

Registered number: 04936525

BALLYMORE LIMITED AND SUBSIDIARIES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

MONDAY



L7E84H9U

LD3

10/09/2018

#87

COMPANIES HOUSE

BALLYMORE LIMITED AND SUBSIDIARIES

CONTENTS

| | Page |
|---|----------------|
| Company information | 1 |
| Group strategic report | 2 - 4 |
| Directors' report | 5 - 6 |
| Independent auditor's report to the members of Ballymore Limited | 7 - 9 |
| Consolidated profit and loss account | 10 |
| Consolidated balance sheet | 11 |
| Company balance sheet | 12 |
| Consolidated statement of changes in equity | 13 |
| Company statement of changes in equity | 14 |
| Consolidated Statement of cash flows | 15 - 16 |
| Notes to the financial statements | 17 - 43 |

BALLYMORE LIMITED AND SUBSIDIARIES

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 |

BALLYMORE LIMITED AND SUBSIDIARIES

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

Introduction

The directors present their strategic report for Ballymore Limited and its subsidiaries (together "the group") for the year ended 31 March 2018.

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 within London.

Results and performance

This consolidated set of financial statements represents a subgroup of the Group that is ultimately headed by Ballymore Properties Unlimited Company, which is headquartered in the Republic of Ireland. Ballymore Limited and subsidiaries now represents a relatively small part of the Group's operational UK business activities, which comprise certain property development and investment interests, rather than those consolidated interests of the wider group.

Total revenues for the year were £100 million (2017 - £693 million). In 2017 the group's revenues were primarily generated from sales of units being developed by wholly owned subsidiaries. Following the sale of significant development sites to related parties in 2016 and 2017, the Ballymore Limited Group is now focusing on developing its remaining development sites, which are currently at an early stage in the planning process. This has resulted in lower revenues in the current year, but is expected to be profitable in the medium to longer term for the group.

The profit for the year was £21 million (2017 - £518 million). A net gain was recognised in 2017 following corporate restructuring, completion of financial obligations and refinancing of future requirements, as well as the revaluation of certain of the group's investment properties.

The UK market, particularly London, where the group has a high concentration of assets, continues to perform well. As a major global city, demand in the London housing market remains strong and as a result, London remains an attractive investment opportunity for overseas investors. While some uncertainty is expected in markets following the result of the UK's referendum on its membership of the EU, the directors still believe that the economic fundamentals are positive for London. The group's development sites are located within the London metropolitan area and are well-placed to benefit from this positive long-term outlook for London.

The directors' focus remains on delivering long-term growth performance from existing developments and land banks.

BALLYMORE LIMITED AND SUBSIDIARIES

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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 and strong against regional and overseas markets, worldwide economic conditions including Brexit could impact 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 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, 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.

BALLYMORE LIMITED AND SUBSIDIARIES

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

This report was approved by the board on 22 August 2018 and signed on its behalf.

D. Pearson
Director

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

BALLYMORE LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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

Directors' responsibilities statement

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

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

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £21,031,430 (2017 - £517,925,374).

Dividends of £10,000,000 were declared during the year ended 31 March 2018 (2017 - £NIL).

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

BALLYMORE LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Future developments

The group has a number of 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 the group assumed ownership of 100% of its associated undertaking, Ballymore (London) Arena Limited.

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 on 22 August 2018 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 Group and Company financial statements of Ballymore Limited ('the Company') for the year ended 31 March 2018, which comprise the Consolidated profit and loss account, the Consolidated and Company balance sheets, the Consolidated and Company statements 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 Group and Company financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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.

We have nothing to report on going concern

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

Other information

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

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



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

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 have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 on these matters/in regard to these matters.

2 Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements including being satisfied that they give a true and fair view. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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



