LANDOR RESIDENTIAL LIMITED

Directors' report for the year ended 31 March 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

RESULTS

The profit for the year, after taxation, amounted to £242,925 (2014 - loss £304,359).

DIRECTORS

The directors who served during the year were:

B.Fagan (resigned 31 October 2014)
D.Pearson
J.Mulryan
S.Mulryan

LANDOR RESIDENTIAL LIMITED

**Directors' report
for the year ended 31 March 2015**

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

AUDITOR

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.

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

A handwritten signature in black ink, appearing to be 'D. Pearson', written over a circular stamp or seal.

D. Pearson
Director
Date: 24 September 2015



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

Independent auditor's report to the shareholders of Landor Residential Limited

We have audited the financial statements of Landor Residential Limited for the year ended 31 March 2015, set out on pages 8 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER

In forming our opinion on these financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's ability to continue as a going concern.

The company is a member of a group headed by Ballymore Properties ("the group"). Whilst the company is in a net asset position, the group's funding institutions have cross guarantees over this company's assets. The group is dependent on the continued financial support of its lenders to continue as a going concern. These conditions, along with the other matters explained in Note 1 to the financial statements, indicate the existence of material uncertainties which may cast significant doubt on the ability of the company to continue as a going concern.

The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern



LANDOR RESIDENTIAL LIMITED

Independent auditor's report to the shareholders of Landor Residential Limited

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

C. Mullen (Senior statutory auditor)
for and on behalf of
KPMG, Statutory Auditor
Chartered Accountants
Dublin

24 September 2015

LANDOR RESIDENTIAL LIMITED

**Profit and loss account
for the year ended 31 March 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	293,582	276,394
Cost of sales		<u>(197,308)</u>	<u>(395,970)</u>
GROSS PROFIT/(LOSS)		96,274	(119,576)
Provision for impairment of stock/ fixed assets		-	(182,150)
Administrative expenses		(3,303)	(3,865)
Other operating income	3	<u>147,059</u>	<u>-</u>
OPERATING PROFIT/(LOSS)	4	240,030	(305,591)
Interest receivable and similar income	6	<u>2,895</u>	<u>1,232</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		242,925	(304,359)
Tax on profit/(loss) on ordinary activities	7	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	<u>242,925</u>	<u>(304,359)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 10 to 16 form part of these financial statements.

LANDOR RESIDENTIAL LIMITED
Registered number: 04549046

**Balance sheet
as at 31 March 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		2,579,750		2,579,750
CURRENT ASSETS					
Stocks	9	523,500		523,500	
Debtors	10	280,356		113,201	
Cash at bank		49		109	
		<u>803,905</u>		<u>636,810</u>	
CREDITORS: amounts falling due within one year	11	<u>(1,247,578)</u>		<u>(1,323,408)</u>	
NET CURRENT LIABILITIES			<u>(443,673)</u>		<u>(686,598)</u>
NET ASSETS			<u>2,136,077</u>		<u>1,893,152</u>
CAPITAL AND RESERVES					
Called up share capital	12		1		1
Profit and loss account	13		2,136,076		1,893,151
SHAREHOLDERS' FUNDS	14		<u>2,136,077</u>		<u>1,893,152</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



D. Pearson
Director
Date: 24 September 2015

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

1. ACCOUNTING POLICIES

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

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are prepared in UK Sterling, which is the functional currency of the company.

Going concern

Whilst the company is in a net asset position, it is a member of a group headed by Ballymore Properties ("the group"), and the group's funding institutions have cross guarantees over this company's assets.

The Ballymore Properties group is dependent on the ongoing financial support of its lenders to continue as a going concern. The group's lenders are Irish financial institutions and NAMA. NAMA is a special purpose vehicle that was established by the Irish government on a statutory basis in order to manage loans acquired from financial institutions with the aim of achieving the best possible return for the Irish taxpayer over a 7 to 10 year timetable.

In December 2012, the group entered into a Connection Management Agreement ("CMA") with NAMA. The CMA was in addition to a detailed business plan which set out the various conditions and key performance indicators that the group was required to achieve in order to ensure NAMA's continued support. The group has to date achieved its milestones agreed with NAMA and an amended CMA was signed in July 2015 with revised financial targets to recognise the milestones already achieved.

Based on these indications, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, this material uncertainty may cast significant doubt on the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Turnover

Turnover comprises rental and ground rent income recognised on an accruals basis.

Stocks

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.

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

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 substantially 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.

Cash flow statement

The directors have availed of the exemption contained in Financial Reporting Standard 1 and accordingly, no cash flow statement is presented as the company is a wholly owned subsidiary of a parent company that publishes consolidated financial statements that include the cash flows of the company.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less provisions for impairment. Works of art are not depreciable assets. The company's fixtures and fittings comprise of works of art.

Investment properties

Investment properties comprise of ground rents which have been capitalised at their open market value.

The valuation of ground rents depends on future rental income stream.

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. 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. The accounting policy adopted is therefore necessary, in the directors' opinion, for the financial statements to give a true and fair view.

