Registered number: 04936525

BALLYMORE LIMITED AND SUBSIDIARIES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

BALLYMORE LIMITED AND SUBSIDIARIES

CONTENTS

COMPANY INFORMATION

Directors	S. Mulryan J. Mulryan D. Pearson
Company secretary	D. Pearson
Registered number	04936525
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 Hogan Lovells International LLP 65 Holborn Viaduct London EC1A 2FG Gowling WLG (UK) LLP 3 Waterhouse Square 142 High Holborn London EC1N 2SW

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Introduction

The directors present their strategic report for Ballymore Limited and its subsidiaries (together "the Group") for the year ended 31 March 2019.

Business review

The company is a holding company and the principal activities of its subsidiary undertakings continue to be that of property development and investment. The business conducted by the Group is principally the development and sale of residential properties in London.

Results and performance

This consolidated set of financial statements represents a subgroup of a significant property development group headed by the Irish company, Ballymore Properties Unlimited Company ("the Ballymore Group").

The group headed by Ballymore Limited represents only part of the Ballymore Group's UK business activities.

Total revenues of the group headed by Ballymore Limited for the year were £56 million (2018 - £100 million). The group is now focusing on developing its remaining sites, many of which are advancing through the planning system.

The profit for the year before tax was £80 million (2018 – £22 million). This includes the reversal of previous impairments in relation to stock of £31 million (2018 – impairment of £2.2 million) and an increased share of profits from associates arising on the restructuring of the group's associate during the year.

The UK, particularly London, where the group has a high concentration of assets, continues to be a highly competitive market. As a major global city, we believe there will be opportunities to create value in the coming years. Despite risks and uncertainties associated with Brexit, we continue to be positive on the long-term outlook for London as a global city with continuing appeal to businesses and people wanting to live in a vibrant environment. The group's development sites are mainly located within the London metropolitan area and are well-placed to benefit from the positive long-term outlook.

Mulryan family property groups

The Ballymore Group has a net asset value in excess of £0.5 billion. To enhance future development potential, the Ballymore Group continues to invest heavily in planning activities for its substantial land portfolio within the UK and Ireland. These projects, which comprise a forward pipeline of more than 7,500 homes and 1.5 million sq.ft. of commercial space, have the potential to transform the landscapes within which they are located.

The Ballymore Group will continue to put placemaking at the centre of every development, establishing new places for people to live and work, delivering unparalleled experiences. The Ballymore Group has worked with a range of partners from semi-state bodies, institutional funds, family offices and publicly traded companies. Creating partnerships with similar ideals has become its core strategy.

The Ballymore Group is owned by Sean Mulryan, who, with his family also has other property development management and construction management interests.

The Ballymore Group works closely with these other groups which are also wholly owned by the Mulryan family. The projected gross development value ("GDV") from active developments under management via the Mulryan family and joint ventures in which they have an interest is £3.7 billion from active residential developments and £1 billion from active commercial developments. The GDV from other residential developments under the management of the Mulryan family and joint ventures in which they have an interest with a grant of planning permission, yet to be fully activated, is £1.9 billion.

Principal risks and uncertainties

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

Capital requirements risk – funding

The Group is largely funding its activities from working capital. The Group is currently exploring further financing options including entering into joint venture arrangements and obtaining third party finance for other developments in the medium to longer term. The principal finance risks to which the Group is exposed are liquidity risk, market risk, and interest rate risks. The Group has adopted a prudent approach to managing those risks through its treasury policy which is to maintain an appropriate capital structure and credit facilities to fund its operations. The group funding is regularly monitored and assessed by the directors.

Other financial risk

Lack of suitable funding either from the Group or customer perspective may affect the availability of development and working capital finance in the property sector as well as impacting prospective property purchasers. The directors work closely with the group's key stakeholders in order to mitigate the impact of these factors on the group's financial position.

Each project in the Group has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk. Key performance indicators used by management include turnover, unit completions and profitability per unit.

Economic risk

The house building industry is sensitive to the macroeconomic environment internationally, nationally and regionally which impacts interest rates and world-wide consumer confidence. Whilst the housing market in London, where the group has the largest concentration of its assets, continues to remain stable against regional and overseas markets, worldwide economic conditions including Brexit could impact further on the markets in which the Group operates.

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

- The risk relating to the available 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, strict cost control, and management of planning applications.

Regulatory risk

As the Group is engaged in property development, it is therefore subject to extensive and complex laws and regulations relating to planning, environment and health and safety. Non-compliance can result in delays thereby incurring substantial cost, restricting land development and construction or damaging the Group's reputation.

The Group actively engages with local authorities and regulators with respect to planning policies to ensure that all regulatory compliance criteria are met. Before any third party subcontractors are used, there is due diligence undertaken into their health and safety records along with their best practices and adherence to environmental standards.

This report was approved by the board on 18 December 2019 and signed on its behalf.

D. Pearson
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland as applied in accordance with the provisions of Companies Act 2006.

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 group and parent company and of the profit or loss of the Group for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent 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 group or parent 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 parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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 Group and to prevent and detect fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £86,672,514 *(2018 - £21,031,430)*.

No dividends were declared during the year *(2018 - £10,000,000)*.

Human rights and the Modern Slavery Act 2015

This report does not contain specific information on human rights issues as this is not considered necessary for an understanding of the development, performance or position of the company's business. However, the group as a whole is committed to respecting human rights and will look at the wider group for its supply chain policy approach to human rights.