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

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

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

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

Date: 6 September 2018

BALLYMORE LIMITED AND SUBSIDIARIES

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

| | Note | 2018 £ | 2017 £ |
|--|-------------|-------------------|--------------------|
| Turnover | 4 | 100,370,663 | 692,751,478 |
| Cost of sales | | (84,744,773) | (569,763,004) |
| Gross profit | | 15,625,890 | 122,988,474 |
| Administrative expenses | | (8,474,214) | (4,501,032) |
| Provision for impairment of fixed assets | | - | (1,199,999) |
| Provision for impairment of stock | | (2,276,464) | (39,262,339) |
| Other operating income | 5 | 929,487 | 457,909,872 |
| Operating profit | 6 | 5,804,699 | 535,934,976 |
| Group's share of profit of associates | 23 | 66,743 | 241,529 |
| Group's share of profit/(loss) of joint ventures | | 9,764,255 | (1,563,133) |
| Profit on sale of shares | | 18,502 | - |
| Loss on sale of investment properties | | (162,911) | (880,535) |
| Interest receivable and similar income | 9 | 7,618,421 | 3,951,725 |
| Interest payable and similar expenses | 10 | (850,988) | (4,384,782) |
| Profit before tax | | 22,258,721 | 533,299,780 |
| Tax on profit | 11 | (1,227,291) | (15,374,406) |
| Profit for the financial year | | 21,031,430 | 517,925,374 |
| Profit for the year attributable to: | | | |
| Owners of the parent | | 21,031,430 | 517,925,374 |
| | | 21,031,430 | 517,925,374 |

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.

BALLYMORE LIMITED AND SUBSIDIARIES
REGISTERED NUMBER: 04936525

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2018

| | Note | 2018 £ | 2017 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 117,861 | 18,062 |
| Investments | 14 | 1,506,455 | - |
| Investment property | 15 | 12,905,405 | 12,877,260 |
| | | <u>14,529,721</u> | <u>12,895,322</u> |
| Current assets | | | |
| Stock | 16 | 112,274,934 | 161,435,044 |
| Debtors | 17 | 228,425,448 | 171,511,308 |
| Cash at bank and in hand | 18 | 131,180,063 | 135,032,432 |
| | | <u>471,880,445</u> | <u>467,978,784</u> |
| Creditors: amounts falling due within one year | 19 | (362,011,832) | (385,007,806) |
| Net current assets | | <u>109,868,613</u> | <u>82,970,978</u> |
| Total assets less current liabilities | | <u>124,398,334</u> | <u>95,866,300</u> |
| Creditors: amounts falling due after more than one year | 20 | (41,093,333) | (21,666,667) |
| Provisions for liabilities | 23 | (54,052,954) | (55,979,016) |
| Net assets | | <u>29,252,047</u> | <u>18,220,617</u> |
| Capital and reserves | | | |
| Called up share capital | 24 | 100,000 | 100,000 |
| Profit and loss account | | 21,652,047 | 10,620,617 |
| Equity attributable to owners of the parent company | | <u>21,752,047</u> | <u>10,720,617</u> |
| Non-controlling interests | 25 | 7,500,000 | 7,500,000 |
| | | <u>29,252,047</u> | <u>18,220,617</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 August 2018.


D. Pearson
 Director

The notes on pages 17 to 43 form part of these financial statements.

BALLYMORE LIMITED AND SUBSIDIARIES
REGISTERED NUMBER: 04936525

COMPANY BALANCE SHEET
AS AT 31 MARCH 2018

| | Note | 2018 £ | 2017 £ |
|--|------|-------------------------|----------------------------|
| Fixed assets | | | |
| Investments | 14 | 1,002 | 1,002 |
| | | <u>1,002</u> | <u>1,002</u> |
| Current assets | | | |
| Debtors | 17 | 104,934,557 | 9,490,747 |
| Cash at bank and in hand | 18 | 226 | 15 |
| | | <u>104,934,783</u> | <u>9,490,762</u> |
| Creditors: amounts falling due within one year | | (99,130,914) | (89,190,790) |
| Net current assets/(liabilities) | | <u>5,803,869</u> | <u>(79,700,028)</u> |
| Total assets less current liabilities | | <u>5,804,871</u> | <u>(79,699,026)</u> |
| Net assets/(liabilities) | | <u><u>5,804,871</u></u> | <u><u>(79,699,026)</u></u> |
| Capital and reserves | | | |
| Called up share capital | 24 | 100,000 | 100,000 |
| Profit and loss account | | <u>5,704,871</u> | <u>(79,799,026)</u> |
| | | <u><u>5,804,871</u></u> | <u><u>(79,699,026)</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 August 2018.


D. Pearson
 Director

The notes on pages 17 to 43 form part of these financial statements.

