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EDINBURGH FORTHSLIDE DEVELOPMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022
Registered number: SC321461



EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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EDINBURGH FORTH SIDE DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

C.G. Hammond
C.J. Cran

COMPANY SECRETARY

Pamela Smyth

REGISTERED OFFICE

1 Prince of Wales Dock
Edinburgh
EH6 7DX

INDEPENDENT AUDITOR

Deloitte LLP
110 Queen Street
Glasgow
G1 3BX
United Kingdom

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of Edinburgh Forthside Developments (“the Company”) Limited (registered in Scotland under company number SC321461) for the year ended 31 December 2022. No strategic report has been prepared in accordance with the provisions applicable to companies entitled to the small companies’ exemption.

Principal Activities and Future Developments

The Company’s intermediate parent company is Edinburgh Forthside Holdings Limited (which is a 100% subsidiary of Forth Ports Limited) and is a private company limited by shares, incorporated and registered in Scotland. The Company’s principal activity is property development. During the year, the Company continued to develop its land holding at Western Harbour in Leith, Edinburgh. Further planning and development will take place in future years.

Results and Dividend

The profit for the year after taxation amounted to £1,782k (2021 – loss of £338k). During the year one plot of land was sold which is the main driver of the improvement in the year on year results. Further progress made on planning and development for the rest of Western Harbour. The Directors do not recommend payment of a dividend and no dividends were paid in 2022 or 2021.

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. The principal risks and uncertainties of the Forth Ports Limited Group (“the Group”), which include those of the Company, are disclosed in the Group’s annual report which does not form part of this report, but is publicly available, as disclosed in Note 10.

Going Concern

The directors of the Company’s intermediate parent company Forth Ports Limited have considered the financial requirements of the Group through the preparation of annual budgets and cash flow forecasts covering the next five financial years and set these against the cash and banking facilities available to the Group. These financial forecasts have been stress tested to reflect the potential impact of downside events and scenarios, including the impact of the currently high level of inflation impacting UK businesses and the uncertain economic environment to ensure the Group would retain headroom within its banking facilities. The repayment dates and covenants, associated with these facilities do not form part of this report, however they are publicly available as disclosed in Note 10.

After making enquiries, the directors have a reasonable expectation that the Group will be able to meet its financial obligations as they fall due and has adequate resources to continue in operational existence for the foreseeable future. On this basis, and with a letter of support from the Group, the Directors of the Company therefore have a reasonable expectation that the Group will be able to support the Company for the foreseeable future, being at least 12 months from the signing of this report. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Financial and Capital Risk Management

Liquidity Risk

All financing arrangements are subjected to ongoing management review to ensure that the Company will have sufficient resources and available funds to satisfy financial obligations as and when they fall due.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

DIRECTORS' REPORT (continued)

Financial and Capital Risk Management (continued)

Credit Risk

All contractual arrangements are subject to an initial assessment of credit risk. Subsequent to contract, ongoing 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 implementing 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 closely 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.

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, but is publicly available, as disclosed in Note 10.

Directors

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

C.G. Hammond
C.J. Cran

Indemnification of Directors

The Company has granted an indemnity to its directors (which extend to the performance of any duties as a director of any associated company) against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such a qualifying third-party indemnity provision remains in force as at the date of approving the Directors' Report.

Post Balance Sheet Events

There have been no significant post balance sheet events.

EDINBURGH FORTH SIDE DEVELOPMENTS LIMITED

DIRECTORS' REPORT (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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework", and in conformity with the requirements of the Companies Act 2006. 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; 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.

Independent auditor and disclosure of information to auditor

Each Director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:



Pamela Smyth
Company Secretary
26 April 2023

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Edinburgh Forthside Developments Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the accounting policies; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

EDINBURGH FORTHSDIE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EDINBURGH FORTHSDIE DEVELOPMENTS LIMITED (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities, including those that are specific to the entity's business sector.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

We obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

•Revenue Recognition: We have identified a significant risk due to fraud around revenue recognition, pinpointed to the sale of land (occurrence). This has been addressed through substantive testing by agreeing the transaction to a sales agreement and monies received through the bank account.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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' exemptions from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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.