With the Modern Slavery Act 2015 in force, the group is concentrating their efforts on transparency in the supply chain from its outsourcing model and will be looking at establishing clear ethical standards for itself and expectations from its suppliers to raise awareness of the legislation.

Directors

The directors who served during the year were:

S. Mulryan
J. Mulryan
D. Pearson

Future developments

The group has several developments which will be assessed on an on-going basis as to the development life cycle versus underlying economic conditions. These properties are currently stated at the lower of cost and net realisable value and it is anticipated that profits will be recognised at completion or disposal of the relevant assets.

Matters covered in the strategic report

Information concerning risks and financial risk management objectives and policies is given in the Strategic report.

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 and the Group'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 and the Group's auditor is aware of that information.

Post balance sheet events

Subsequent to year end one of the Group's subsidiary companies, Ballymore (London Arena) Limited, entered into a loan finance agreement with Allied Irish Banks plc for a loan of £30 million. The bank has taken security of that company's assets until such time as the loan facility is repaid.

There were no other post balance sheet events that would require adjustment to, or disclosure in, these financial statements.

Auditor

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

This report was approved by the board on 18 December 2019 and signed on its behalf.

D. Pearson
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALLYMORE LIMITED

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ballymore Limited ('the Company') and its subsidiaries (together 'the Group'), for the year ended 31 March 2019, which comprise the consolidated profit and loss account, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows 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 consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows 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 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 Group 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.

Other matter – The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. Some of the uncertainties arising from Brexit may impact certain of the financial statement captions in the financial statements. The preparation of the financial statements on a going concern basis and the financial statement caption containing estimates all depend on assessments of the future economic environment and the Group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. No audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

We have nothing to report on going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and as they have concluded that the Group and the Parent 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 their 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").

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.

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 Group or the Parent Company will continue in operation.

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 group strategic report and 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.

Based solely on our work on the other information;

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic 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 in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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

We have nothing to report in these respects.

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 4, 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 Group'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 Group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALLYMORE LIMITED

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.

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.

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

19 December 2019

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover	4	55,532,244	100,370,663
Cost of sales		(34,284,556)	(84,744,773)
Gross profit		21,247,688	15,625,890
Administrative expenses		(1,984,238)	(8,474,214)
Reversal of provision/(provision) for impairment of stock		30,969,577	(2,276,464)
Other operating income	5	2,754,882	929,487
Operating profit	6	52,987,909	5,804,699
Group's share of profit of associates	23	21,322,016	66,743
Group's share of (loss)/profit of joint ventures	23	(1,211,369)	9,764,255
Profit on sale of shares		-	18,502
Loss on sale of investment properties		-	(162,911)
Interest receivable and similar income	9	7,216,620	7,618,421
Interest payable and similar expenses	10	-	(850,988)
Profit before tax		80,315,176	22,258,721
Tax on profit	11	6,357,338	(1,227,291)
Profit for the financial year		86,672,514	21,031,430
Profit for the year attributable to:			
Owners of the parent		86,672,514	21,031,430
		86,672,514	21,031,430

All amounts relate to continuing operations.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	*2018* *£*
Fixed assets			
Tangible assets	13	114,958	*117,861*
Investments in joint ventures	14	820,182	*1,506,455*
Investment property	15	15,446,626	*12,905,405*
		16,381,766	*14,529,721*
Current assets			
Stocks	16	198,502,612	*112,274,934*
Debtors: amounts falling due within one year	17	309,243,045	*228,425,448*
Cash at bank and in hand	18	53,955,030	*131,180,063*
		561,700,687	*471,880,445*
Creditors: amounts falling due within one year	19	(380,931,138)	*(362,011,832)*
Net current assets		180,769,549	*109,868,613*
Total assets less current liabilities		197,151,315	*124,398,334*
Creditors: amounts falling due after more than one year	20	(49,880,000)	*(41,093,333)*
Provisions for liabilities			
Other provisions	23	(31,346,754)	*(54,052,954)*
Net assets		115,924,561	*29,252,047*
Capital and reserves			
Called up share capital	24	100,000	*100,000*
Profit and loss account		115,824,561	*21,652,047*
Equity attributable to owners of the parent company		115,924,561	*21,752,047*
Non-controlling interests	25	-	*7,500,000*
		115,924,561	*29,252,047*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2019.

D. Pearson
Director

The notes on pages 16 to 41 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	*2018 £*
Fixed assets			
Investments	14	1,002	*1,002*
		1,002	*1,002*
Current assets			
Debtors: amounts falling due within one year	17	115,870,922	*104,934,557*
Cash at bank and in hand	18	10,584	*226*
		115,881,506	*104,934,783*
Creditors: amounts falling due within one year	19	(110,103,908)	*(99,130,914)*
Net current assets		5,777,598	*5,803,869*
Total assets less current liabilities		5,778,600	*5,804,871*
Net assets		5,778,600	*5,804,871*
Capital and reserves			
Called up share capital	24	100,000	*100,000*
Profit and loss account		5,678,600	*5,704,871*
		5,778,600	*5,804,871*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2019.

