

Registered number: 6054227

BROADNOTE LIMITED

Directors' report and financial statements

For the Year Ended 31 March 2016

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BROADNOTE LIMITED

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BROADNOTE LIMITED

Company Information

DIRECTORS	D. Pearson J. Mulryan S. Mulryan
COMPANY SECRETARY	D. Pearson
REGISTERED NUMBER	6054227
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

BROADNOTE LIMITED

Directors' report For the Year Ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the directors must not approve the financial statements unless they are satisfied that they a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the company was that of property development. However, all of the company's property was sold in the year 2009.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £91 (2015 - loss £68).

No dividends were declared for the year ended 31 March 2016 (2015 - £NIL).

DIRECTORS

The directors who served during the year were:

D.Pearson
J.Mulryan
S.Mulryan

DISCLOSURE OF INFORMATION TO AUDITOR

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

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


BROADNOTE LIMITED

**Directors' report
For the Year Ended 31 March 2016**

AUDITORS

Under Section 487(2) of the Companies Act 2006, KPMG, Statutory Auditor 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 31 August 2016 and signed on its behalf.


.....
D. Pearson
Director



Independent auditor's report to the members of Broadnote Limited

We have audited the financial statements of Broadnote Limited for the year ended 31 March 2016, set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2. Our opinion on the financial statements is accompanied by an emphasis of matter - going concern.

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

The company is a member of a group headed by Ballymore Properties ("the group"). At 31 March 2016 the company had net liabilities of £12,357,994 and is dependent on funds provided to it by the group. The group is in turn dependent on the ongoing financial support of its lenders, principally NAMA, to continue as a going concern. These conditions, together with the other matters explained in Note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

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

3. Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

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

4. We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading. Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of the above responsibilities.



Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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

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

31 August 2016

BROADNOTE LIMITED

**Profit and loss account
For the Year Ended 31 March 2016**

		2016	2015
		£	£
Administrative expenses		<u>(92)</u>	<u>(70)</u>
OPERATING LOSS		(92)	(70)
Interest receivable and similar income	4	<u>1</u>	<u>2</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(91)	(68)
Taxation on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		<u>(91)</u>	<u>(68)</u>

All amounts relate to continuing operations.

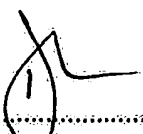
The company had no other comprehensive income in the financial year or the previous financial year and therefore, no statement of other comprehensive income is provided.

BROADNOTE LIMITED
Registered number: 6054227

Balance sheet
As at 31 March 2016

	Note	2016 £	2015 £
CURRENT ASSETS			
Debtors	6	1,001	1,001
Cash at bank and in hand		278	369
		<u>1,279</u>	<u>1,370</u>
Creditors: amounts falling due within one year	7	(12,359,273)	(12,359,273)
NET CURRENT LIABILITIES		(12,357,994)	(12,357,903)
TOTAL ASSETS LESS CURRENT LIABILITIES		(12,357,994)	(12,357,903)
NET LIABILITIES		(12,357,994)	(12,357,903)
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account		(12,357,995)	(12,357,904)
SHAREHOLDERS' DEFICIT		(12,357,994)	(12,357,903)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 August 2016.



 D. Pearson
 Director

BROADNOTE LIMITED

Statement of changes in equity For the Year Ended 31 March 2016

	Share capital £	Retained earnings £	Total equity £
At 1 April 2015	1	(12,357,904)	(12,357,903)
COMPREHENSIVE INCOME FOR THE YEAR			
Loss for the year	-	(91)	(91)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(91)	(91)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-
AT 31 MARCH 2016	1	(12,357,995)	(12,357,994)

Statement of changes in equity For the Year Ended 31 March 2015

	Share capital £	Retained earnings £	Total equity £
At 1 April 2014	1	(12,357,836)	(12,357,835)
COMPREHENSIVE INCOME FOR THE YEAR			
Loss for the year	-	(68)	(68)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(68)	(68)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-
AT 31 MARCH 2015	1	(12,357,904)	(12,357,903)

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

1. ACCOUNTING POLICIES

Broadnote Limited is a company limited by shares and incorporated and domiciled in the UK.

