

FP NEWHAVEN TWO LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2017

Registered number: SC208821



**COMPANIES HOUSE
EDINBURGH**

19 SEP 2018

FRONT DESK

FP NEWHAVEN TWO LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

CONTENTS	PAGE
Company Information	2
Directors' Report	3
Independent Auditor's Report	6
Income Statement	9
Balance Sheet	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13
Notes to the Accounts	16

FP NEWHAVEN TWO 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

INDEPENDENT AUDITOR

Deloitte LLP
Statutory Auditor
110 Queen Street
Glasgow
G1 3BX

FP NEWHAVEN TWO LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited accounts of FP Newhaven Two Limited (registered number SC208821) 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 a wholly owned subsidiary of Edinburgh Forthside Holdings Limited (which is owned by Forth Ports Limited) and is a private company limited by shares and domiciled in Scotland. The Company's principal activity is property investment. During the year the Company continued to invest in its property portfolio at Western Harbour with the Scottish Futures Trust under the National Housing Trust Scheme. The Directors intend to continue with this activity in the forthcoming year.

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 FP Newhaven Two 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 17.

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.

FP NEWHAVEN TWO 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.

Results and Dividend

The loss for the year after taxation amounted to £348k (2016 – profit of £3,243k). No dividends were paid in 2017 or 2016. The Directors propose that the loss for the year be transferred to reserves.

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 13 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.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

FP NEWHAVEN TWO LIMITED

DIRECTORS' REPORT (continued)

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.

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
20 April 2018

FP NEWHAVEN TWO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FP NEWHAVEN TWO LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of FP Newhaven Two Limited (the 'Company') which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the statement of cash flows;
- the accounting policies; and
- the related notes 1 to 17.

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.

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 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

FP NEWHAVEN TWO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FP NEWHAVEN TWO LIMITED (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

FP NEWHAVEN TWO LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FP NEWHAVEN TWO LIMITED (continued)**

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.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Colin Gibson CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom

20 April 2018

FP NEWHAVEN TWO LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Revenue	1	120	44
Cost of sales		(127)	(44)
Gross loss		(7)	-
Gain on sale of investment property		-	3,599
Operating (loss)/profit	2	(7)	3,599
Finance income	3	51	19
Finance costs	4	(488)	(477)
(Loss)/profit before tax		(444)	3,141
Taxation	6	96	102
(Loss)/profit for the year attributable to equity shareholders		(348)	3,243

Results for the year are attributable solely to continuing operations.

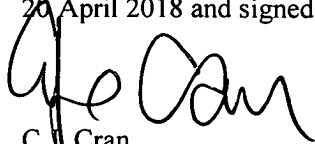
The Company has no comprehensive income or expense other than those included in the Income Statement above and therefore no separate Statement of Comprehensive Income has been presented.

FP NEWHAVEN TWO LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	2017 £000	2016 £000
ASSETS			
Non-current assets			
Investment property	7	2,976	2,751
Investment in subsidiary	8	4,211	4,211
Investments	9	842	842
		8,029	7,804
Current assets			
Trade and other receivables	10	271	284
Cash and cash equivalents	11	26	2
		297	286
Total assets		8,326	8,090
LIABILITIES			
Current liabilities			
Trade and other payables	12	(9,020)	(8,183)
		(9,020)	(8,183)
Non-current liabilities			
Trade and other payables	13	-	(253)
		-	(253)
Total liabilities		(9,020)	(8,436)
Total assets less total liabilities		(694)	(346)
EQUITY			
Ordinary shares	14	0	0
Accumulated losses		(694)	(346)
Total equity		(694)	(346)

The accounts on pages 9 to 21 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

FP NEWHAVEN TWO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Ordinary Shares £000	Accumulated Loss £000	Total Equity £000
Balance at 1 January 2016	0	(3,589)	(3,589)
Profit for the year and total comprehensive income	-	3,243	3,243
Balance at 31 December 2016	0	(346)	(346)
Loss for the year and total comprehensive expense	-	(348)	(348)
Balance at 31 December 2017	0	(694)	(694)

