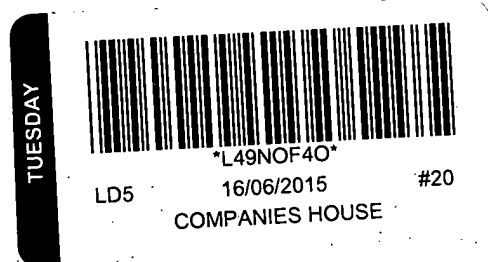


**ABP PROPERTY DEVELOPMENT COMPANY LIMITED**

**(Company Number 1521927)**

**ANNUAL REPORT AND ACCOUNTS 2014**



**ABP PROPERTY DEVELOPMENT COMPANY LIMITED**  
**ANNUAL REPORT AND ACCOUNTS 2014**

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<b>Contents</b>	<b>Page</b>
Directors' report	1
Statement of directors' responsibilities	3
Independent auditor's report	4
Balance sheet	6
Income statement and statement of comprehensive income	7
Statement of cash flows	7
Statement of changes in equity	7
Notes to the financial statements	8

## **Directors' report**

The directors present their report and the audited accounts of the company (number 1521927) for the year ended 31 December 2014.

### **Principal activity**

The principal activity of the company is property investment in the United Kingdom. There were no property investments made during the year.

### **Important events of the year**

The result for the year attributable to the equity shareholder was £nil (2013: £nil). There are no revenue streams attached to the company's investment properties. The company has net assets of £14,303,000 (2013: £14,303,000).

### **Dividends**

The directors do not recommend the payment of a dividend (2013: £nil).

### **Future outlook**

The directors do not foresee any material changes in the principal activity of the company.

On 31 March 2015, GS Infrastructure Partners and Infracapital announced the signing of an agreement for the sale of their combined 33.33% stake in the company's ultimate parent undertaking ABP (Jersey) Limited.

### **Financial instruments**

The company's accounting policies on financial instruments are set out in note 1 of the financial statements.

### **Directors**

The directors of the company during the year and up to the date of these accounts were as follows:

GSM Bull  
JNS Cooper

### **Directors' indemnities**

The company's ultimate parent undertaking, ABP (Jersey) Limited, maintains directors' and officers' liability insurance and pension fund trustees' liability insurance which give appropriate cover for any legal action brought against the directors and officers of the company. In addition, the Articles of Association of the company permit the directors and officers of the company to be indemnified in respect of liabilities incurred as a result of their office. Qualifying third party indemnity provisions (as defined by s234 of the Companies Act 2006) for the benefit of directors and officers were in force for all directors in relation to certain losses and liabilities which directors and officers may incur (or have incurred) in connection with their duties, powers or office.

### **Annual general meeting**

In accordance with s303 of the Companies Act 2006, the members have not required the directors to call an annual general meeting of the company.

### **Auditor re-appointment**

In accordance with s487 of the Companies Act 2006, the auditor is deemed to have been re-appointed and Ernst & Young LLP will therefore continue as auditor to the company.

**Directors' report (continued)**

**Audit information**

The directors of the company at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and the company's auditor, each of these directors confirms that:

- so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditor in connection with preparing his report) of which the company's auditor is unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditor is aware of that information.

**Small company exemptions**

In preparing the directors' report, the directors have taken advantage of the exemptions available under s415A of the Companies Act 2006 in so far as it relates to filing obligations of companies entitled to the small companies exemptions.

In addition, the directors have taken advantage of the exemption available under s414B not to produce a Strategic Report.

By Order of the Board



**GSM Bull**  
**Director**  
**Aldwych House**  
**71-91 Aldwych**  
**London WC2B 4HN**

14 May 2015

**Statement of directors' responsibilities in respect of the preparation of the annual report and accounts**

The directors are responsible for preparing the annual report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the company accounts in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the directors must not approve accounts unless they are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- present fairly the financial position, financial performance and cash flows of the company;
- select suitable accounting policies in accordance with *IAS 8: Accounting policies, changes in accounting estimates and errors*, and then apply them consistently;
- make judgments that are reasonable;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance; and
- state that the company has complied with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABP PROPERTY DEVELOPMENT COMPANY LIMITED**

We have audited the financial statements of ABP Property Development Company Limited for the year ended 31 December 2014 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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 Statement of Directors' Responsibilities set out on page 3, 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**

An audit 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 directors' 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.

### **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 December 2014 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABP PROPERTY DEVELOPMENT COMPANY LIMITED (continued)**

**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.

**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; or
- the directors were not entitled to take advantage of the small companies' exemption in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.