2. TURNOVER

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

	2015 £	2014 £
Rental income	87,200	69,448
Ground rents	206,382	206,946
Total	<u>293,582</u>	<u>276,394</u>

All turnover arose within the United Kingdom.

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

3. OTHER OPERATING INCOME

	2015 £	2014 £
Other income	<u>147,059</u>	<u>-</u>

Other income comprises penalty charges in relation to late payment of services charges and ground rents.

4. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2015 £	2014 £
Auditor's remuneration	<u>3,000</u>	<u>3,750</u>

5. STAFF COSTS

The average number of personnel employed by the company during the year was 54 (2014:51). These employees are involved in the management of the company's properties. Their associated payroll costs are administered by Ballymore Asset Management Limited, a fellow group company, in its capacity as agent for the company and is reflected in the service charge costs. Ballymore Asset Management Limited also acts as a managing agent for the collection of ground rents and administration of service charges on properties held by the company.

6. INTEREST RECEIVABLE

	2015 £	2014 £
Other interest receivable	<u>2,895</u>	<u>1,232</u>

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

7. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit/loss on ordinary activities before tax	<u>242,925</u>	<u>(304,359)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	51,014	(70,003)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	694	843
Utilisation of tax losses	(27,807)	-
Other timing differences leading to an increase (decrease) in taxation	(16,800)	-
Unrelieved tax losses carried forward	-	69,160
Group relief	(7,101)	-
Current tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

At 31 March 15 there is an unrecognised deferred tax asset of £140,667 (2014: £167,150) in respect of unutilised tax losses.

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Investment properties £	Total £
Cost			
At 1 April 2014 and 31 March 2015	75,000	2,578,750	2,653,750
Provision for impairment			
At 1 April 2014 and 31 March 2015	74,000	-	74,000
Net book value			
At 31 March 2015	1,000	2,578,750	2,579,750
At 31 March 2014	1,000	2,578,750	2,579,750

The tangible fixed asset is a non depreciating asset.

The investment properties comprise land interests generating ground rents which were previously classified in stocks. These were valued by the directors of the company on an open market basis at 31 March 2014 at £2,578,750 and transferred to investment properties. The directors are satisfied that this value remains consistent at 31 March 2015.

9. STOCKS

	2015 £	2014 £
Properties held for resale, stated at cost	2,212,380	2,212,380
Provision for impairment of Stock	(1,688,880)	(1,688,880)
	<u>523,500</u>	<u>523,500</u>

The amount at which stocks are stated includes capitalised interest of £610,986 (2014: £610,986)

The carrying value of stock as at 31 March 2015 was £0.5 million (2014: £0.5 million). Each year, the directors review the carrying values of stock in the context of current market conditions, and where necessary, restate these assets to the lower of cost and net realisable value. In determining the realisable value, the directors appraise the eventual financial outcome on the stock item. On this basis, the directors have valued the stock at its estimated net realisable value.

10. DEBTORS

	2015 £	2014 £
Trade debtors	<u>280,356</u>	<u>113,201</u>

LANDOR RESIDENTIAL LIMITED

**Notes to the financial statements
for the year ended 31 March 2015**

11. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	550,449	781,795
Accruals and deferred income	697,129	541,613
	<u>1,247,578</u>	<u>1,323,408</u>

12. SHARE CAPITAL

	2015 £	2014 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

13. RESERVES

	Profit and loss account £
At 1 April 2014	1,893,151
Profit for the year	242,925
At 31 March 2015	<u>2,136,076</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,893,152	2,197,511
Profit/(loss) for the financial year	242,925	(304,359)
Closing shareholders' funds	<u>2,136,077</u>	<u>1,893,152</u>

LANDOR RESIDENTIAL LIMITED

Notes to the financial statements for the year ended 31 March 2015

15. RELATED PARTY TRANSACTIONS AND CONTROL

The company is a wholly owned subsidiary of Landor (Dundee Wharf) Limited which is a 100% subsidiary of Ballymore Properties Limited, a company incorporated in England and Wales. That company's parent is Ballymore Limited, a company incorporated in England and Wales, whose parent is Ballymore Properties Holdings Limited, a company incorporated in England and Wales. The company's ultimate parent company is Ballymore Properties, a 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.

The smallest group in which the results of the company are consolidated is that headed by Ballymore Properties Limited. The consolidated financial statements of Ballymore Properties Limited are available from the company's registered office which is St. John's House, 5 South Parade, Summertown, Oxford, OX2 7JL.

The company has availed of the exemption in FRS 8 - Related Party Disclosures, from disclosing transactions with Ballymore Properties and its subsidiaries. Other transactions and balances with related parties are disclosed throughout the financial statements as they arise.

16. COMMITMENTS AND CONTINGENCIES

The company is party to an agreement along with various companies in the group, of which the company is a member, whereby the group's funding institutions which are ultimately controlled by the National Asset Management Agency (NAMA) have cross guarantees over the company's assets. In the event that any of the companies subject to the guarantee are unable to repay amounts owed to NAMA then it may call on this company or any of the other companies party to the guarantee for repayment of amounts due.

17. POST BALANCE SHEET EVENTS

There are no significant post balance sheet events which require disclosure in the financial statements.