

Registered number: 06420772

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

Directors' report and financial statements

For the Year Ended 31 March 2016



BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

Company Information

| | |
|----------------------------|---|
| Directors | D. Pearson J. Mulryan S. Mulryan |
| Company secretary | D. Pearson |
| Registered number | 06420772 |
| 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 |

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES 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 give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 is that of providing management services. During the year the company sold its investment in Ballymore Asset Management Limited to a related company, Roundstone Development Management Limited.

Results and dividends

The loss for the year, after taxation, amounted to £11,380 (2015 - profit £NIL).

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

Exemption to preparation of a strategic report

The company has availed of the exemption available under the Companies Act 2006 (Strategic Report and Director's Report) Regulation 2013 from implementing the strategic report requirements as the company qualifies as a small company for Company Law purposes.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

Disclosure of information to auditor

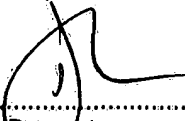
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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.

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 Ballymore Development Management Services Limited

We have audited the financial statements of Ballymore Development Management Services 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 £11,379 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 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

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

Profit and loss account For the Year Ended 31 March 2016

| | | 2016 £ | 2015 £ |
|--|---|-----------------|-----------|
| Turnover | | - | 50,000 |
| Cost of sales | | - | (50,000) |
| | | <hr/> | <hr/> |
| Gross profit | | - | - |
| Administrative expenses | | (9,225) | - |
| | | <hr/> | <hr/> |
| Operating (loss)/profit | 3 | (9,225) | - |
| | | <hr/> | <hr/> |
| (Loss)/profit on ordinary activities before tax | | (9,225) | - |
| Tax on (loss)/profit on ordinary activities | 4 | (2,155) | - |
| | | <hr/> | <hr/> |
| (Loss)/profit for the year | | <u>(11,380)</u> | <u>-</u> |

All amounts relate to continuing operations.

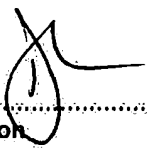
The company had no other comprehensive income in the financial year or the previous financial year and therefore, no statement of other comprehensive income is provided.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED
Registered number: 06420772

Balance sheet
As at 31 March 2016

| | Note | 2016 £ | 2015 £ |
|--|------|------------------------|-----------------|
| Fixed assets | | | |
| Investments | 5 | - | 1 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | - | 1 |
| Creditors: amounts falling due within one year | 7 | (11,379) | (1) |
| Net current liabilities | | <u>(11,379)</u> | <u>-</u> |
| Net (liabilities) / assets | | <u><u>(11,379)</u></u> | <u><u>1</u></u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 1 | 1 |
| Profit and loss account | | (11,380) | - |
| Shareholders' deficit | | <u><u>(11,379)</u></u> | <u><u>1</u></u> |

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

The notes on pages 9 to 14 form part of these financial statements.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

| | Share capital | Retained earnings | Total equity |
|--|--------------------------|------------------------------|---------------------|
| | £ | £ | £ |
| At 1 April 2015 | 1 | - | 1 |
| Comprehensive income for the year | | | |
| Loss for the year | - | (11,380) | (11,380) |
| Total comprehensive income for the year | - | (11,380) | (11,380) |
| Total transactions with owners | - | - | - |
| At 31 March 2016 | 1 | (11,380) | (11,379) |

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

1. Accounting policies

Ballymore Development Management Services 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 £11,379 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.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES 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. Given that the various milestones continue to be achieved, it is expected that funding will continue to be available.

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.

Revenue

Revenue is recognised on an accruals basis. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales.

Valuation of investments

Investments held as fixed assets are shown at cost less provision for impairment.

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.

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.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES 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)/profit

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

The audit fee was borne by another group entity.

4. Taxation

| | 2016 £ | 2015 £ |
|-------------------------------------|--------------|-----------|
| Current tax on profits for the year | 2,155 | - |
| Total current tax | 2,155 | - |

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

4. Taxation (continued)

Factors affecting tax charge for the year

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

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| (Loss)/profit on ordinary activities before tax | (9,225) | - |
| (Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%) | (1,845) | - |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 1,845 | - |
| Capital gains | 2,155 | - |
| Total tax charge for the year | 2,155 | - |

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 was no unrecognised deferred tax asset (2015 - £nil) 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.

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

5. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| Cost or valuation | |
| At 1 April 2015 | 1 |
| Disposals | (1) |
| At 31 March 2016 | - |
| Net book value | |
| At 31 March 2016 | - |
| At 31 March 2015 | 1 |

6. Debtors

| | 2016 £ | 2015 £ |
|------------------------------------|-----------|-----------|
| Amounts owed by group undertakings | - | 1 |

7. Creditors: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|-----------|-----------|
| Amounts owed to group undertakings | 9,224 | 1 |
| Corporation tax | 2,155 | - |
| | 11,379 | 1 |

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

BALLYMORE DEVELOPMENT MANAGEMENT SERVICES LIMITED

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

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 Properties Limited, a company incorporated in England and Wales. That company's parent is Ballymore Limited, a company incorporated in England and Wales, whose parent is Ballymore Properties Holdings Limited, a company incorporated in England and Wales. The company's ultimate parent company is Ballymore Properties, a company incorporated in the Republic of Ireland. The company was controlled throughout the 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 Limited. The consolidated financial statements of Ballymore Properties 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 Limited and its wholly owned subsidiary undertakings.

On 30 July 2015 the company sold its share in Ballymore Asset Management Limited to a related party, Roundstone Development Management Limited for its deemed fair value of £1. The company and Roundstone Development Management Limited are related parties as they have a common director.

10. Post balance sheet events

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