BALLYMORE LIMITED AND SUBSIDIARIES

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 2016 | 100,000 | (507,304,757) | (507,204,757) | 7,500,000 | (499,704,757) |
| Comprehensive income for the year | | | | | |
| Profit for the year | - | 517,925,374 | 517,925,374 | - | 517,925,374 |
| Total comprehensive income for the year | - | 517,925,374 | 517,925,374 | - | 517,925,374 |
| Total transactions with owners | - | - | - | - | - |
| At 31 March 2017/1 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 |

BALLYMORE LIMITED AND SUBSIDIARIES

**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 2016 | 100,000 | (79,804,255) | (79,704,255) |
| Comprehensive income for the year | | | |
| Profit for the year | - | 5,229 | 5,229 |
| | <hr/> | <hr/> | <hr/> |
| Total comprehensive income for the year | - | 5,229 | 5,229 |
| | <hr/> | <hr/> | <hr/> |
| Total transactions with owners | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2017/1 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 |
| | <hr/> | <hr/> | <hr/> |
| Total comprehensive income for the year | - | 95,503,897 | 95,503,897 |
| | <hr/> | <hr/> | <hr/> |
| Contributions by and distributions to owners | | | |
| Dividends | - | (10,000,000) | (10,000,000) |
| | <hr/> | <hr/> | <hr/> |
| Total transactions with owners | - | (10,000,000) | (10,000,000) |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2018 | 100,000 | 5,704,871 | 5,804,871 |
| | <hr/> | <hr/> | <hr/> |

BALLYMORE LIMITED AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

| | 2018 £ | 2017 £ |
|---|---------------------|--------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 21,031,430 | 517,925,374 |
| Adjustments for: | | |
| Interest charge | 850,988 | 4,384,782 |
| Depreciation of tangible assets | 19,960 | - |
| Interest income | (7,618,421) | (3,951,725) |
| Loss on sale of investment properties | 162,911 | 880,535 |
| Gain on sale of shares | (18,502) | - |
| Taxation charge | 1,227,291 | 15,374,406 |
| Decrease in stock | 41,314,365 | 348,533,908 |
| (Increase)/decrease in debtors | (56,763,380) | 16,878,952 |
| (Decrease) in creditors | (32,429,896) | (110,696,570) |
| Impairment of stock | 2,276,464 | 39,262,339 |
| Other non-cash items included in profit | 4,398,937 | (452,468,569) |
| Share of loss in joint ventures and associates | (9,830,998) | 1,321,604 |
| Corporation tax received/(paid) | 815,645 | (8,817,306) |
| Net cash (used in)/generated from operating activities | (34,563,206) | 368,627,730 |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (119,760) | (17,062) |
| Sale of investment properties | 5,378,226 | 47,488,557 |
| Sale of unlisted and other investments | 18,502 | - |
| Distributions received from joint ventures | 7,813,136 | - |
| Interest received | 466,581 | 698,285 |
| Net cash from investing activities | 13,556,685 | 48,169,780 |

BALLYMORE LIMITED AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

| | 2018 £ | 2017 £ |
|---|--------------------|----------------------|
| Cash flows from financing activities | | |
| New secured loans | 18,000,000 | 136,805,311 |
| Repayment of loans | - | (432,914,811) |
| Interest paid | (845,848) | (7,222,706) |
| Net cash generated from/(used in) financing activities | <u>17,154,152</u> | <u>(303,332,206)</u> |
| Net (decrease)/increase in cash and cash equivalents | <u>(3,852,369)</u> | <u>113,465,304</u> |
| Cash and cash equivalents at beginning of year | 135,032,432 | 21,567,128 |
| Cash and cash equivalents at the end of year | <u>131,180,063</u> | <u>135,032,432</u> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 131,180,063 | 135,032,432 |
| | <u>131,180,063</u> | <u>135,032,432</u> |

The notes on pages 17 to 43 form part of these financial statements.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 company'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) and recoverability of receivables due from group companies and related parties (note 17).

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

4. Turnover

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

| | 2018 £ | 2017 £ |
|--|--------------------|--------------------|
| Sale of properties and construction income | 95,173,843 | 689,546,835 |
| Rental income and management fees | 5,196,820 | 3,204,643 |
| | <u>100,370,663</u> | <u>692,751,478</u> |

All turnover arose within the United Kingdom.

5. Other operating income

| | 2018 £ | 2017 £ |
|------------------------|----------------|--------------------|
| Other operating income | <u>929,487</u> | <u>457,909,872</u> |

Other operating income for the year ended 31 March 2018 relates to forfeited deposits.