*Ernst & Young LLP*

Matthew Williams (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

19 May 2015

**Balance sheet as at 31 December**

	Note	2014 £000	2013 £000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment property	4	510	510
Group receivables	5	17,784	17,854
		<b>18,294</b>	<b>18,364</b>
<b>Total assets</b>		<b>18,294</b>	<b>18,364</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	6	(3,991)	(4,061)
		<b>(3,991)</b>	<b>(4,061)</b>
<b>Total liabilities</b>		<b>(3,991)</b>	<b>(4,061)</b>
<b>Net assets</b>		<b>14,303</b>	<b>14,303</b>
<b>Shareholder's equity</b>			
Share capital	7	-	-
Share premium account		59,800	59,800
Accumulated losses		(45,525)	(45,525)
Revaluation reserve		28	28
<b>Total shareholder's equity</b>		<b>14,303</b>	<b>14,303</b>

The financial statements were approved by the Board on 14 May 2015 and signed on its behalf by:



**GSM Bull**  
**Director**



**Income statement and statement of comprehensive income for the year ended 31 December**

The company has not traded during the years ended 31 December 2014 and 2013; consequently no income statement and statement of comprehensive income have been presented.

**Statement of cash flows for the year ended 31 December**

The company had no cash flows during the years ended 31 December 2014 and 2013; consequently no statement of cash flows has been presented.

**Statement of changes in equity for the year ended 31 December**

The company had no changes in equity during the years ended 31 December 2014 and 2013; consequently no statement of changes in equity has been presented.

## Notes to the financial statements

### 1. Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis, except for investment property that has been measured at fair value.

The financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

#### *Going concern basis*

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has the ability to continue to trade for the foreseeable future and therefore the financial statements have been prepared on a going concern basis.

#### *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union and applied in accordance with the Companies Act 2006.

#### 1.2 Changes in accounting policy

Several new and amended standards and interpretations apply for the first time in 2014. The directors have concluded however, that they do not have a material impact on the company’s financial statements.

#### *New and amended standards and interpretations issued but not yet effective*

The IASB and IFRIC have issued the following standards, amendments and interpretations with an effective date of implementation for accounting periods beginning after the start of the company’s current financial year:

## Notes to the financial statements

### 1. Accounting policies (continued)

#### 1.2 Changes in accounting policy (continued)

		Effective for accounting periods beginning on or after
IFRS 9	Financial instruments	01.01.2018
IFRS 14	Regulatory deferral accounts	01.01.2016
IFRS 15	Revenue from contracts with customers	01.01.2017
IFRS 10 and IAS 28 (proposed amendments)	Sale or contribution of assets between an investor and its associate or joint venture	01.01.2016
IFRS 10, IFRS 12 and IAS 28 (amendments)	Investment entities: applying the consolidated exception	01.01.2016
IFRS 11 (amendment)	Accounting for acquisitions of interests in joint operations	01.01.2016
IAS 1 (amendment)	Disclosure initiatives	01.01.2016
IAS 16 and IAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation	01.01.2016
IAS 16 and IAS 41 (proposed amendments)	Agriculture: bearer plants	01.01.2016
IAS 19 (proposed amendments)	Defined benefit plans: employee contributions	01.07.2014
IAS 27 (amendment)	Equity method in separate financial statements	01.01.2016

The directors do not anticipate that the adoption of these standards, amendments and interpretations will have a material impact on the company's financial statements in the period of initial application.

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### 1.3 Critical estimates, judgements and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The critical estimates in applying these policies are as follows:

Estimates:

Valuation of investment property – note 4

## Notes to the financial statements

### 1. Accounting policies (continued)

#### 1.3 Critical estimates, judgements and assumptions (continued)

##### Recoverability of financial assets

Group receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. The company holds a limited number of long term loan balances with a fellow group company and its immediate parent company.

Ultimate realisation of principal balances depends on the performance of the wider trading group owned by the company's ultimate parent undertaking ABP (Jersey) Limited and the recoverable amount of the UK-wide ports and transport cash generating unit ("CGU"). The recoverable amount of the CGU has been determined based on a value in use calculation using projected cash flows. These cash flows represent pre-tax projections covering a five-year period, based on financial budgets approved by senior management, excluding significant capital expenditure that would enhance the scale of the business. Cash flows beyond the five-year period are projected forward using an estimated growth rate. This growth rate does not exceed the long-term historical and projected growth rate for the UK-wide ports and transport CGU.

The directors believe that there are no other areas of the company's accounting policies involving a high degree of judgement or complexity nor are there any other areas where assumptions and estimates are significant to the financial statements.

