

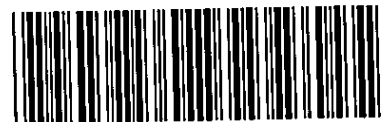
Registered number: 04065907

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Directors' report and financial statements

for the year ended 31 March 2012

WEDNESDAY



L13 *L104MOPV* 19/12/2012 #77
COMPANIES HOUSE

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Contents

	Page
Company information page	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 14

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Company Information

DIRECTORS	B.Fagan D.Pearson (appointed 9 November 2011) J.Mulryan D.Brophy (resigned 4 November 2011)
COMPANY SECRETARY	B.Fagan
COMPANY NUMBER	04065907
REGISTERED OFFICE	St John's House 5 South Parade Summertown Oxford OX2 7JL
AUDITOR	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2 Ireland
SOLICITORS	Howard Kennedy Harcourt House 19 Cavendish Square London W1A 2AW

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Directors' report for the year ended 31 March 2012

The directors present their report and the financial statements for the year ended 31 March 2012.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company is that of property investment. There has been no significant change in this activity during the year. All of the company's properties were sold post year end and the bank/NAMA loan was repaid in full.

RESULTS

The profit for the year, after taxation, amounted to £223,892 (2011 - loss £628,935).

DIRECTORS

The directors who served during the year were:

B.Fagan
D.Pearson (appointed 9 November 2011)
J.Mutryan
D.Brophy (resigned 4 November 2011)

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Directors' report
for the year ended 31 March 2012**

PROVISION OF INFORMATION TO AUDITOR

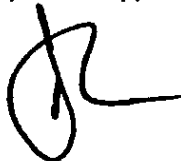
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



D.Pearson
Director
Date: 31 July 2012

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Profit and loss account
for the year ended 31 March 2012**

	Note	2012 £	2011 £
TURNOVER	1,2	315,584	305,180
Cost of sales		(75,554)	(214,475)
GROSS PROFIT		240,030	90,705
Provision for Impairment of fixed assets		(27,366)	(500,000)
Administrative expenses		83,455	58,440
OPERATING PROFIT/(LOSS)	3	296,119	(350,855)
Interest receivable and similar income	4	131,489	303
Interest payable and similar charges	5	(203,716)	(278,383)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		223,892	(628,935)
Tax on profit/(loss) on ordinary activities	6	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	11	223,892	(628,935)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account.

The notes on pages 8 to 14 form part of these financial statements.



KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Ballymore Properties (Lanark Square) Limited

We have audited the financial statements of Ballymore Properties (Lanark Square) Limited for the year ended 31 March 2012, set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER

In forming our opinion on these financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 concerning material uncertainties affecting 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 2012 the company had net liabilities of £416,235 and is dependent for its working capital 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.



BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Independent auditor's report to the members of Ballymore Properties (Lanark Square) Limited

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

31 July 2012

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED
Registered number: 04065907

**Balance sheet
as at 31 March 2012**

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	7		3,647,634		3,675,000
CURRENT ASSETS					
Debtors	8	229,177		23,734	
CREDITORS: amounts falling due within one year	9	<u>(4,293,046)</u>		<u>(4,338,861)</u>	
NET CURRENT LIABILITIES			<u>(4,063,869)</u>		<u>(4,315,127)</u>
NET LIABILITIES			<u>(416,235)</u>		<u>(640,127)</u>
CAPITAL AND RESERVES					
Called up share capital	10		1		1
Profit and loss account	11		<u>(416,236)</u>		<u>(640,128)</u>
SHAREHOLDERS' DEFICIT	12		<u>(416,235)</u>		<u>(640,127)</u>

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


D. Pearson
Director
Date. 31 July 2012

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Notes to the financial statements for the year ended 31 March 2012

1. ACCOUNTING POLICIES

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

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of investment properties, and in accordance with applicable accounting standards.

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

Going concern

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 £416,235 at 31 March 2012, 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 group has confirmed that it will 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 meeting 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 bank borrowings are provided by Irish, UK and European financial institutions. During 2010, a significant proportion of the group's bank borrowings previously held by Irish financial institutions were transferred to NAMA. The National Asset Management Agency ("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.

During 2011, the Ballymore Properties group submitted a detailed business plan to NAMA. This plan has now been approved by NAMA and a Memorandum of Understanding ("MoU") has been signed. This MoU, together with the business plan, sets out the various conditions and key performance indicators that the group is required to achieve in order to ensure NAMA's continued support.

As part of their assessment of the appropriateness of the going concern basis of preparation of financial statements by group companies, the directors of Ballymore Properties have carried out a detailed assessment of the group's business plan, the status of its funding arrangements and its relationship with its key financiers including NAMA. The key assumption underlying this assessment is that the group will meet the financial targets agreed with NAMA and will formalise the arrangements set out in the MoU by completing binding facility agreements. Based on this assessment, the directors of Ballymore Properties have a reasonable expectation that the group will continue to be able to meet its liabilities as they fall due for the foreseeable future.

The directors of the company assess the basis of preparation of the company's financial statements each year, and whether it is appropriate to prepare them on a going concern basis. In doing so, they assess the appropriateness of the assumption that the group, and consequently the company, will continue as a going concern. The directors of the company have concluded that the above factors represent material uncertainties that may cast significant doubt on the ability of the group to continue as a going concern and it may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Notes to the financial statements
for the year ended 31 March 2012**

1. ACCOUNTING POLICIES (continued)

Going concern (continued)

Nevertheless, given that the directors of the group have a reasonable expectation that the group will have sufficient cash resources available to meet their liabilities for at least 12 months from the date of approval of these financial statements, the directors of the company expect that its support from the Ballymore Properties group will continue for at least 12 months from the date of approval of these financial statements. 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.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Interest payable

Interest payable, which has not been capitalised, is charged to the profit and loss account in the financial period in which it is incurred.