In the year ended 31 March 2017 other operating income included a net gain recognised by the group following corporate restructuring, completion of financial obligations and refinancing for future requirements, as well as the revaluation of investment properties and forfeited deposits.

6. Operating profit

The operating profit is stated after charging:

| | 2018 £ | 2017 £ |
|--|----------------|----------------|
| Depreciation of tangible fixed assets | 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 | 180,000 | 160,000 |
| - Taxation compliance and advisory services | <u>511,155</u> | <u>768,000</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

7. Employees

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

| | 2018 | 2017 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Estates management | - | 1 |
| Finance and administration | 6 | 6 |
| Operations and other | 2 | 2 |
| | <u>8</u> | <u>9</u> |

| | 2018 | 2017 |
|---|------------------|------------------|
| | £ | £ |
| The aggregate payroll costs of employees were: | | |
| Wages and salaries | 1,487,347 | 1,080,000 |
| Social security costs | 291,860 | 254,000 |
| Pension | 19,661 | 20,000 |
| | <u>1,798,868</u> | <u>1,354,000</u> |

Company

The company has no employees (2017 - none).

8. Directors' remuneration

| | 2018 | 2017 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Directors' emoluments | <u>397,161</u> | <u>200,000</u> |

The highest paid director received remuneration of £200,000 (2017 - £140,000).

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9. Interest receivable

| | 2018 £ | 2017 £ |
|--|------------------|------------------|
| Interest receivable from group companies | 6,552,912 | 1,123,145 |
| Interest receivable from related parties (a) | 598,928 | 2,356,148 |
| Other interest receivable | 44,804 | 424,307 |
| Bank interest receivable | 421,777 | 48,125 |
| | <u>7,618,421</u> | <u>3,951,725</u> |

| | 2018 £ | 2017 £ |
|---|----------------|------------------|
| (a) Interest on loans to related parties | | |
| West Hampstead Square LLP | 48,869 | 1,292,282 |
| Bishopsgate Goodsynd Regeneration Limited | 526,795 | 516,476 |
| Central Regeneration Limited Partnership | 23,264 | 49,373 |
| Renshaw Regeneration LLP | - | 3,708 |
| Markland Holdings Limited | - | 118,282 |
| RQB (Isle of Man) Limited | - | 376,027 |
| | <u>598,928</u> | <u>2,356,148</u> |

10. Interest payable and similar charges

| | 2018 £ | 2017 £ |
|--|----------------|------------------|
| On bank loans wholly repayable other than by instalments within five years | 850,988 | 19,168,105 |
| Less: capitalised interest included in stocks/investment property under construction | - | (14,783,323) |
| | <u>850,988</u> | <u>4,384,782</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

11. Taxation

| | 2018 £ | 2017 £ |
|--|------------------|-------------------|
| Corporation tax | | |
| Current tax on profits for the year | 2,277,093 | 16,285,661 |
| Adjustments in respect of previous periods | (1,049,802) | (5,082,676) |
| | <u>1,227,291</u> | <u>11,202,985</u> |
| Total current tax | <u>1,227,291</u> | <u>11,202,985</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | - | 287,399 |
| Changes to tax rates | - | (14,370) |
| Adjustments in respect of previous periods | - | 3,898,392 |
| Total deferred tax | <u>-</u> | <u>4,171,421</u> |
| Taxation on profit on ordinary activities | <u>1,227,291</u> | <u>15,374,406</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

11. Taxation (continued)

Factors affecting tax charge for the year

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

| | 2018 £ | 2017 £ |
|--|-------------------------|--------------------------|
| Profit on ordinary activities before tax | <u>22,258,721</u> | <u>533,299,780</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%) | <u>4,229,157</u> | <u>106,659,956</u> |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | (709,779) | (84,933,779) |
| Adjustments to tax charge in respect of prior periods | (1,049,802) | (1,184,284) |
| Book loss on chargeable assets | 29,334 | 1,118,005 |
| Capital gains | - | 344,499 |
| Share of partnership profits | 699,063 | 787,519 |
| Movement in deferred tax not recognised | (1,369,846) | (7,598,129) |
| Other differences leading to an increase/(decrease) in the tax charge | - | (150,825) |
| Group relief | (605,080) | - |
| Impact of change in rates | - | (14,370) |
| Transfer pricing adjustments | 4,244 | 345,814 |
| Total tax charge for the year | <u>1,227,291</u> | <u>15,374,406</u> |