D. Pearson
Director

The notes on pages 16 to 41 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital	Profit and loss account	Equity attributable to owners of parent company	Non-controlling interests	Total equity
	£	£	£	£	£
At 1 April 2018	100,000	21,652,047	21,752,047	7,500,000	29,252,047
Comprehensive income for the year					
Profit for the year	-	86,672,514	86,672,514	-	86,672,514
Total comprehensive income for the year	-	86,672,514	86,672,514	-	86,672,514
Acquisition of non-controlling interest	-	7,500,000	7,500,000	-	7,500,000
Elimination of non-controlling interest	-	-	-	(7,500,000)	(7,500,000)
Total transactions with owners	-	7,500,000	7,500,000	(7,500,000)	-
At 31 March 2019	100,000	115,824,561	115,924,561	-	115,924,561

The notes on pages 16 to 41 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital	Profit and loss account	Equity attributable to owners of parent company	Non-controlling interests	Total equity
	£	£	£	£	£
At 1 April 2017	100,000	10,620,617	10,720,617	7,500,000	18,220,617
Comprehensive income for the year					
Profit for the year	-	21,031,430	21,031,430	-	21,031,430
Total comprehensive income for the year	-	21,031,430	21,031,430	-	21,031,430
Dividends: Equity capital	-	(10,000,000)	(10,000,000)	-	(10,000,000)
Total transactions with owners	-	(10,000,000)	(10,000,000)	-	(10,000,000)
At 31 March 2018	100,000	21,652,047	21,752,047	7,500,000	29,252,047

The notes on pages 16 to 41 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	100,000	5,704,871	5,804,871
Comprehensive income for the year			
Loss for the year	-	(26,271)	(26,271)
Total comprehensive income for the year	-	(26,271)	(26,271)
Total transactions with owners	-	-	-
At 31 March 2019	100,000	5,678,600	5,778,600

The notes on pages 16 to 41 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2017	100,000	(79,799,026)	(79,699,026)
Comprehensive income for the year			
Profit for the year	-	95,503,897	95,503,897
Total comprehensive income for the year	-	95,503,897	95,503,897
Contributions by and distributions to owners			
Dividends: Equity capital	-	(10,000,000)	(10,000,000)
Total transactions with owners	-	(10,000,000)	(10,000,000)
At 31 March 2018	100,000	5,704,871	5,804,871

The notes on pages 16 to 41 form part of these financial statements.

BALLYMORE LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	86,672,514	21,031,430
Adjustments for:		
Gain on sale of shares	-	(18,502)
Depreciation of tangible assets	102,050	19,960
(Reversal of provision)/ provision of impairment of stock	(30,969,577)	2,276,464
Other non-cash items included in profit	(1,892,218)	4,398,937
Interest charge	-	850,988
Interest income	(7,216,620)	(7,618,421)
Taxation charge	(6,357,338)	1,227,291
(Increase)/decrease in stocks excluding impairment movement	(55,258,101)	41,314,365
(Increase) in debtors	(41,964,691)	(56,763,380)
Increase/(decrease) in creditors	22,675,186	(32,429,896)
Loss on sale of investment properties	-	162,911
Share of (profit) in joint ventures and associates	(20,110,647)	(9,830,998)
Corporation tax (paid)/received	(7,969,773)	815,645
Net fair value gains recognised in P&L	(2,541,221)	-
Net cash (used in) operating activities	**(64,830,436)**	**(34,563,206)**
Cash flows from investing activities		
Purchase of tangible fixed assets	(116,209)	(119,760)
Transfer to 95 day bank deposit account	(25,000,000)	-
Sale of investment properties	-	5,378,226
Sale of unlisted and other investments	-	18,502
Distributions received from joint ventures	-	7,813,136
Interest received	601,612	466,581
Net cash (used in) investing activities	**(24,514,597)**	**13,556,685**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from financing activities		
New secured loans	12,120,000	18,000,000
Interest paid	-	(845,848)
Net cash from financing activities	12,120,000	17,154,152
Net (decrease) in cash and cash equivalents	(77,225,033)	(3,852,369)
Cash and cash equivalents at beginning of year	131,180,063	135,032,432
Cash and cash equivalents at end of year	53,955,030	131,180,063
Cash and cash equivalents at end of year comprise:		
Cash at bank and in hand	53,955,030	131,180,063
	53,955,030	131,180,063

The notes on pages 16 to 41 form part of these financial statements.

1. General Information

Ballymore 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The group's and 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and loss account in these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS102:

No cash flow statement has been presented for the parent company.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2015.

2. Accounting policies (continued)

Associates and joint ventures

The group's share of profits less losses of joint ventures is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated profit and loss account includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

Going concern

The financial statements of the group and company are prepared on the going concern basis, which the directors believe to be appropriate.

The directors have assessed the financial and operational requirements of the group and company and having undertaken this review, the directors have a reasonable expectation that the group and company have adequate resources to fund their 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, they 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 Group 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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	- Between 5% - 33.3% per annum

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 Consolidated profit and loss account.

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or both. Investment properties include land interests generating ground rents. The valuation of ground rents depends on the related future rental income stream. Investment properties are recognised initially at cost.

Subsequent to initial recognition, investment properties are held at fair value. Fair value is 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 specific asset.

Any gains or losses arising from changes in the fair value are recognised in the consolidated profit and loss account in the period that they arise, and no depreciation is provided in respect of investment properties applying the fair value model.