#### 1.4 Significant accounting policies

The directors consider the following to be the most important accounting policies in the context of the company's operations.

##### Investment property

Property (including land held for development) is classified as investment property if:

- it is not occupied by the group or used by the group for the provision of operational port services that are material in nature (eg stevedoring);
- it is a defined area (land, buildings, jetties and other fixed structures) and one or more users pay an amount, whether rental or commercial revenue for use of that area for a period of one or more years; and
- any "ancillary services" provided by the company at the property are insignificant to the arrangements as a whole. Ancillary services are deemed to be significant when they take place within the property, the value of the services exceeds one quarter of the estimated rental value of the property and they are provided under a non-cancellable contract.

Completed investment property is measured at fair value.

Valuations are conducted annually by the directors and reviewed by external valuers at least once every five years. Surpluses or deficits arising on the revaluation of investment property are recognised in the income statement.

**Notes to the financial statements****1. Accounting policies (continued)****1.5 Other accounting policies****Financial instruments**

Group receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of receivables is made when there is objective evidence that the company may not be able to collect all amounts recorded within the balance sheet. The costs of impairment of receivables are recorded within administrative expenses.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Financial risk management**

Treasury matters throughout the group, of which the company is a member, are controlled centrally and carried out in compliance with policies approved by the boards of the company's intermediate parent, Associated British Ports Holdings Limited and the company's ultimate parent undertaking ABP (Jersey) Limited. The company's main financial risks are liquidity and credit risk. The wider group owned by the company's ultimate parent ABP (Jersey) Limited, aims to manage these risks to an acceptable level.

The company does not use financial instruments for speculative purposes. The treasury function operates on a centralised non-speculative risk basis. Its purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the group's business operations and funding.

**Share capital**

Shares are classified as equity or debt or a combination of the two depending on the terms of the instrument. External costs directly attributable to the issue of new shares are apportioned as either debt or equity on the same basis.

**Dividends**

Dividend receipts and payments are recognised in the period when they become a binding obligation on the paying company.

**2. Auditor's remuneration**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the company's auditor for the audit of the company's annual accounts	<b>2</b>	<b>2</b>

The auditor's remuneration for 2014 and 2013 was borne by a fellow group company.

**Notes to the financial statements****3. Directors and employees**

The directors of ABP Property Development Company Limited were directors of a number of companies within the Associated British Ports Holdings Limited ("ABPH") group. Their remuneration for the year ended 31 December 2014 is disclosed in the financial statements of ABPH. The directors believe that their services to the company are incidental to their role for other group companies and therefore consider that they receive no remuneration in respect of qualifying services to this company (2013: £nil).

The company had no employees during the year (2013: nil).

**4. Investment property**

	2014 £000	2013 £000
<b>At valuation</b>		
At 1 January	510	510
<b>At 31 December</b>	<b>510</b>	<b>510</b>

*Basis of valuation*

Investment property valuations are conducted annually by the company's internal valuation team and are reviewed by external valuers at least once every five years, the most recent being as at 31 December 2013. The company's internal valuation team comprises a Regional Property Manager and is led by the Head of Property.

Investment properties fair value has been estimated on the basis of market value in accordance with the Appraisal and Valuation Standards issued by The Royal Institution of Chartered Surveyors ("RICS") which is consistent with fair value as defined by IFRS 13.

The investment properties represent three parcels of land held at Barry. There are no revenue streams attached to these properties. The market value was primarily derived using comparable market transactions on arm's length terms and a residual approach and has been adjusted for more recent market conditions and expectations. The valuation of investment property has been categorised as a Level 3 fair value measurement under IFRS 13, being a recurring fair value measurement using significant unobservable inputs.

*Rental income*

Rental income generated from the company's investment property amounted to £nil (2013: £nil) and related operating expenses amounted to £nil (2013: £nil). Direct operating expenses relating to vacant property are £nil (2013: £nil).

The future minimum lease income receivable under non-cancellable operating leases is £nil (2013: £nil) as property is not let.

## Notes to the financial statements

## 5. Group receivables

	2014 £000	2013 £000
<b>Non-current</b>		
Amounts due from parent undertaking	13,000	13,000
Amounts due from group undertaking	4,784	4,854
<b>Total non-current group receivables</b>	<b>17,784</b>	<b>17,854</b>

Amounts due from parent and group undertaking are not overdue for repayment and are not considered to be impaired. Amounts are non-interest bearing, have no fixed terms of repayment and have been included in non-current receivables in the balance sheet to reflect the expected repayment timing at the respective balance sheet date. Further details on the amounts due from related parties are disclosed in note 9.