FP NEWHAVEN TWO LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Cash flows generated from/(used in) operating activities			
Net cash used in operating activities	15	(17)	(61)
Interest received		57	-
Net cash generated from/(used in) operating activities		40	(61)
Cash flows (used in)/generated from investing activities			
Purchase of investment property		(260)	(11,374)
Sale of investment property		-	11,537
Net cash (used in)/generated from investing activities		(260)	163
Cash flows generated from/(used in) financing activities			
Loan from intermediate parent company		324	632
Loan repaid to intermediate parent company		(80)	(733)
Net cash generated from/(used in) financing activities		244	(101)
Net increase in cash and cash equivalents		24	1
Cash and cash equivalents at start of year		2	1
Cash and cash equivalents at end of year	11	26	2

FP NEWHAVEN TWO 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 endorsed 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 as modified by the revaluation of investment properties at fair value through the Income Statement.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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.

Going Concern

The Directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the intermediate parent company Forth Ports Limited. The Directors have received confirmation that Forth Ports Limited intend to support the Company for at least one year after these financial statements are signed.

FP NEWHAVEN TWO LIMITED

ACCOUNTING POLICIES (continued)

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) *; 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) *.

* 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 impact on the measurement and disclosures of financial instruments, however, as the significant debtor balances should be settled before 31 December 2018 and therefore any impact would not be material. Any financial liabilities held at the year end are not impacted by IFRS 9; and
- IFRS 15 may have an impact on revenue recognition and related disclosures, however, this is unlikely to be material given the nature of the revenue recognition arising from management charges billed in the period.

Investment in Subsidiary

Investments are stated at historical cost less provision for impairment. Costs include the fair value of the consideration paid.

Investment Property

Investment property, principally comprising land, is held for long-term rental yields and is not occupied by the Company. Investment property is treated as a long-term investment and is carried at fair value determined annually. Changes in fair values are recorded in the Income Statement in accordance with IAS 40 and are included in other income, or taken directly to reserves as appropriate. If an investment property is transferred into operating property, it is transferred at the fair value at the date of transfer.

FP NEWHAVEN TWO LIMITED

ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

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 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.

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.

FP NEWHAVEN TWO LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Revenue

The analysis by class of business of the Company's revenue is set out below:

	2017 £000	2016 £000
Revenue		
Property related services	120	44

2. Operating (loss)/profit

Services provided by the Company's auditor

During the year the Company obtained statutory audit services from the Company's auditor which have been paid by Forth Ports Limited.

3. Finance income

	2017 £000	2016 £000
Interest receivable from subsidiary company (Note 16)	51	19

Interest is charged on Company issued Loan Notes at a fixed rate of 6.00%, therefore, there is no residual risk from a movement in LIBOR.

4. Finance costs

	2017 £000	2016 £000
Interest payable to Forth Ports Limited (Note 16)	488	477

Interest is charged on Company borrowings at a fixed rate from the Group reflecting fixed group borrowing costs plus a fixed margin of 1.50% (2016 - 1.50%), therefore, there is no residual risk from a movement in LIBOR.

5. Directors and employees

The Company has no employees (2016 - none).

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

FP NEWHAVEN TWO LIMITED

NOTES TO THE ACCOUNTS (continued)

6. Taxation

	2017 £000	2016 £000
(a) Analysis of tax credit for the year		
Current tax - credit for the year	(96)	(102)
Taxation	(96)	(102)

The tax for the year is lower than (2016 – lower than) the standard rate of corporation tax in the UK of 19.25% (2016 – 20%). Any differences are explained below:

	2017 £000	2016 £000
(b) Factors affecting tax credit for the year		
(Loss)/profit before tax	(444)	3,141
(Loss)/profit multiplied by rate of corporation tax in the UK of 19.25% (2016 - 20%)	(85)	628
Effects of:		
Non-taxable gain on disposal to partnership	-	(720)
Share of partnership taxable loss	(11)	(10)
Total taxation	(96)	(102)

Finance Act 2015 set the UK corporate income tax rate for financial year 2016 at 20%. Finance Act (No 2) 2015 set the UK corporate income tax rate for financial years 2017, 2018 and 2019 at 19%, and Finance Act 2016 has reduced the rate for financial year 2020 from 18% to 17%, which are the rates substantively enacted at the balance sheet date.