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

Property under construction

Construction in progress comprising investment properties currently being developed, are stated initially at cost and then at fair value determined annually by the directors.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2. Accounting policies (continued)

Stock

Development properties

Development properties are properties acquired for future development and properties on which only initial development has commenced. These are stated at the lower of cost and net realisable value. Net realisable value is defined as the estimated selling price of the completed developments less all further costs to completion and selling costs as estimated by the directors. Cost comprises purchase price and development costs. Costs also includes interest and finance fees which are capitalised from the date of commencement of development until the development is complete. However capitalisation of interest is suspended during extended periods in which active development is interrupted. Interest is calculated by reference to specific borrowings.

Work in progress

Work in progress comprises properties currently being developed stated at the lower of cost and net realisable value. Net realisable value is defined as the current selling price of the completed development less all further costs to completion as estimated by the directors. Cost comprises purchase price and development costs. Costs also include interest and finance fees which are capitalised from the date of commencement of development until the development is completed. However capitalisation of interest is suspended during extended periods in which active development is interrupted. Interest is calculated by reference to specific borrowings.

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

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 estimated selling price less all further costs to completion and selling costs as estimated by the directors.

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.

Sales deposits

Deposits received from contracted purchasers, where legal completion of the sale has not yet occurred, are recognised as deferred income in the balance sheet. This income is transferred to the profit and loss account on the date of legal transfer of ownership. Deposits paid by contracted purchasers, which are held in a solicitor's client account until legal transfer of ownership occurs are included within debtors on the balance sheet. Forfeited deposits are included in other income in the period in which the related contracts have been rescinded.

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 from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2. Accounting policies (continued)

Financial Instruments

The Group 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 Consolidated 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.

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 Group 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 Consolidated 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 and finance fees may be capitalised in accordance with the Stock policy.

2. **Accounting policies (continued)**

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.

Operating leases: the Group as lessor

Rentals income from operating leases is credited to the Consolidated profit and loss account on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated profit and loss account 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.

Interest income

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

Expenditure

Expenditure recorded in work in progress is expensed through cost of sales at the time of the related property sale. Operating expenditure in respect of goods and services received is recognised when supplied in accordance with contractual terms.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 the Consolidated profit and loss account in the year that the Group 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.

2. Accounting policies (continued)

Current and deferred taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income or 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 based on the expected statutory tax rates, reliefs and allowances applicable in the jurisdictions in which the group operates. Current tax for the current and prior years, to the extent that it is unpaid, is recognised as a liability in the balance sheet. The group is subject to income tax in more than one jurisdiction and judgment is required in determining the provision for taxes. There are many transactions and calculations during the ordinary course of business, for which the ultimate tax determination is uncertain and the complexity of the tax treatment may be such that the final tax charge may not be determined until a formal resolution has been reached with the relevant tax authority, which may take several years to conclude. The ultimate tax charge may, therefore, be different from that which initially is reflected in the group's tax charge and provision and any such differences could have a material impact on the group's income tax charge and consequently financial performance. The determination of the provision for income tax is based on the directors' understanding of the relevant tax law and judgment as to the appropriate tax charge, and the directors believe that all assumptions and estimates used are reasonable and reflective of the tax legislation in jurisdictions in which the group operates. Where the final tax charge is different from the amounts that were initially recorded, such differences are recognised in the income tax provision in the period in which such determination is made.

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.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The group operates a defined contribution pension plan under which it pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the consolidated profit and loss account in the period during which services are rendered by employees.

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

In the process of applying the Group's accounting policies, the key judgments made by management relate to taxation (note 11), valuation of investment property (note 15), valuation of stock (note 16), recoverability of receivables due from group companies and related parties (note 17) and calculation of accruals (note 19).

4. Turnover

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

	2019 £	*2018* *£*
Sale of properties and contracting income	50,563,361	*95,173,843*
Rental income and management fees	4,968,883	*5,196,820*
	55,532,244	*100,370,663*

All turnover arose within the United Kingdom.

5. Other operating income

	2019 £	*2018* *£*
Other operating income	2,754,882	*929,487*

The main item included within other operating income is a revaluation uplift of investment properties. Other operating income for the year ended 31 March 2018 represented gains arising from forfeited deposits.

6. Operating profit

The operating profit is stated after charging:

	2019 £	*2018* *£*
Depreciation of tangible fixed assets	102,050	*19,960*
Fees payable to the Group's auditor for the audit of the company's annual financial statements	20,000	*20,000*
- The audit of subsidiaries of the company	210,000	*180,000*
- Taxation compliance and advisory services	541,262	*511,155*

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	*2018* *No.*
Finance and administration	3	*6*
Operations and other	2	*2*
	5	*8*

	2019 £	*2018* *£*
The aggregate payroll costs of employees were:		
Wages and salaries	1,500,920	*1,487,347*
Social security costs	179,410	*291,860*
Pension	24,464	*19,661*
	1,704,794	*1,798,868*

Company

The company has no employees *(2018 - none)*.

8. Directors' remuneration

	2019 £	*2018* *£*
Directors' emoluments	396,687	*397,161*

The highest paid director received remuneration of £200,000 *(2018 - £200,000)*.