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 £28,456,605 (2017 - £51,108,788) has not been recognised. The unrecognised deferred tax asset at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12. Dividends

| | 2018 £ | 2017 £ |
|-------------------|------------|-----------|
| Ordinary dividend | 10,000,000 | - |

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 or valuation | |
| At 1 April 2017 | 166,938 |
| Additions | 119,759 |
| At 31 March 2018 | 286,697 |
| Depreciation | |
| At 1 April 2017 | 148,876 |
| Charge for the year | 19,960 |
| At 31 March 2018 | 168,836 |
| Net book value | |
| At 31 March 2018 | 117,861 |
| At 31 March 2017 | 18,062 |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

14. Fixed asset investments

Group

| | Investment in joint ventures £ |
|-------------------------------|---|
| Cost | |
| At 1 April 2017 | - |
| Cost of investment (note 23) | 100 |
| Distribution by joint venture | (7,813,086) |
| Share of profits | 9,319,441 |
| At 31 March 2018 | <u>1,506,455</u> |

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

(a) The group owns 1 Ordinary share of £0.50 in Bishopsgate Goodsyrd Regeneration Limited, a property development company, which represents 50% of the issued share capital at 31 March 2018. The group's joint venture partner, Hammerson plc, holds the remaining 50% of the equity share capital. The registered office of Bishopsgate Goodsyrd Regeneration Limited is 10 Grosvenor Street, London W1K 4BJ.

(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, Altrincham, Cheshire 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.

On 23 May 2017 Renshaw Regeneration LLP was dissolved, and the group released the net provision in respect of this investment.

The activity of all the above entities is property development.

At year end the group's interest in associates comprised 300 'A' Ordinary shares of £1 each in Ballymore (London Arena) Limited, a property development company, representing 27.5% of the issued share capital at 31 March 2018. Royal Bank of Scotland (through SIG Number 2 Limited) held 45% of the share capital, while Davy Property Holdings Limited held 27.5% of the equity of the company.

The group has incurred constructive obligations in relation to losses of certain of its joint ventures and its associate and therefore, where shares of losses exceed the cost of the investments, has recognised corresponding net provisions (note 23). During the year, West Hampstead LLP allocated profits to its members and the net provision previously recognised in relation to this investment was reversed in full.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

14. Fixed asset investments (continued)

Subsidiary undertakings

The following are subsidiary undertakings of the company:

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

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

14. Fixed asset investments (continued)

All companies were incorporated and operate in the UK having their registered offices at 4th Floor, 161 Marsh Wall, London, E14 9SJ.

All shareholdings in subsidiary undertakings consist of ordinary shares.

On 18 July 2017 Vitely Limited was dissolved.

On 18 July 2017 Ballymore NPW Hotel Limited was dissolved.

On 29 August 2017 Ballymore Colmore Row Limited was dissolved.

On 29 August 2017 Cuba Street Limited was dissolved.

On 29 August 2017 East London Haulage Limited was dissolved.

On 29 August 2017 Kilopoint Limited was dissolved.

On 29 August 2017 Landor 2 Limited was dissolved.

On 31 October 2017 Ballymore Snow Hill (Hotel) Limited was dissolved.

Company

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 April 2017 | 184,410,002 |
| At 31 March 2018 | <u>184,410,002</u> |
| Impairment | |
| At 1 April 2017 | 184,409,000 |
| At 31 March 2018 | <u>184,409,000</u> |
| Net book value | |
| At 31 March 2018 | <u>1,002</u> |
| At 31 March 2017 | <u>1,002</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

15. Investment property

Group

| | Freehold investment property £ | Property under construc- tion £ | Total £ |
|-------------------------|---|---|-------------------|
| Valuation | | | |
| At 1 April 2017 | 12,812,271 | 64,989 | 12,877,260 |
| Transfers from stock | 5,569,282 | - | 5,569,282 |
| Disposals | (5,541,137) | - | (5,541,137) |
| At 31 March 2018 | 12,840,416 | 64,989 | 12,905,405 |

At 1 April 2017 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.

During the current year, the freehold and rights to a reversionary interest in respect of a 999-year lease at the One Embassy Gardens site were transferred from stock at the deemed fair value of £1. Additionally 5 residential apartments were transferred from stock. Disposals relate to the sale of rights to receive ground rent income.

