

# Ballymore Commercial Limited

Directors' report and  
financial statements

**Year ended 31 March 2009**

*Registered number 02747805*



# Ballymore Commercial Limited

## Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report	4
Statement of accounting policies	6
Profit and loss account	7
Balance sheet	8
Notes forming part of the financial statements	9

# Ballymore Commercial Limited

## Directors and other information

<b>Directors</b>	S Mulryan B Fagan J Haigh D. Brophy J Mulryan
<b>Secretary</b>	B Fagan
<b>Registered number</b>	02747805
<b>Registered office</b>	St John's House 5 South Parade Summertown Oxford OX2 7JL
<b>Auditor</b>	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2
<b>Solicitors</b>	Howard Kennedy Harcourt House 19 Cavendish Square London W1A 2AW

# Ballymore Commercial Limited

## Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 2009

### **Principal activity and results, review of the business and dividend**

The principal activity of the company is that of property investment. There has been no significant change to this activity during the year. However, the operating environment for the business has proven to be difficult during the year.

The results for the year are set out on page 7 of the financial statements. The profit for the year was £46,823 (2008 £96,089). The directors do not recommend the payment of a dividend.

The carrying value of the company's tangible fixed assets at 31 March 2009 was £2.6 million (2008 £1.3 million). The increase in tangible fixed assets primarily relates to purchases from other Ballymore group companies, together with the disposal of tangible fixed assets to third parties.

### **Directors**

The directors and secretary who held office at year end are listed on page 1.

Mr T Farrow resigned as a director of the company on 11 November 2008.

Mr D Badger was appointed as a director of the company on 19 November 2008 and resigned on 10 July 2009.

Mr R Hardy resigned as a director of the company on 21 January 2009.

Mr J Mulryan was appointed as a director of the company on 14 October 2009.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG, Chartered Accountants will therefore continue in office.

On behalf of the board

B Fagan  
Director



11 November 2009

# Ballymore Commercial Limited

## Statement of directors' responsibilities

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 period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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, 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the board

B Fagan  
Director





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

## Independent auditor's report to the members of Ballymore Commercial Limited

We have audited the financial statements of Ballymore Commercial Limited for the year ended 31 March 2009 which comprises the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Directors' Responsibilities on page 3, the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements. In addition, we report to you if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.



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

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information in the Directors' Report is consistent with the financial statements.

*Chartered Accountants*  
*Registered Auditor*

Dublin

11 November 2009

# Ballymore Commercial Limited

## Statement of accounting policies

*for the year ended 31 March 2009*

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

### **Tangible fixed assets and depreciation**

#### *Investment properties and leasehold buildings*

Freehold investment properties and leasehold buildings are stated on the basis of open market value as defined by the Royal Institution of Chartered Surveyors. Investment properties are valued annually. 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 and leasehold buildings 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 or leasehold buildings 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. The accounting policy adopted is therefore necessary, in the directors' opinion, for the financial statements to give a true and fair view. 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.

### **Turnover**

Turnover which is stated net of VAT, represents rental income recognised on an accruals basis. Turnover is earned entirely within the United Kingdom.

### **Taxation**

Taxation is provided on taxable profits arising at current rates.



# Ballymore Commercial Limited

## Profit and loss account for the year ended 31 March 2009

	<i>Notes</i>	2009 £	2008 £
<b>Turnover – continuing operations</b>	2	<b>1,107,950</b>	117,718
Cost of sales		(1,061,210)	(13,551)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>46,740</b>	104,167
Administration expenses		-	(8,078)
		<hr/>	<hr/>
<b>Operating profit – continuing operations</b>	3	<b>46,740</b>	96,089
Interest receivable and similar income	4	83	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>46,823</b>	96,089
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
<b>Profit for the year</b>	12	<b>46,823</b>	96,089
		<hr/> <hr/>	<hr/> <hr/>

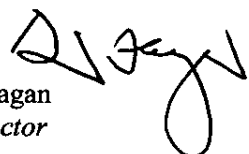
# Ballymore Commercial Limited

## Balance Sheet at 31 March 2009

	<i>Notes</i>	<b>2009</b> £	2008 £
<b>Fixed assets</b>			
Tangible fixed assets	7	<u>2,566,500</u>	<u>1,316,500</u>
<b>Current assets</b>			
Debtors	8	552,151	148,246
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,108,349)</u>	<u>(501,267)</u>
<b>Net current liabilities</b>		<u>(1,556,198)</u>	<u>(353,021)</u>
<b>Net assets</b>		<u>1,010,302</u>	<u>963,479</u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Revaluation reserve	11	-	11,500
Profit and loss account	12	<u>1,010,300</u>	<u>951,977</u>
<b>Shareholders' funds</b>	13	<u>1,010,302</u>	<u>963,479</u>

These financial statements were approved by the board of directors on 11 November 2009 and were signed on its behalf by

B Fagan  
Director



# Ballymore Commercial Limited

Notes (forming part of the financial statements)

## 1 Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified to include the revaluation of investment properties, and comply with financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in England and Wales.