9. Interest receivable and similar income

	2019 £	2018 £
Interest receivable from companies in the wider Ballymore Group	**6,021,647**	*6,552,912*
Interest receivable from related parties (a)	**593,361**	*598,928*
Bank and other interest receivable	**601,612**	*466,581*
	7,216,620	*7,618,421*

	2019 £	2018 £
(a) Interest on loans to related parties		
West Hampstead Square LLP	-	*48,869*
Bishopsgate Goodsyard Regeneration Limited	**593,361**	*526,795*
Central Regeneration Limited Partnership	-	*23,264*
	593,361	*598,928*

10. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	-	*850,988*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11. Taxation

	2019 £	*2018* *£*
Corporation tax		
Current tax on profits for the year	6,229,656	*2,277,093*
Adjustments in respect of previous periods	(12,586,994)	*(1,049,802)*
	(6,357,338)	*1,227,291*
Total current tax	(6,357,338)	*1,227,291*
Deferred tax		
Total deferred tax	-	*-*
Taxation (credit)/ charge on profit on ordinary activities	(6,357,338)	*1,227,291*

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2018 - lower than)* the standard rate of corporation tax in the UK of 19% *(2018 - 19%)*. The differences are explained below:

	2019 £	*2018* *£*
Profit on ordinary activities before tax	80,315,176	*22,258,721*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	15,259,883	*4,229,157*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment / non-taxable income	(6,766,814)	*(709,779)*
Adjustments to tax charge in respect of prior periods	(12,586,994)	*(1,049,802)*
Book loss on chargeable assets	3,242	*29,334*
Share of partnership profits	107,345	*699,063*
Movement in deferred tax not recognised	(2,337,117)	*(1,369,846)*
Other differences leading to an increase/(decrease) in the tax charge	11,781	*-*
Group relief	(55,948)	*(605,080)*
Transfer pricing adjustments	7,284	*4,244*
Total tax charge for the year	(6,357,338)	*1,227,291*

11. Taxation (continued)

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 group's future tax charge accordingly.

Due to the uncertainty of the recoverability of the tax losses, a deferred tax asset of £52,309,440 *(2018 - £28,456,605)* 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.

12. Dividends

	2019 £	*2018* *£*
Ordinary dividend	-	*10,000,000*

No dividends were declared during the year.

During the prior year, on 29 March 2018, a dividend of £10 million was declared in favour of the immediate parent, Trapol Limited.

13. Tangible fixed assets

Group

	Fixtures and fittings £
Cost	
At 1 April 2018	286,697
Additions	116,209
Disposals	(17,062)
At 31 March 2019	385,844
Depreciation	
At 1 April 2018	168,836
Charge for the year on owned assets	102,050
At 31 March 2019	270,886
Net book value	
At 31 March 2019	114,958
At 31 March 2018	*117,861*

14. Fixed asset investments

Group

	Investment in joint ventures £
Cost	
At 1 April 2018	**1,506,455**
Share of profit/(loss)	**(686,273)**
At 31 March 2019	**820,182**
Net book value	
At 31 March 2019	**820,182**
At 31 March 2018	*1,506,455*

The group's interest in joint ventures comprises the following:

(a) The group owns 1 Ordinary share of £0.50 in Bishopsgate Goodsyard Regeneration Limited, a property development company, which represents 50% of the issued share capital. The group's joint venture partner, Hammerson plc, holds the remaining 50% of the equity share capital. The registered office of Bishopsgate Goodsyard Regeneration Limited is King's Place, 90 York Way, London N1 9GE.

(b) The group holds a 50% interest in Central Regeneration Limited Partnership, a property development entity. The group's joint venture partner, Merepark, holds the remaining 50% interest and is acting as project manager on the development. The registered office of Central Regeneration Limited Partnership is Market Court, Garden Lane, Altrinhcam, Chesire WA14 4DW.

(c) The group holds a 50% interest in West Hampstead Square LLP, a property development entity. The group's joint venture partner, Network Rail Infrastructure Limited, holds the remaining 50% interest. The registered office of West Hampstead Square LLP is 4th Floor, 161 Marsh Wall, London E14 9SJ.

The activity of all the above entities is property development.

The group has constructive obligations in relation to losses of certain of its joint ventures and therefore, where share of losses exceeds the cost of the investments, the group has recognised corresponding net provisions (note 23).

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	184,410,002
At 31 March 2019	184,410,002
Impairment	
At 1 April 2018	184,409,000
At 31 March 2019	184,409,000
Net book value	
At 31 March 2019	1,002
At 31 March 2018	*1,002*

14. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company at year end:

Name	Principal activity	Proportion held by company	Proportion held by subsidiary
Arrowhead Commercial Limited*	Dormant		100%
Ballymore (Battersea Park Road) Limited	Dormant		100%
Ballymore (Bow Paper) Limited	Property development		100%
Ballymore (Carmen Street) Limited	Dormant		100%
Ballymore Developments Limited	Investment holding	100%	0%
Ballymore Fulham Limited	Dormant		100%
Ballymore (Hayes) Limited	Property investment and development		100%
Ballymore Investments Limited	Investment holding	100%	0%
Ballymore (London Arena) Limited	Property Development		100%
Ballymore Millharbour Limited	Property investment and development		100%
Ballymore Ontario Limited	Property Investment		100%
Ballymore Properties Limited	Investment holding and management services	100%	0%
Ballymore Properties Management Limited	Property investment		100%
Ballymore Properties (Thames Royal) Limited	Property development		100%
Ballymore (Wapping) Limited	Property investment and development		100%
Boldbury Limited	Property development		100%
Broadnote Limited	Dormant		100%
Clearstorm Limited	Property investment and development		100%
Domaine Developments Limited	Property investment and development		100%
Glossover Limited	Dormant		100%
Landor (Dundee Wharf) Limited	Property investment and development		100%
Landor Residential Limited	Property investment		100%
Milltop Limited	Dormant		100%
Monomind Limited	Property investment		100%
Pridebank Limited	Property investment and development		100%
Property Company 2007 Limited	Dormant		100%
RT Group Developments (Snow Hill) Limited	Management services		100%
WHS Developments Limited	Investment holding		100%