The investment properties were valued by the directors at a fair value of £12,905,405 on 31 March 2018. The investment properties are carried at fair value determined annually by the directors and are 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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

16. Stock

| | 2018 £ | 2017 £ |
|----------------------------|--------------------|--------------------|
| Work In progress | 19,827,234 | 64,722,317 |
| Development properties | 90,000,000 | 91,951,385 |
| Properties held for resale | 2,447,700 | 4,761,342 |
| | <u>112,274,934</u> | <u>161,435,044</u> |

The carrying value of stock includes £8,336,014 (2017 - £15,905,213) in respect of capitalised borrowing costs.

Each year, the directors review the carrying value of the company'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 company can expect to receive from the sale of the stock. On this basis, during the current year the net movement in the provision against the carrying value of the group's stock was a increase of £2,276,464 (2017 - £39,262,339).

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.

During the year, the freehold and rights to a reversionary interest in respect of a 999-year lease at the One Embassy Gardens site were transferred to investment property, as well as 5 residential units.

17. Debtors

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Trade debtors | 1,001,407 | 1,772,173 | - | - |
| Amounts owed by group undertakings (a) | 209,382,208 | 136,340,907 | 104,934,557 | 9,490,747 |
| Amounts owed by related parties (b) | 1,797,108 | 12,368,296 | - | - |
| Other debtors | 1,418,840 | 5,556,811 | - | - |
| Prepayments and accrued income | 138,054 | 339,136 | - | - |
| Corporation tax and other taxes | 14,687,831 | 15,133,985 | - | - |
| | <u>228,425,448</u> | <u>171,511,308</u> | <u>104,934,557</u> | <u>9,490,747</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

17. Debtors (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 group undertakings (stated net of provisions) is £209,382,208 (2017 - £136,340,907). At 31 March 2018 the gross amount receivable from group undertakings was £225,706,836 (2017 - £147,772,149). Provisions have been made where recoverability of the receivables is doubtful. At 31 March 2018 provisions totalling £16,324,628 (2017 - £11,431,242) have been made against such receivables.

Company

The amount of receivables due from group undertakings (stated net of provisions) is £104,934,557 (2017 - £9,490,747). At 31 March 2018 the gross amount receivable from group undertakings was £104,934,557 (2017 - £75,369,357). Provisions have been made where recoverability of the receivables is doubtful. At 31 March 2018 provisions totalling £NIL (2017 - £65,878,610) have been made against such receivables.

| | 2018 £ | 2017 £ |
|--|------------------|-------------------|
| (b) Amounts owed by related parties (Group) | | |
| Ballymore International Developments Limited | - | 460,134 |
| Ballymore (London Arena) Limited (due after one year) | 73,328,287 | 73,328,287 |
| Bishopsgate Goodsyards Regeneration Limited | 34,452,856 | 33,843,276 |
| Central Regeneration Limited Partnership | 4,800,142 | 4,876,878 |
| Hammerson Investments (No.23) Limited | 210,921 | 285,653 |
| Renshaw Regeneration LLP | - | 162,463 |
| West Hampstead Square LLP | 1,971 | 12,082,643 |
| Eco World-Ballymore Holding Company Limited and its subsidiaries | 940,574 | - |
| Whistleglade Limited | 430,170 | - |
| Leamouth Limited Partnership | 116,431 | - |
| Ballymore Construction Services Limited | 80,085 | - |
| Ballymore Development Management Limited | 16,956 | - |
| Provisions against receivables due from related parties | (112,581,285) | (112,671,038) |
| | 1,797,108 | 12,368,296 |

A certain number of the amounts due from related parties are interest bearing.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

18. Cash and cash equivalents

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|--------------------------|--------------------|--------------------|----------------------|----------------------|
| Cash at bank and in hand | 124,168,059 | 128,047,167 | 226 | 15 |
| Restricted cash balances | 7,012,004 | 6,985,265 | - | - |
| | <u>131,180,063</u> | <u>135,032,432</u> | <u>226</u> | <u>15</u> |

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.