Basis of preparation of financial statements

The financial statements have been prepared in UK Sterling in accordance with the Companies Act 2006 and Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*.

In the transition to FRS 102 from old UK GAAP, the company made no measurement and recognition adjustments.

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

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

the requirements of Section 7 Statement of Cash Flows;
the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d)
the requirements of Section 11 Basic Financial Instruments paragraph 11.41
the requirements of Section 33 Related Party Disclosures paragraph 33.7

This information is included in the consolidated financial statements of Ballymore Properties Holdings Limited as at 31 March 2016 and these financial statements may be obtained from 4th Floor, 161 Marsh Wall, London, E14 9SJ.

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

Going concern

The company is a member of a group headed by Ballymore Properties ("the group"), a company incorporated in the Republic of Ireland.

Notwithstanding having net liabilities of £12,357,994 at 31 March 2016, the financial statements of the company are prepared on the going concern basis, which the directors believe to be appropriate for the following reasons.

The company is dependent for its working capital on funds provided to it by the group. The group has confirmed that it will continue to make available such funds as are needed by the company and in particular, will not seek repayment of amounts owed to it for at least 12 months from the date of approval of the financial statements. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by enabling it to meet its liabilities as they fall due for payment.

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

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Going concern (continued)

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

As with any group company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

Debtors

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

Cash and cash equivalents

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

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at the present value of future payments discounted at a market rate of interest and are measured subsequently at amortised cost using the effective interest method.

Interest income

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

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Taxation

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

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

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

2. 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 going concern (see Note 1).

3. OPERATING LOSS

The audit fee was borne by another group entity.

During the year, no director received any emoluments (2015 - £NIL). The company has no employees (2015 - none).

4. INTEREST RECEIVABLE

	2016 £	2015 £
Other interest receivable	1	2

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

5. TAXATION

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2015 - *higher than*) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016	2015
Loss on ordinary activities before tax	(91)	(68)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	(18)	(14)
EFFECTS OF:		
Group relief	18	14
TOTAL TAX CHARGE FOR THE YEAR	-	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future tax charge accordingly.

At 31 March 2016 there is an unrecognised deferred tax asset of £169 (2015: £178) in relation to unutilised tax losses.

The deferred tax asset at the balance sheet date has been calculated based on the rate of 19% substantively enacted at the balance sheet date.

6. DEBTORS

	2016 £	2015 £
Amounts owed by group undertakings	1	1
Other debtors	1,000	1,000
	1,001	1,001

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

7. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	12,358,273	12,358,273
Accruals and deferred income	1,000	1,000
	<u>12,359,273</u>	<u>12,359,273</u>

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

8. SHARE CAPITAL

	2016 £	2015 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

9. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The company is a 100% subsidiary of Ballymore Developments Limited, a company incorporated in England and Wales. That company's parent is Ballymore Limited, a company incorporated in England and Wales. That company's parent is Ballymore Properties Holdings Limited, a company incorporated in England and Wales. The company's ultimate parent company is Ballymore Properties, a company incorporated in the Republic of Ireland. The company was controlled throughout the period by Mr S Mulryan.

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

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

The company has availed of the exemption available in FRS 102.33.1A from disclosing transactions with Ballymore Properties and its wholly owned subsidiary undertakings.

10. COMMITMENTS AND CONTINGENCIES

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

BROADNOTE LIMITED

Notes to the financial statements For the Year Ended 31 March 2016

11. CONTINGENT ASSETS

Additional sales proceeds may become receivable in relation to a property sold during a prior year depending on the successful outcome of certain planning permission applications. As it is not virtually certain that an inflow of economic benefits will arise, no related amount has been recognised in the financial statements.

12. POST BALANCE SHEET EVENTS

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