All companies apart from those noted below were incorporated and operate in the UK having their registered office at 4th Floor, 161 Marsh Wall, London, E14 9SJ.

All shareholdings in subsidiary undertakings consist of ordinary shares.

On 25 September 2018 Ballymore Cornwall Street Limited was dissolved.
On 26 March 2019 Ballymore Development Management Services Limited was dissolved.
On 26 March 2019 Ballymore (Battersea) Limited was dissolved.
*Arrowhead Commercial Limited dissolved since year end.

15. Investment property

Group

	Freehold investment property £	Property under construction £	Total £
Valuation			
At 1 April 2018	12,840,416	64,989	12,905,405
Surplus on revaluation	2,541,221	-	2,541,221
At 31 March 2019	15,381,637	64,989	15,446,626

At 1 April 2018 investment property comprised residential and commercial units and ground rents. When the right to receive ground rent income is sold, the group retains the freehold interest in the related properties which is recorded at a nominal value within investment property.

The investment properties were valued by the directors at a fair value of £15,381,637 on 31 March 2019. The fair value is derived from the current market rents and investment property yields for comparable real estate. No depreciation is provided.

Lease disclosures for the group's investment properties are given in note 27.

16. Stock

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Work in progress	-	*19,827,234*	-	-
Development properties	193,789,163	*90,000,000*	-	-
Properties held for resale	4,713,449	*2,447,700*	-	-
	198,502,612	*112,274,934*	-	-

Borrowing costs capitalised within stock during the year amounted to £1,511,870.

Each year, the directors review the carrying value of the group's stock in the context of current market conditions, and, where necessary, restate these assets at the lower of cost and net realisable value. In determining the realisable value, the directors appraise the eventual financial outcome on each stock item. They consider the various risks associated with development, including planning risk, construction risk and finance risk. They also examine the prudence of the assumptions underlying an appraisal including the timeline to complete, future attributable costs to complete (including planning, construction, marketing and financial costs, where appropriate) and the eventual proceeds the group can expect to receive from the sale of the stock. On this basis, during the current year the provision against the carrying value of the group's stock was reduced by £30,969,577 *(2018 - increase of £2,276,464)*.

Net realisable value includes significant estimates concerning the timing and quantum of developments, estimated realisable values for developed properties and the cost of construction. There are significant judgments in determining the carrying value of development property and work in progress.

The underlying assumptions used in the estimates may be impacted by matters such as: the state of the general economy, the state of the UK and global property market, the availability of UK mortgage financing, the timing of future sales, the costs of completing the build programme which in turn may be impacted by UK and global raw materials costs and inflation rates.

17. Debtors: amounts falling due within one year

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Trade debtors	1,113,537	*1,001,407*	-	-
95 Day Bank Deposit	25,000,000	-	-	-
Amounts owed by group undertakings (a)	259,311,163	*209,382,208*	115,870,922	*104,934,557*
Amounts owed by related parties (b)	341,973	*1,797,108*	-	-
Other debtors	2,119,619	*1,418,840*	-	-
Prepayments and accrued income	804,728	*138,054*	-	-
Corporation tax and other taxes	20,552,025	*14,687,831*	-	-
	309,243,045	*228,425,448*	115,870,922	*104,934,557*

17. Debtors: amounts falling due within one year (continued)

(a) Amounts owed by group undertakings

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

Group

The amount of receivables due from undertakings in the wider Ballymore Group (stated net of provisions) is £259,311,163 *(2018 - £209,382,208)*. At 31 March 2019 the gross amount receivable from group undertakings was £265,849,359 *(2018 - £225,706,836)*. Provisions have been made where recoverability of the receivables is doubtful. At 31 March 2019 provisions totalling £6,538,196 *(2018 - £16,324,628)* have been made against such receivables.

Company

The amount of receivables due from group undertakings (stated net of provisions) is £115,870,922 *(2018 - £104,934,557)*. At 31 March 2019 the gross amount receivable from group undertakings was £115,870,922 *(2018 - £104,934,557)*. Provisions have been made where recoverability of the receivables is doubtful. At 31 March 2019 provisions totalling £NIL *(2018 - £NIL)* have been made against such receivables.

	2019 £	*2018* *£*
(b) Amounts owed by related parties (Group)		
Ballymore (London Arena) Limited (due after one year)	-	*73,328,287*
Bishopsgate Goodsyard Regeneration Limited	36,702,999	*34,452,856*
Central Regeneration Limited Partnership	4,800,142	*4,800,142*
Hammerson Investments (No.23) Limited	-	*210,921*
West Hampstead Square LLP	-	*1,971*
Eco World-Ballymore Holding Company Limited and its subsidiaries	2,436	*940,574*
Whistleglade Investments Limited and subsidiaries	312,537	*527,211*
Leamouth Limited Partnership	27,000	*116,431*
Provisions against receivables due from related parties	(41,503,141)	*(112,581,285)*
	341,973	*1,797,108*

Certain amounts due from related parties are interest bearing.