19. Creditors: Amounts falling due within one year

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade creditors | 736,300 | 3,750,076 | - | - |
| Amounts owed to group undertakings | 261,149,586 | 265,313,452 | 99,129,151 | 89,190,790 |
| Amounts owed to related parties (a) | 646,481 | 487,030 | - | - |
| Taxation and social welfare | 17,481,830 | 16,365,318 | 1,763 | - |
| Other creditors | 3,704,164 | 3,940,285 | - | - |
| Accruals and deferred income | 78,293,471 | 95,151,645 | - | - |
| | <u>362,011,832</u> | <u>385,007,806</u> | <u>99,130,914</u> | <u>89,190,790</u> |

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

| | 2018 £ | 2017 £ |
|--|----------------|----------------|
| (a) Amounts owed to related parties (Group) | | |
| Ballymore (London Arena) Limited | 469,652 | 486,546 |
| S. Mulryan | 483 | 483 |
| Central Regeneration Limited Partnership | 1 | 1 |
| Ballymore Construction Services Limited | 176,345 | - |
| | <u>646,481</u> | <u>487,030</u> |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|------------------------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans | 17,760,000 | - | - | - |
| Accruals and deferred income | 23,333,333 | 21,666,667 | - | - |
| | <u>41,093,333</u> | <u>21,666,667</u> | <u>-</u> | <u>-</u> |

21. Loans

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|--------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Amounts falling due 2-5 years | | | | |
| Bank loans | 17,760,000 | - | - | - |
| | <u>17,760,000</u> | <u>-</u> | <u>-</u> | <u>-</u> |

During the year, Ballymore (Bow Paper) Limited and Ballymore (Thames Royal) Limited refinanced their property estates, by entering into a loan finance agreement with Investec Bank Plc. Ballymore (Bow Paper) Limited has borrowed £9.75 million and Ballymore (Thames Royal) Limited has borrowed £8.25 million from the total facility of £18 million. These amounts are secured by fixed charges over the property assets of both companies and by floating charges over assets, including rights in respect of rental income, contracts and intellectual property and are repayable on or before 9 April 2020. In addition, security has been provided by means of a charge over the shares of Ballymore Developments Limited. Interest is charged at LIBOR + 4.5%.

22. Financial instruments

| | Group 2018 £ | Group 2017 £ | Company 2018 £ | Company 2017 £ |
|--|----------------------|----------------------|----------------------|----------------------|
| Financial assets | | | | |
| Financial assets measured at amortised cost | <u>344,779,626</u> | <u>291,070,619</u> | <u>104,934,783</u> | <u>9,490,762</u> |
| Financial liabilities | | | | |
| Financial liabilities measured at amortised cost | <u>(378,297,335)</u> | <u>(388,746,876)</u> | <u>(99,129,151)</u> | <u>(89,190,790)</u> |

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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

23. Provisions

Group

| | Net provision for joint ventures £ | Net provision for associate £ | Total £ |
|-------------------------|--|--|---------------------|
| At 1 April 2017 | (32,680,977) | (23,298,039) | (55,979,016) |
| Share of profits | 444,814 | 66,743 | 511,557 |
| Other movements | 1,414,505 | - | 1,414,505 |
| At 31 March 2018 | (30,821,658) | (23,231,296) | (54,052,954) |

The group has incurred constructive obligations in relation to losses of certain of its joint ventures and associates and, therefore, where shares of losses exceed the cost of the investments, has recognised corresponding net provisions. At year end the joint venture liabilities relate to Bishopsgate Goodysard Regeneration Limited and Central Regeneration Limited Partnership, while the associate liability relates to Ballymore (London Arena) Limited. During the year, the net provision in relation to Renshaw Regeneration LLP was derecognised on disposal of the investment, and the net provision against West Hampstead Square LLP was reversed in full.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

23. Provisions (continued)

The group provisions may be further analysed as follows:

| | Joint ventures £ | Associate £ | Total £ |
|-----------------------------|------------------------|----------------|------------------|
| Cost of investment | | | |
| At 1 April 2017 | 1,390,152 | - | 1,390,152 |
| Disposals | (50) | - | (50) |
| Reclassified to investments | (100) | - | (100) |
| At 31 March 2018 | 1,390,002 | - | 1,390,002 |

| | Joint ventures £ | Associate £ | Total £ |
|--|------------------------|---------------------|---------------------|
| Share of post acquisition reserves | | | |
| At 1 April 2017 | (34,071,129) | (23,298,039) | (57,369,168) |
| Retained profits less losses | (272,141) | 66,743 | (205,398) |
| Released on disposal | 716,955 | - | 716,955 |
| Recognition of group's profit on sale of land to joint ventures deferred in previous years | 1,414,655 | - | 1,414,655 |
| | (32,211,660) | (23,231,296) | (55,442,956) |