## 2 Turnover

	2009 £	2008 £
Turnover is analysed as follows		
Sale of investment properties	991,831	-
Rental income	116,119	117,718
	<u>1,107,950</u>	<u>117,718</u>

All turnover is generated within the United Kingdom

## 3 Statutory information

	2009 £	2008 £
Operating profit is stated after charging		
Auditor's remuneration	-	-
Directors' remuneration	-	-
	<u>                    </u>	<u>                    </u>

Audit fees are discharged by another group company

## 4 Interest receivable and similar income

	2009 £	2008 £
Bank deposit interest	83	-
	<u>                    </u>	<u>                    </u>

# Ballymore Commercial Limited

## Notes (continued)

<b>5 Taxation</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>

Tax on profit on ordinary activities	-	-
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The current tax charge for the year differs from the standard rate of corporation tax in the UK. The differences are explained below

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	<b>46,823</b>	96,089
Current tax at 28% (2008 30%)	<b>13,110</b>	28,827
<i>Effects of</i>		
Expenses not deductible for tax purposes	<b>3,385</b>	4,065
Group relief	<b>(40,722)</b>	(32,892)
Net loss on disposal of assets	<b>24,227</b>	-
<b>Total current tax charge</b>	<b>-</b>	<b>-</b>

The UK corporation tax rate is currently 28%. It was reduced from 30% effective from 1 April 2008

## 6 Staff numbers and costs

The company has no employees. No emoluments are paid to the directors of the company

# Ballymore Commercial Limited

Notes (continued)

7 Tangible fixed assets	Freehold Investment Properties £	Leasehold buildings £	Total £
<i>Cost or valuation</i>			
At beginning of year	1,316,500	-	1,316,500
Additions	-	2,250,000	2,250,000
Disposals	(1,000,000)	-	(1,000,000)
	<hr/>	<hr/>	<hr/>
<b>At end of year</b>	<b>316,500</b>	<b>2,250,000</b>	<b>2,566,500</b>
	<hr/>	<hr/>	<hr/>
Cost	316,500	2,250,000	2,566,500
Valuation	-	-	-
	<hr/>	<hr/>	<hr/>
<b>8 Debtors</b>		<b>2009</b> £	<b>2008</b> £
Trade debtors		<b>82,536</b>	34,326
Amounts owed by group undertakings		<b>249,028</b>	111,656
Other debtors		<b>205,925</b>	-
Prepayments and accrued income		<b>14,662</b>	2,264
		<hr/>	<hr/>
		<b>552,151</b>	148,246
		<hr/>	<hr/>
<b>9 Creditors</b>		<b>2009</b> £	<b>2008</b> £
Amounts owed to group undertakings		<b>2,063,484</b>	456,402
Other creditors, including tax		<b>44,865</b>	44,865
		<hr/>	<hr/>
		<b>2,108,349</b>	501,267
		<hr/>	<hr/>

# Ballymore Commercial Limited

## Notes (continued)

<b>10 Share capital</b>	<b>2009</b>	<b>2008</b>
	£	£
<i>Authorised</i>		
1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>
<b>11 Revaluation reserve</b>	<b>2009</b>	<b>2008</b>
	£	£
At beginning of year	11,500	11,500
Realised surplus on disposal of investment properties	(11,500)	-
	<hr/>	<hr/>
<b>At end of year</b>	<b>-</b>	<b>11,500</b>
	<hr/>	<hr/>
<b>12 Reconciliation of profit and loss account</b>	<b>2009</b>	<b>2008</b>
	£	£
At beginning of year	951,977	855,888
Profit for the year	46,823	96,089
Transfer from revaluation reserve (note 11)	11,500	-
	<hr/>	<hr/>
<b>At end of year</b>	<b>1,010,300</b>	<b>951,977</b>
	<hr/>	<hr/>
<b>13 Reconciliation of movement in shareholders' funds</b>	<b>2009</b>	<b>2008</b>
	£	£
At beginning of year	963,479	867,390
Profit for the year	46,823	96,089
	<hr/>	<hr/>
<b>At end of year</b>	<b>1,010,302</b>	<b>963,479</b>
	<hr/>	<hr/>

# Ballymore Commercial Limited

Notes *(continued)*

## **14 Related parties and control**

The company is a 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 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 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 Limited and its subsidiary undertakings.

## **15 Cash flow statement**

A separate cash flow statement has not been prepared under FRS 1 - *Cash Flow Statements*, as a consolidated cash flow statement has been prepared and included in the consolidated financial statements of Ballymore Properties Limited and subsidiaries.

## **16 Post balance sheet events**

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

## **17 Approval of financial statements**

The directors approved the financial statements on 11 November 2009.