18. Cash and cash equivalents

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Cash at bank and in hand	45,394,430	*124,168,059*	10,584	*226*
Restricted cash balances	8,560,600	*7,012,004*	-	-
	53,955,030	*131,180,063*	10,584	*226*

Restricted cash represents funds held in Escrow in respect of a cost overrun guarantee, which become releasable to the group on delivery of the Snowhill project within specified cost parameters, and amounts held on deposit to be used in carrying out remediation works on land owned by the group and funds held in an interest reserve account.

19. Creditors: amounts falling due within one year

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Trade creditors	1,071,929	*736,300*	-	-
Amounts owed to group undertakings	292,206,165	*261,149,586*	110,102,145	*99,129,151*
Amounts owed to related parties (a)	1,521,174	*646,481*	-	-
Taxation and social welfare	10,328,234	*17,481,830*	1,763	*1,763*
Other creditors	3,429,067	*3,704,164*	-	-
Accruals and deferred income	72,374,569	*78,293,471*	-	-
	380,931,138	*362,011,832*	110,103,908	*99,130,914*

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

Accruals include the directors' best estimate of certain post-completion development obligations in respect of the construction of the group's property developments that are expected to be incurred in the ordinary course of business. The accruals are based on historical experience of the group's sites and current site - specific risk but are uncertain in terms of timing and quantity. The directors continually review the utilisation of the accruals bearing in mind that the risks of post-completion development obligations reduces over time.

19. Creditors: amounts falling due within one year (continued)

	2019 £	*2018 £*
(a) Amounts owed to related parties (Group)		
Ballymore (London Arena) Limited	-	*469,652*
S. Mulryan	483	*483*
Central Regeneration Limited Partnership	1	*1*
Ballymore Construction Services Limited	-	*176,345*
Ballymore Development Management Limited	2,584	*-*
Hammerson Investments (No.23) Limited	1,453,915	*-*
Eco World - Ballymore joint venture	64,191	*-*
	1,521,174	*646,481*

20. Creditors: amounts falling due after more than one year

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Bank loans	29,880,000	*17,760,000*	-	*-*
Accruals and deferred income	20,000,000	*23,333,333*	-	*-*
	49,880,000	*41,093,333*	-	*-*

21. Loans

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Amounts falling due 2-5 years				
Bank loans	29,880,000	*17,760,000*	-	*-*

In April 2017 the group refinanced the property estates of its subsidiaries, Ballymore (Bow Paper) Limited and Ballymore Properties (Thames Royal) Limited, by entering into a loan finance agreement with Investec Bank Plc. The facility agreement was amended during the year such that the group now has a facility of £30 million (offset by arrangement fee of £120,000) repayable on 1 October 2023. The facility is secured by fixed charges over the property assets of both subsidiaries and by floating charges over other assets, including rights in respect of rental income, contracts and intellectual property.

22. Financial instruments

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**341,841,322**	*344,779,626*	**115,881,506**	*104,934,783*
Financial liabilities				
Financial liabilities measured at amortised cost	**(420,482,904)**	*(378,297,335)*	**(110,102,145)**	*(99,129,151)*

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

Financial liabilities measured at amortised cost comprise creditors, excluding deferred income and taxation and social welfare.

23. Provisions

Group

	Net provision for joint ventures £	Net provision for associate £	Total £
At 1 April 2018	30,821,658	23,231,296	54,052,954
Share of loss/ (profit) for the year	525,096	(21,322,016)	(20,796,920)
Arising on business combinations	-	(1,909,280)	(1,909,280)
At 31 March 2019	31,346,754	-	31,346,754

The group has constructive obligations in relation to losses of certain of its joint ventures and associates and, therefore, where share of losses exceeds the cost of the investments, the group has recognised corresponding net provisions. At year end the joint venture liabilities relate to Bishopsgate Goodysard Regeneration Limited and Central Regeneration Limited Partnership.

The provision for associate related to the group's 27.5% investment in Ballymore (London Arena) Limited, a property development company. During the year Ballymore (London Arena) Limited was restructured resulting in an increase in its profits and net assets. Recognition of the group's share of the profit for the period to 20 June 2018 resulted in a significant reduction in the provision for the associate. Following the restructuring, on 20 June 2018, the group acquired the remaining shares in Ballymore (London Arena) Limited such that it became a wholly owned subsidiary of the group from that date. The net assets at the date of acquisition were £0.2 million and no goodwill was recognised.