Paul Hazelton CA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Glasgow, United Kingdom

26 April 2023

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Revenue	1	3,861	1
Cost of sales		(1,384)	(24)
Gross profit/(loss)		2,477	(23)
Administrative expenses		(135)	(147)
Operating profit/(loss)	2	2,342	(170)
Finance costs	3	(142)	(247)
Profit/(loss) before tax		2,200	(417)
Tax on profit/(loss)	5	(418)	79
Profit/(loss) for the year attributable to equity shareholders		1,782	(338)

Results for the year are attributable solely to continuing operations.

The Company has no comprehensive income or expense other than those included in the Income Statement above and therefore no separate Statement of Comprehensive Income has been presented.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
ASSETS			
Current assets			
Inventories	6	3,721	4,335
Trade and other receivables	7	6	6
Total assets		3,727	4,341
LIABILITIES			
Current liabilities			
Trade and other payables	8	(2,000)	(4,396)
Total liabilities		(2,000)	(4,396)
Net assets/(liabilities)		1,727	(55)
EQUITY			
Share capital	9	0	0
Retained earnings/(accumulated losses)		1,727	(55)
Total equity		1,727	(55)

The financial statements of Edinburgh Forthside Developments Limited, registered number SC321461, on pages 9 to 18 were approved and authorised for issue by the Board of Directors on 26 April 2023 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 2022**

	Share capital £000	Retained earnings/ (Accumulated losses) £000	Total Equity £000
Balance at 1 January 2021	0	283	283
Loss for the year	-	(338)	(338)
Balance at 31 December 2021	0	(55)	(55)
Profit for the year	-	1,782	1,782
Balance at 31 December 2022	0	1,727	1,727

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 “Reduced Disclosure Framework” and in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared on a going concern basis, under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 “Reduced Disclosure Framework”:

- the requirements of paragraphs 10(d), 10(f), 16, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group; and
- IFRS 15, ‘Revenue from contracts with customers’: second sentence of paragraph 110, and paragraphs 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129.

The preparation of financial statements in conformity with FRS 101 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 ultimately may differ from those estimates.

A summary of the more material 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.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES (continued)

Going Concern

The directors of the Company's intermediate parent company Forth Ports Limited have considered the financial requirements of the Group through the preparation of annual budgets and cash flow forecasts covering the next five financial years and set these against the cash and banking facilities available to the Group. These financial forecasts have been stress tested to reflect the potential impact of downside events and scenarios, including the impact of the currently high level of inflation impacting UK businesses and the uncertain economic environment, to ensure the Group would retain headroom within its banking facilities. The repayment dates and covenants, associated with these facilities do not form part of this report, however they are publicly available as disclosed in Note 10.

After making enquiries, the directors have a reasonable expectation that the Group will be able to meet its financial obligations as they fall due and has adequate resources to continue in operational existence for the foreseeable future. On this basis, and with a letter of support from the Group, the Directors of the Company therefore have a reasonable expectation that the Group will be able to support the Company for the foreseeable future, being at least 12 months from the signing of this report. For this reason they continue to adopt the going concern basis in preparing the financial statements.

New Accounting Standards

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendment to IAS 16 Property, Plant & Equipment. Proceeds before intended use – effective date 1 January 2022
- Amendments to IFRS 3 Business Combinations. Reference to the conceptual framework – effective date 1 January 2022
- Amendments to IAS 37 Provisions, Contingent Liabilities & Contingent Assets. Onerous contracts – cost of fulfilling a contract – effective date 1 January 2022
- Amendment to IFRS 1 First time adoption of International Financial Reporting Standards. Subsidiary as a first- time adopter – effective date 1 January 2022
- Amendment to IFRS 9 Financial Instruments. Fees in the '10 per cent test' for derecognition of financial liabilities – effective date 1 January 2022
- Amendment to IFRS 16. Lease incentives – effective date 1 January 2022

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

There were no new accounting standards adopted by the Company in the year.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

ACCOUNTING POLICIES (continued)

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.

Revenue Recognition

Revenue represents the income earned from rental income and sale of property developments. Service related revenue is recorded at a point in time 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 and control has been transferred.

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, where they are to be retained, or sold to third parties.

Current 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.