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 | |
| Amounts recorded in provisions | 444,814 |
| Amounts recorded in investments (note 14) | 9,319,441 |
| | 9,764,255 |

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

24. Share capital

| | 2018 £ | 2017 £ |
|---|----------------|----------------|
| Allotted, called up and fully paid | | |
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |

25. Minority interest

| | 2018 £ | 2017 £ |
|------------------------------|------------------|------------------|
| At beginning and end of year | <u>7,500,000</u> | <u>7,500,000</u> |

During 2013 the financing arrangements of one of the group's subsidiaries were agreed with that company's bankers. This resulted in bank debt being swapped for 7.5 million preferred shares of £1 each in the subsidiary company. These preferred shares do not have voting rights but carry an entitlement to receive profits of up to £7.5 million in preference to ordinary shareholders and then £0.10 for every £0.90 distributed to the ordinary shareholders and are accounted for as a minority interest.

26. 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 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.

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

27. 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 2018 £ | Group 2017 £ |
|--|-----------------------------|-----------------------------|
| Not later than 1 year | 169,894 | 169,894 |
| Later than 1 year and not later than 5 years | 680,040 | 680,040 |
| Later than 5 years | 3,543,562 | 3,713,455 |
| | <u>4,393,496</u> | <u>4,563,389</u> |

28. 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:

BALLYMORE LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

28. Controlling party and related party transactions (continued)

| | 2018 £ | 2017 £ |
|---|------------------|----------------|
| Sales on normal trading terms to: | | |
| -Ballymore (London Arena) Limited | 100 | 206,708 |
| -Thames Royal Docklands | - | 192,906 |
| -West Hampstead Square LLP | 1,911,286 | 59,826 |
| -Eco World-Ballymore Holding Company Limited and its subsidiaries | 298,909 | 395,574 |
| -Leamouth Limited Partnership | 2,003,018 | - |
| -Whistleglade Limited | 858,479 | - |
| -Ballymore Properties Ireland Limited | 340,000 | - |
| -Ballymore Development Management Limited | 133,930 | - |
| -Ballymore Construction Services Limited | 386,509 | - |
| | <u>5,932,231</u> | <u>855,014</u> |

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 £17,465 (2017 - £568,514). Mr D. Pearson and Mr J. Muryan are directors of Ballymore Asset Management Limited, which is also controlled by Mr J. Muryan.

The group has entered into an agreement with Ballymore Development Management Limited (formerly Roundstone Development Management Limited) and Ballymore Construction Services Limited (formerly Roundstone Construction Services Limited), for the provision of professional services. Mr D. Pearson and Mr J. Muryan are directors of Ballymore Development Management Limited and Ballymore Construction Services Limited, which are also controlled by Mr J. Muryan. During the year, Ballymore Development Management Limited charged £1,673,651 (2017 - £5,591,927) and Ballymore Construction Services Limited charged £282,336 (2017 - £5,441,859) for services provided to the group.

During the prior year a part of the previous loan obligation of West Hampstead Square LLP due to NAMA was assumed by the group. Principal loan drawings due to the group reached a total of £20,691,721 (including the previous NAMA obligations) at the end of February 2017. By agreement of the members of the LLP, this loan was not classified as equity but was regarded as debt. The principal loan balance and associated accumulated interest (£107,572) were repaid by the LLP in full on 14 March 2017. Interest on the loan principal was charged at an aggregated rate of 2.5% per annum. The interest charged is considered an appropriate market rate for equivalent loans of this nature.

During the prior year the group sold its development site at Leamouth South to the Leamouth Limited Partnership for a consideration of £80 million. Leamouth Limited Partnership is a 50:50 joint venture between Clear Vision Global Limited and Ballymore Leamouth Limited Partner Limited, a wholly owned subsidiary of 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 £36,718, which was outstanding at year end.

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 £397,161 (2017 - £200,000). Key management personnel compensation for services to the company was £NIL (2017 - £NIL).

BALLYMORE LIMITED AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

29. Post balance sheet events

Subsequent to year end the group assumed ownership of 100% of its associated undertaking, Ballymore (London Arena) Limited.