Current tax credits have been group relieved by the availability of profits in fellow subsidiaries for the years ended 31 December 2017 and 2016.

FP NEWHAVEN TWO LIMITED**NOTES TO THE ACCOUNTS (continued)****7. Investment property**

	2017 £000	2016 £000
Valuation		
At 1 January	2,751	4,347
Additions	225	11,648
Disposals in year	-	(13,244)
At 31 December	2,976	2,751

The fair value of the Company's investment property at 31 December 2017 has been arrived at on the basis of a valuation carried out by the Directors at that date. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

8. Investment in subsidiary

	2017 £000	2016 £000
Cost at 1 January	4,211	-
Additions	-	4,211
Cost at 31 December	4,211	4,211

The Company owns 100% of the economic interest of Sandpiper Road NHT 2014 LLP, a partnership involved in the investment in residential property for rental purposes. The partnership is registered and domiciled in the United Kingdom. Sandpiper Road NHT 2014 LLP made a profit of £505k (2016 - £5k), with net assets attributable to members of £17,484k (2016 - £16,987k).

The registered office of Sandpiper Road NHT 2014 LLP is 1 Prince of Wales Dock, Edinburgh, EH6 7DX.

The Company also owns 100% of the economic interest of Western Harbour NHT LLP, a partnership involved in the investment in residential property for rental purposes. During the year the partnership was dormant and did not trade. The partnership is registered and domiciled in the United Kingdom.

The registered office of Western Harbour NHT LLP is 1 Prince of Wales Dock, Edinburgh, EH6 7DX.

9. Investments

	2017 £000	2016 £000
Loan notes to subsidiary company (Note 16)	842	842

FP NEWHAVEN TWO LIMITED**NOTES TO THE ACCOUNTS (continued)****10. Trade and other receivables**

	2017 £000	2016 £000
Other receivables	6	6
Amount due from subsidiary company (Note 16)	265	274
Other taxes	-	4
	271	284

11. Cash and cash equivalents

	2017 £000	2016 £000
Cash at bank and in hand	26	2

12. Trade and other payables

	2017 £000	2016 £000
Trade payables	-	1
Accruals and deferred income	15	54
Other payables	253	-
Amount due to intermediate parent company (Note 16)	8,752	8,128
	9,020	8,183

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.

Other payable amounts represent retentions.

13. Trade and other payables - non-current liabilities

	2017 £000	2016 £000
Other payables	-	253

Other payable amounts represent retentions which are payable in 2018.

FP NEWHAVEN TWO LIMITED

NOTES TO THE ACCOUNTS (continued)

14. Ordinary Shares

	2017 £000	2016 £000
Authorised		
100 "B" ordinary shares of £1	0	0
Allotted and unpaid		
2 "B" ordinary shares of £1	0	0

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

15. Cash flow from operating activities

Reconciliation of (loss)/profit before tax to net cash inflow from operating activities:

	2017 £000	2016 £000
(Loss)/profit before tax	(444)	3,141
Adjustments for:		
- finance income	(51)	(19)
- finance costs	488	477
- gain on sale of investment property	-	(3,599)
Movements in working capital:		
Decrease/(increase) in receivables	3	(6)
Decrease in payables	(13)	(55)
Cash used in operating activities	(17)	(61)

16. Related party transactions

The Company also billed Sandpiper Road NHT 2014 LLP management fees of £120k (2016 - £44k). The Company received £51k (2016 - £19k) in interest on loan notes from Sandpiper Road NHT 2014 LLP. The balance due by Sandpiper Road NHT 2014 LLP on these loan notes at the year end was £842k (2016 - £842k). The balance due by Sandpiper Road NHT 2014 LLP on other amounts at the year end was £265k (2016 - £274k).

The Company paid £488k (2016 - £477k) in interest on inter-company borrowings from Forth Ports Limited. The balance due to Forth Ports Limited at the year end was £8,752k (2016 - £8,128k).

FP NEWHAVEN TWO LIMITED

NOTES TO THE ACCOUNTS (continued)

17. Ultimate parent undertaking

Edinburgh Forthside Holdings Limited is the Company's immediate holding company.

Edinburgh Forthside Holdings Limited is 100% owned by 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.