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25 SEP 2018

FRONT DESK

EDINBURGH FORTHSLIDE DEVELOPMENTS LIMITED

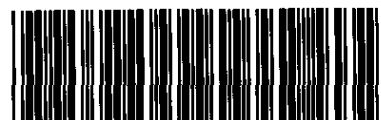
REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2017

Registered number: SC321461

TUESDAY



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COMPANIES HOUSE

EDINBURGH FORTH SIDE DEVELOPMENTS LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

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EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

C.G. Hammond
C.J. Cran

COMPANY SECRETARY

Pamela Smyth

REGISTERED OFFICE

1 Prince of Wales Dock
Leith
Edinburgh
EH6 7DX

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The Directors present their report and the unaudited accounts of Edinburgh Forthside Developments Limited (registered number SC321461) for the year ended 31 December 2017. This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Principal Activities and Future Developments

The Company is owned by Edinburgh Forthside Holdings Limited and is a private company incorporated by shares and domiciled in Scotland. The Company's principal activity is property development. At the year end, the Company purchased land at Western Harbour and did not trade during the year, therefore no Income Statement has been prepared. No dividends were paid in 2017 or 2016.

Principal Risks and Uncertainties

The Directors of Forth Ports Limited manage the Group's risks at a group level, rather than at an individual Company level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of Edinburgh Forthside Developments Limited's business. The principal risks and uncertainties of the Forth Ports Limited Group, which include those of the Company, are discussed in the Group's annual report which does not form part of this report, but is publicly available, as disclosed in Note 6.

Financial Risk Management

Liquidity Risk

All financing arrangements are subjected to continuous management review to ensure that assets will be sufficient to satisfy financial obligations as and when they fall due.

Credit Risk

All contractual arrangements are subject to an initial assessment of credit risk. Subsequent to contract, continuous management review identifies where credit obligations have not been met, or are at risk of not being met. This management review also identifies and monitors the appropriate actions to be taken with a view to enforcing the company's rights under contract.

Market Risk

The overall objective of the Company is to secure shareholder value through the effective management and development of property assets, including acquisitions and disposals, over the long-term. Key market variables which affect this outcome include; property sales value and forecast growth, construction costs and forecast inflation, along with general macro-economic factors such as interest rates and property yields.

The impact of potential interest rate movements on costs of specific developments are monitored continuously, and consideration given to hedging interest rate risk. Assumptions on other key market variables are tested regularly, and the carrying values of the assets are re-assessed to reflect any changes which are thought likely to affect the market value at the expected point of disposal.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

DIRECTORS' REPORT (continued)

Capital Risk Management

The Directors of Forth Ports Limited manage the Group's capital risk at a group level. Their policies are discussed within the Group's annual report which does not form part of this report.

Going Concern

The Directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support provided by Forth Ports Limited. The accounting policies section on page 10 provides further details.

Directors

The Directors of the Company who were in office during the year, and up to the date of signing the accounts, unless otherwise stated were:

C.G. Hammond

S.R. Paterson (resigned 3 January 2018)

C.J. Cran (appointed 3 January 2018)

Indemnification of Directors

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS (continued)

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Accounting Standard 1 requires that the Directors:

- properly select and apply accounting policies;
- 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 are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

Approved by the Board and signed on its behalf by:



Pamela Smyth
Company Secretary
20 April 2018

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
ASSETS			
Current assets			
Inventories	2	1,327	-
		1,327	-
Total assets		1,327	-
LIABILITIES			
Current liabilities			
Trade and other payables	3	(1,327)	-
Total liabilities		(1,327)	-
Total assets less total liabilities		-	-
EQUITY			
Ordinary shares	4	0	0
Retained earnings		-	-
Total equity		-	-

- For the year ending 31st December 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts on pages 7 to 14 were approved and authorised for issue by the Board of Directors on 20 April 2018 and signed on its behalf by:



C.J. Cran
Director

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Ordinary Shares £000	Retained Earnings £000	Total Equity £000
Balance at 1 January 2016	0	-	-
Result for the year	-	-	-
Balance at 31 December 2016	0	-	-
Result for the year	-	-	-
Balance at 31 December 2017	0	-	-

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

The Company does not have its own bank account, instead, all cash flows are made through the Company's parent undertaking and entries recorded through inter-company accounts.

The gross non-cash movement in the Company's parent undertaking's inter-company account is as follows:

	2017 £000	2016 £000
Debits	34	-
Credits	(1,327)	-
Movement in amount due	(1,293)	-

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

Basis of Preparation

The accounts have been prepared in accordance with EU adopted International Financial Reporting Standards ("IFRS") and IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The accounts have been prepared on the going concern basis, under the historical cost convention.

The preparation of accounts in conformity with IFRS as adopted by the EU requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts 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 ultimately may differ from those estimates.

A summary of the more important accounting policies is set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the year, if applicable.

General

The Company has not prepared an income statement as there was no revenue during the year ended 31 December 2017. Any expenses incurred by the Company have been borne by Forth Ports Limited.

Going Concern

The Directors believe that preparing the accounts on a going concern basis is appropriate. The Directors of the Company do not expect the amounts due to group undertakings to be fully called within twelve months of approval of these accounts, and Forth Ports Limited intend to provide funds to enable the Company to meet its liabilities as they fall due. The Directors have received confirmation that it is Forth Ports Limited's present intention to support the Company for at least one year after these financial statements are signed.