23. Provision (continued)

	Joint ventures £	Total £
Cost of investment		
At 1 April 2018	1,390,002	1,390,002
At 31 March 2019	1,390,002	1,390,002

	Joint ventures £	Associate £	Total £
Share of post acquisition reserves			
At 1 April 2018	(32,211,660)	(23,231,296)	(55,442,956)
Retained profits/(losses)	(525,096)	21,322,016	20,796,920
Recognition of group's profit on acquisition of shares	-	1,909,280	1,909,280
At 31 March 2019	(32,736,756)	-	(32,736,756)

The total share of profit of joint ventures included in the consolidated profit and loss account may be analysed as follows:

	2018 £
Total share of joint venture profits/ (losses)	
Amounts recorded in provisions	(525,096)
Amounts recorded in investments (note 14)	(686,273)
	(1,211,369)

24. Share capital

	2019 £	*2018* *£*
Allotted, called up and fully paid		
100,000 *(2018 - 100,000)* Ordinary shares of £1.00 each	**100,000**	*100,000*

25. Minority interest

	2019 £	*2018* *£*
At the beginning of the year	**7,500,000**	*7,500,000*
Settled during the year	**(7,500,000)**	*-*
At the end of the year	**-**	*7,500,000*

During the year, the group acquired 7,500,000 £1 preference shares previously issued by a subsidiary of the group. The preference shares were then cancelled.

26. Contingent liabilities

Provisions and accruals are recognised when an outflow of economic benefits for settlement is probable and the amount can be reliably estimated. It should be understood that, in light of possible future developments, such as: (a) potential notices; (b) possible future settlements; and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs. At this point in time, we cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful. Moreover, if and to the extent that the contingent liabilities materialise, they are typically paid over a number of years and the timing of such payments cannot be predicted with confidence. While the outcome of said notices, cases, claims and disputes cannot be predicted with certainty, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position but could be material to our results of operations or cash flows in any one accounting period.

27. Commitments and contingencies

In addition to the details set out in notes 18 and 21, the group has the following commitments and contingencies:

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

During the prior year another group company, Ballymore One Embassy Gardens Limited, entered into an £82 million term loan facility agreement with Lloyds Bank Plc to fund the development of its property. Domaine Developments Limited and Ballymore Properties Limited have provided security over their assets in respect of this facility.

Domaine Developments Limited has entered into an agreement whereby it guarantees certain obligations of WHS Developments Limited in respect of that company's duties and obligations in relation to its interest in the West Hampstead Square Limited Liability Partnership. In the event that WHS Developments Limited is unable to fulfil its responsibilities as a partner in West Hampstead Square LLP, then the partnership or the other partner in the LLP may call on Domaine Developments Limited for payment of any amounts due.

28. Operating leases: Leases as lessor

Certain of the group's investment properties are let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows:

	Group 2019 £	*Group 2018 £*
Not later than 1 year	**170,359**	*169,894*
Later than 1 year and not later than 5 years	**509,681**	*680,040*
Later than 5 years	**3,543,562**	*3,543,562*
	4,223,602	*4,393,496*

29. Controlling party and related party transactions

The company's immediate parent company is Trapol Limited, a company incorporated in Jersey, Channel Islands. The company's ultimate parent is Ballymore Properties Unlimited Company incorporated in the Republic of Ireland. The company was controlled by Mr S. Mulryan throughout the year.

The smallest group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Trapol Limited.

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

The company has availed of the exemption available in FRS 102.33.1A from disclosing transactions with Ballymore Properties Unlimited Company and its wholly owned subsidiary undertakings. To the extent not disclosed elsewhere in these financial statements, details of related party transactions and balances are set out below:

29. Controlling party and related party transactions (continued)

	2019 £	*2018 £*
Sales on normal trading terms to:		
-Ballymore (London Arena) Limited	-	*100*
-West Hampstead Square LLP	46,761	*1,911,286*
-Eco World-Ballymore Holding Company Limited and its subsidiaries	587,718	*298,909*
-Leamouth Limited Partnership	-	*2,003,018*
-Whistleglade Limited	250,000	*858,479*
-Ballymore Development Management Limited	-	*133,930*
-Ballymore Construction Services Limited	207,760	*386,509*

Ballymore Asset Management Limited acts as a managing agent for the collection of ground rents and administration of service charges on properties held by the group. In the period, ground rent collection fees paid to Ballymore Asset Management Limited amounted to £NIL *(2018 - £17,465)*. Mr D. Pearson and Mr J. Muryan are directors of Ballymore Asset Management Limited, which is also controlled by Mr S. Mulryan.

The group has entered into an agreement with Ballymore Development Management Limited and Ballymore Construction Services Limited, for the provision of professional services. Mr D. Pearson and Mr J. Mulryan are directors of Ballymore Development Management Limited and Ballymore Construction Services Limited, which are also controlled by Mr S. Mulryan. During the year, Ballymore Development Management Limited charged £1,520,993 *(2018 - £1,673,651)* and Ballymore Construction Services Limited charged £7,932 *(2018 - £282,336)* for services provided to the group.

Two of the group's investment properties were let to directors at open market rent during the year, resulting in rental income of £83,557 (*2018 - £36,718*). The rent outstanding at the year end was £83,557 (*2018 - £36,718*).

The directors of Ballymore Limited are considered to be the key management personnel. Total compensation of key management personnel for services to the Ballymore Limited group amounted to £396,687 *(2018 - £397,161)*. Key management personnel compensation for services to the company was £NIL *(2018 - £NIL)*.

30. Post balance sheet events

Subsequent to year end one of the Group's subsidiary companies, Ballymore (London Arena) Limited, entered into a loan finance agreement with Allied Irish Banks plc for a loan of £30 million. The bank has taken security of that company's assets until such time as the loan facility is repaid.

There were no other post balance sheet events that would require adjustment to, or disclosure in, these financial statements.