The group receivables are considered recoverable based on the support given to certain of the company's counterparties by the company's ultimate parent undertaking, ABP (Jersey) Limited, the performance of the wider trading group and the recoverability of the UK-wide ports and transport cash generating unit.

Management considers that the receivables can be realised on demand and as such that the carrying amount of the receivables approximate to their fair value.

Given the counterparties of group receivables management considers the company's exposure to credit risk to be minimal. The maximum exposure to credit risk at the reporting date for group receivables is the carrying value of each class of receivable.

The company does not hold any collateral as security. The company's receivables are denominated in sterling.

## 6. Trade and other payables

	2014 £000	2013 £000
<b>Current</b>		
Amounts due to group undertaking	3,808	3,808
Accruals	183	253
<b>Total current trade and other payables</b>	<b>3,991</b>	<b>4,061</b>

Amounts due to group undertaking are in respect of Grosvenor Waterside Investments Limited. These amounts are non-interest bearing and have no fixed terms of repayment. Further details on amounts due to group undertaking are disclosed in note 9.

The company considers that the carrying amount of the payables approximate to their fair value.

The company's payables are denominated in sterling.

## Notes to the financial statements

## 7. Share capital

	2014 £	2013 £
<b>Authorised</b>		
1,000 (2013: 1,000) ordinary shares of £1	1,000	1,000
<b>Issued and fully paid</b>		
3 (2013: 3) ordinary shares of £1 each	3	3

## 8. Cash flows from operations

	2014 £000	2013 £000
Reconciliation of results before taxation to cash flows from operations		
Results before taxation	-	-
<b>Operating cash flows before movement in working capital</b>	-	-
Decrease in group receivables	70	-
Decrease in trade and other payables	(70)	-
<b>Cash flows from operations</b>	-	-

## 9. Related party transactions

The company has entered into related party transactions and/or holds balances with the following related parties:

Name	Relationship
Grosvenor Waterside (Holdings) Limited	Immediate parent
Associated British Ports	Fellow group undertaking
Grosvenor Waterside Investments Limited	Fellow group undertaking

The company has the following balances due from/(to) related parties:

	2014 £000	2013 £000
Grosvenor Waterside (Holdings) Limited	13,000	13,000
Associated British Ports	4,784	4,854
Grosvenor Waterside Investments Limited	(3,808)	(3,808)
	13,976	14,046

The company's fellow group undertaking, Associated British Ports, makes payments and receives funds on the company's behalf.

The following table shows the transactions that have been entered into by the company with its related party, together with period end balance, for the relevant financial year:

Associated British Ports	2014 £000	2013 £000
Intercompany receivable at start of the year	4,854	4,854
Decrease in receivable	(70)	-
Intercompany receivable at end of the year	4,784	4,854



**Notes to the financial statements****10. Ultimate parent undertaking and controlling parties**

The company is a limited liability company registered in England and Wales.

The immediate parent undertaking is Grosvenor Waterside (Holdings) Limited. The company's intermediate parent undertaking is Associated British Ports Holdings Limited ("ABPH"), which produces IFRS financial statements that are available from its registered office at Aldwych House, 71-91 Aldwych, London, WC2B 4HN. The consolidated financial statements of ABPH are the smallest group in which the company is included.

The ultimate parent undertaking and controlling party is ABP (Jersey) Limited, which produces IFRS consolidated financial statements that are available from, 44 Esplanade, St Helier, Jersey, JE4 9WG. The consolidated financial statements of ABP (Jersey) Limited are the largest group in which the company is included.

ABP (Jersey) Limited is a limited liability company registered in Jersey. The company is owned by a consortium of investors as shown below:

	<b>% of Ordinary shares</b>	<b>% of Preference shares</b>
Infracapital ABP SLP LP <sup>1</sup> (owned by Infracapital Partners LP, itself managed by M&G Investment Management Limited)	10.000	10.000
Cheyne Walk Investment Pte Limited (owned by GIC Ventures Pte)	33.333	33.333
Borealis (Luxembourg) S.C.A. (owned by OMERS Administration Corporation)	16.667	33.333
Borealis International Investments Corporation (owned by OMERS Administration Corporation)	16.667	-
Admiral Global & International S.à.r.l. (owned by GS Global Infrastructure Partners I, LP and GS International Infrastructure Partners I, LP)	23.000	22.701
Admiral Institutional S.à.r.l. (owned by GS Institutional Infrastructure Partners I, LP)	0.333	0.633
	<b>100.000</b>	<b>100.000</b>

<sup>1</sup> During the year Infracapital Nominees Limited transferred its shares in ABP (Jersey) Limited to Infracapital ABP SLP LP