New Accounting Standards

There are no amendments to published standards effective in the year nor any standards early adopted which have an impact on these accounts. As at the date these financial statements were approved, the Company has not applied the following new and revised IFRSs that have been issued but are not yet effective and (in some instances) had not yet been adopted by the EU:

- IFRS 9: Financial Instruments – this standard replaces guidance in IAS 39 (effective 1 January 2018);
- IFRS 15: Revenue from Contracts with Customers – this is a converged standard which aims to improve the reporting of revenue and improve comparability of the top line in financial statements globally (effective 1 January 2018);
- Clarifications to IFRS 15: Revenue from Contracts with Customers which do not change the underlying principles of the standard, just clarify and offer some additional transition relief (effective 1 January 2018) *;
- IFRS 16: Leases – this replaces the current guidance in IAS 17 (effective 1 January 2019 with earlier application permitted if IFRS 15 is also applied) *; and
- Amendment to IAS 40: Investment Property – amendments simply clarify that to transfer to, or from, investment properties there must be a change in use (effective 1 January 2018) *.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES (continued)

New Accounting Standards (continued)

* EU endorsement for these standards, amendments and interpretations had not yet been announced by the time of approval of these accounts. These requirements are not available for early adoption until the completion of the endorsement process.

The Directors do not expect that the adoption of the Standards Listed above will have a material impact on the financial statements in future periods, except as noted below:

- IFRS 9 will have no impact as there are no financial assets or liabilities currently held which are covered by the standard; and
- IFRS 15 may have an impact on revenue recognition and related disclosures, however, this is unlikely to be material given the rental invoicing and recognition forecast following the transfer of land at the year end.

Revenue Recognition

Revenue represents the income earned from the sale of property developments. Service related revenue is recorded once the service has been provided. Revenue excludes value added tax. The excess of amounts invoiced, over income recognised, is included in deferred income.

Profits and losses arising on the sale of sites or completed developments are recognised when contracts for sale have been exchanged and all material conditions have been satisfied. The Board will have due regard to all the circumstances of any individual transaction in determining whether or not any conditions are material or have been satisfied.

Consideration is given to the collectability of any debt outstanding arising from the sale of sites or property developments and provisions are made where necessary. The need for such provisions is reviewed on a regular basis.

Inventories

Property work in progress relates to expenditure on property development projects, land held for development and project work in progress and is included at cost less amounts which are deemed to be irrecoverable. Cost includes all direct expenditure and associated indirect costs. In determining whether the carrying value is at the lower of cost or net realisable value, a review is carried out on each individual development site at 31st December each year. The estimated sales receipts are assessed for each development as are the existing costs and the expected costs to complete (including sales costs) which are then compared with the carrying value. On completion, such assets are transferred to investment properties or sold to third parties.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES (continued)

Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share Capital

Ordinary shares are classified as equity.

Current and Deferred Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the United Kingdom where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Company is part of the Forth Ports Limited group which includes a number of companies, which are part of a tax group for certain aspects of the tax legislation. One of these aspects relates to group relief whereby current tax credits can be offset by current tax profits arising in other companies within the same tax group. Payment for group relief is made equal to the tax benefit and amounts are included within the current tax disclosures.

Critical Accounting Judgements, Key Assumptions and Estimation Uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions concerning the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical judgements, assumptions or areas of estimation uncertainty that affect these financial statements.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Directors and employees

The Company has no employees (2016 - none).

Directors' remuneration for services as Directors of the Company were £nil (2016 - £nil).

2. Inventories

	2017 £000	2016 £000
Stock of land and work in progress	1,327	-

There was an increase in stock during the year of £1,327k (2016 - £nil).

3. Trade and other payables

	2017 £000	2016 £000
Accruals and deferred income	34	-
Amount due to parent company undertaking (Note 5)	1,293	-
	1,327	-

The Directors consider that the carrying amount of other payables approximates to their fair value.

4. Ordinary shares

	2017 £000	2016 £000
Authorised, 1,000 (2016: 1,000) ordinary £1 shares	1	1
Allotted, called up and fully paid 1 (2016: 1) ordinary £1 shares	0	0

There is only one class of share which carries no right to fixed income.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

5. Related party transactions

The Company purchased land from Forth Property Developments Limited for £1,327k (2016 - £nil).

The balance due at the year end to Forth Ports Limited was £1,293k (2016 - £nil).

6. Ultimate parent undertaking

The Company is owned by Edinburgh Forthside Holdings Limited, which is a subsidiary of Forth Ports Limited, a company incorporated in Scotland. Forth Ports Limited is the smallest group of undertakings for which Group accounts are available. Copies of the Forth Ports Limited consolidated accounts may be obtained from its principal place of business at 1 Prince of Wales Dock, Leith, Edinburgh EH6 7DX.

Forth Ports Limited is ultimately controlled by Arcus European Infrastructure Fund 1 L.P., a limited partnership incorporated in the United Kingdom and registered in England. As Arcus European Infrastructure Fund 1 L.P. does not prepare consolidated accounts for public use the next most senior parent is Otter Ports Holdings Limited and copies of the consolidated accounts may be obtained from its principal place of business at 6 St Andrews Street, London EC4A 3AE.