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.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Revenue

The analysis by class of business of the Company's revenue, all generated within the UK, is set out below:

	2022 £000	2021 £000
Revenue		
Property sales	3,861	-
Rental income	-	1
Total revenue (at a point in time)	3,861	1

2. Operating profit/(loss)

Services provided by the Company's auditor

Fees in relation to the audit of the Company are settled by the Company's intermediate parent, Forth Ports Limited. This amounted to £4k in the year (2021 - £4k). No non-audit services were provided by the Company's auditor in the year (2021 - none).

3. Finance costs

	2022 £000	2021 £000
Interest payable to intermediate parent company	142	247

Interest is charged on Company borrowings at a fixed rate from the Group reflecting fixed group borrowing costs plus a fixed margin of 2.75% (2021 - 2.75%), therefore, there is no residual risk from a movement in interest rates.

4. Directors and key management compensation

Key management remuneration is incurred and paid by the Company's intermediate parent company - Forth Ports Limited. No Directors received remuneration directly through the Company during the year (2021 - £nil). The Directors received total remuneration of £2,004k from the Group during the year (2021 - £2,134k), but it is not practicable to allocate this between their services as executives of each Company within the Group. There are no other employees of the Company (2021 - none) and the total recharged by the Company's intermediate parent, Forth Ports Limited, amounted to £80k (2021 - £94k).

EDINBURGH FORTHSDIE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Taxation

	2022 £000	2021 £000
(a) Analysis of tax charge/(credit) for the year		
Current tax – charge/(credit) for the year	418	(79)

The tax for the year is equal to (2021 – equal to) the standard rate of corporation tax in the UK of 19% (2021 – 19%). Any differences are explained below:

	2022 £000	2021 £000
(b) Factors affecting tax charge/(credit) for the year		
Profit/(loss) before tax	2,200	(417)
Profit/(loss) multiplied by rate of corporation tax in the UK of 19% (2021 – 19%)	418	(79)
Total taxation charge/(credit)	418	(79)

As announced in the 2021 Budget on 3rd March 2021, the UK corporate income tax rate shall increase from 19% to 25% from 1st April 2023. This rate change was substantively enacted on 24th May 2021 by Finance Bill 2021.

Current tax charge/(credit) have been group relieved by the availability of (losses)/profits in fellow subsidiaries for the years ended 31 December 2022 and 2021.

6. Inventories

	2022 £000	2021 £000
Stock of land and work in progress	3,721	4,335

There were additions to stock during the year of £745k (2021 – £583k) with disposals of £1,359k (2021 – £nil). It is estimated that, of the stock of land and work in progress, £3,721k (2021 - £4,335k) will not be fully realised within the next twelve months.

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****7. Trade and other receivables**

	2022 £000	2021 £000
Trade receivables	-	1
Amount due from group undertakings	6	5
	6	6

The fair value of trade receivables and other receivables is equal to the carrying value noted above.

8. Trade and other payables

	2022 £000	2021 £000
Trade payables	6	10
Other payables	7	7
Accruals and deferred income	31	53
Amount due to intermediate parent undertaking	1,956	4,326
	2,000	4,396

Trade payables are mainly contractually due to be paid within one month. Amounts due to group undertakings are payable on demand but are not expected to be fully paid within the next twelve months.

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

9. Share capital

	2022 £	2021 £
Authorised		
1,000 (2021: 1,000) ordinary £1 shares	1,000	1,000
Allotted, called up and fully paid		
1 (2021 - 1) ordinary £1 shares	1	1

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

EDINBURGH FORTHSIDE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Ultimate parent undertaking

The Company is owned by Edinburgh Forthside Holdings Limited, which is a 100% subsidiary of Forth Ports Limited, a company incorporated in Scotland. Forth Ports Limited is the smallest group of undertakings for which Group financial statements are available. Copies of the Forth Ports Limited consolidated financial statements may be obtained from its registered office and principal place of business at 1 Prince of Wales Dock, Edinburgh EH6 7DX.

Forth Ports Limited is ultimately controlled by an affiliate of Public Sector Pension Investment Board, based in Canada. As Public Sector Pension Investment Board does not prepare consolidated financial statements for public use the next most senior parent is Otter Ports Group Holdings Limited, with a registered address of Ugland House, South Church Street, George Town, Cayman Islands, and copies of the consolidated financial statements may be obtained from its principal place of business at 10 Bressenden Place, 8th floor, London, SW1E 5DH.