Taxation

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

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

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

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Notes to the financial statements for the year ended 31 March 2012

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Investment properties

Investment properties are stated on the basis of open market value as defined by the Royal Institution of Chartered Surveyors. Investment properties are valued annually by the directors. Surpluses and deficits on valuation are taken directly to the revaluation reserve except for permanent deficits or their reversal which, on an individual property basis, are taken to the profit and loss account.

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

No depreciation or amortisation is provided against investment properties which may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. These properties are not however held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view.

Cash flow statement

The directors have availed of the exemption contained in Financial Reporting Standard 1 and, accordingly, no cash flow statement is presented.

2. TURNOVER

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

	2012 £	2011 £
Rental income	<u>315,584</u>	<u>305,180</u>

All turnover arose within the United Kingdom.

3. OPERATING PROFIT/(LOSS)

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

	2012 £	2011 £
Auditor's remuneration	5,000	5,945
Reversal of provision against intercompany receivables	<u>(88,470)</u>	<u>(75,709)</u>

During the year, no director received any emoluments (2011 - £NIL). The company has no employees (2011: none).

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Notes to the financial statements
for the year ended 31 March 2012**

4. INTEREST RECEIVABLE

	2012 £	2011 £
Other interest receivable	<u>131,489</u>	<u>303</u>

Other interest receivable includes £131,270 interest penalty accrued on the late completion of the sale of the investment property.

5. INTEREST PAYABLE

	2012 £	2011 £
On bank loans and overdrafts	<u>203,716</u>	<u>278,363</u>

Interest on bank loans comprises amounts owed to NAMA.

6. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - higher than) the standard rate of corporation tax in the UK of 26% (2011 - 28%). The differences are explained below:

	2012 £	2011 £
Profit/loss on ordinary activities before tax	<u>223,892</u>	<u>(628,935)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	58,212	(176,102)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(23,002)	(21,198)
Utilisation of tax losses	(42,325)	-
Unrelieved tax losses carried forward	-	57,300
Other differences leading to an increase (decrease) in the tax charge	7,115	140,000
Current tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The corporation tax rate of 26% effective from 1 April 2011 will continue to reduce gradually to 22% by 2014.

At 31 March 2012 there is an unrecognised deferred tax asset of £95,543.

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Notes to the financial statements
for the year ended 31 March 2012**

7. TANGIBLE FIXED ASSETS

	Freehold investment property £
Valuation	
At 1 April 2011	3,675,000
Impairment charge	(27,366)
	<hr/>
At 31 March 2012	3,647,634
	<hr/>
Net book value	
At 31 March 2012	3,647,634
	<hr/>
At 31 March 2011	3,675,000
	<hr/>

The investment property was valued by the directors of the company on an open market basis at 31 March 2012 at £3,647,634 based on a sale agreement which closed post year end.

8. DEBTORS

	2012 £	2011 £
Trade debtors	94,407	23,734
Other debtors	3,500	-
Prepayments and accrued income	131,270	-
	<hr/>	<hr/>
	229,177	23,734
	<hr/>	<hr/>

The amount of receivables due from group undertakings is £nil stated net of provisions. At 31 March 2012 the gross amount receivable from group undertakings was £nil (2011: £88,470). Provisions have been made to reflect impairments arising from falls in the underlying asset value of the debtor group companies. At 31 March 2012 provisions totaling £nil have been made against such receivables (the provision was reduced by £88,470 in the current financial year) as a result of a corresponding reduction in the gross amount receivable.

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

**Notes to the financial statements
for the year ended 31 March 2012**

**9. CREDITORS:
Amounts falling due within one year**

	2012 £	2011 £
Bank loans and overdrafts	3,795,370	4,307,122
Amounts owed to group undertakings	489,288	-
Accruals and deferred income	8,388	31,739
	<u>4,293,046</u>	<u>4,338,861</u>

Bank loans comprise amounts owed to NAMA.

The bank loans were secured by fixed and floating charges over the assets of the company and cross guarantees by certain group undertakings. The bank loans were repaid in full post year end.

10. SHARE CAPITAL

	2012 £	2011 £
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>

11. RESERVES

	Profit and loss account £
At 1 April 2011	(640,128)
Profit for the year	223,892
At 31 March 2012	<u>(416,236)</u>

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2012 £	2011 £
Opening shareholders' deficit	(640,127)	(11,192)
Profit/(loss) for the year	223,892	(628,935)
Closing shareholders' deficit	<u>(416,235)</u>	<u>(640,127)</u>

BALLYMORE PROPERTIES (LANARK SQUARE) LIMITED

Notes to the financial statements for the year ended 31 March 2012

13. RELATED PARTY TRANSACTIONS AND CONTROL

The company is a wholly owned 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 Muiryan.

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

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

The company has availed of the exemption available in FRS 8 - Related Party Disclosures, from disclosing transactions with Ballymore Properties and its subsidiary undertakings.

14. POST BALANCE SHEET EVENTS

As at the date of approval of the financial statements the investment property had been sold to a party outside the group and the company's bank loan has been repaid in full. There were no other significant post balance sheet events which would require disclosure in the financial statements.

15. COMPARATIVE INFORMATION

Certain reclassifications have been made to prior year comparatives to conform to current year presentation.

16. COMMITMENTS AND CONTINGENCIES

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