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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**



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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**COMPANY INFORMATION**

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**Directors** M S Margereson (resigned 27 July 2012)  
J P White  
R G F Henderson  
R M Topps  
J C Brand (appointed 27 July 2012)

**Company secretary** C A Stratton

**Registered number** 4001890

**Registered office** 11-15 Wigmore Street  
London  
W1A 2JZ

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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## **FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013**

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The directors present their report and the financial statements for the year ended 30 June 2013

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small company exemption

#### **Principal activities and review of business**

The principal activity of the company is that of property trading and development

There has been no change in the activity of the company during the year under review, or since the balance sheet date

#### **Going Concern**

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

The company has received letters of support from both joint venture partners, Salmon Harvester Properties Limited and Canonsfield Developments Limited

#### **Results and dividends**

The loss for the year, after taxation, amounted to £226,472 (2012 - loss £238,989)

The directors have not recommended the payment of dividends during the year (2012 - £NIL)

#### **Directors**

The directors who served during the year were

M S Margereson (resigned 27 July 2012)

J P White

R G F Henderson

R M Topps

J C Brand (appointed 27 July 2012)

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2013**

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**Provision of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

**Auditor**

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 12 March 14 and signed on its behalf

C. A. Stratton

**C A Stratton**  
Secretary

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## **FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2013**

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The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial 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). 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, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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.

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## **FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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We have audited the financial statements of FSH Airport (Edinburgh) Services Limited for the year ended 30 June 2013, which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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. 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. 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 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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.

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FSH AIRPORT (EDINBURGH)  
SERVICES LIMITED**

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**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 remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors are not entitled to take advantage of the small companies exemption in preparing the Directors report

*Andrew Clark FCA*

Andrew Clark FCA (Senior Statutory auditor)

for and on behalf of  
**Deloitte LLP**

Chartered Accountants and Statutory Auditor

LONDON

Date *14 March 2014*



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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2013**

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	Note	2013 £	2012 £
Administrative expenses		(5,612)	(6,646)
<b>OPERATING LOSS</b>	2	<b>(5,612)</b>	<b>(6,646)</b>
Interest payable and similar charges	4	(220,860)	(232,343)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(226,472)</b>	<b>(238,989)</b>
Tax on loss on ordinary activities	5	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>	10	<b>(226,472)</b>	<b>(238,989)</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account

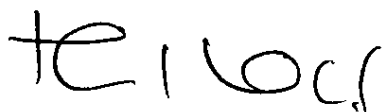
The notes on pages 8 to 12 form part of these financial statements

**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**  
**REGISTERED NUMBER: 4001890**

**BALANCE SHEET**  
**AS AT 30 JUNE 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Investments	6		1		1
<b>CURRENT ASSETS</b>					
Stocks		3,938,550		3,906,901	
Debtors	7	2,611		388	
Cash at bank and in hand		36,184		5,702	
		<u>3,977,345</u>		<u>3,912,991</u>	
<b>CREDITORS</b> * amounts falling due within one year	8	<u>(7,554,077)</u>		<u>(7,263,251)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(3,576,732)</u>		<u>(3,350,260)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(3,576,731)</u>		<u>(3,350,259)</u>
<b>CREDITORS</b> * amounts falling due after more than one year			<u>(900)</u>		<u>(900)</u>
<b>NET LIABILITIES</b>			<u><u>(3,577,631)</u></u>		<u><u>(3,351,159)</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		100		100
Profit and loss account	10		<u>(3,577,731)</u>		<u>(3,351,259)</u>
<b>SHAREHOLDERS' DEFICIT</b>	14		<u><u>(3,577,631)</u></u>		<u><u>(3,351,159)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**J P White**  
Director

Date 12/03/14

The notes on pages 8 to 12 form part of these financial statements

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## FSH AIRPORT (EDINBURGH) SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below, all of which have been applied consistently throughout the current and preceding year.

##### 1.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The company has received letters of support from both joint venture partners, Salmon Harvester Properties Limited and Canonsfield Developments Limited.

##### 1.3 Cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

##### 1.4 Stocks

These assets are included in the financial statements at the lower of cost and net realisable value. Cost for this purpose comprises the purchase cost of land and buildings, development expenditure and attributable overheads.

In considering the net realisable value of land and properties, it is assumed developments will be completed and sold in the ordinary course of the company's business, and that they would not be placed on the market for immediate sale.

Profit on sales of developed properties is taken on receipt of sales proceeds at legal completion. Costs attributable to each sale comprise an appropriate proportion of the total costs of the development. Provision is made for anticipated after sales maintenance costs.

##### 1.5 Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that they are regarded, as more likely than not, that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### 1.6 Current tax

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been substantively enacted at the balance sheet date.

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

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**2 OPERATING LOSS**

The operating loss is stated after charging

	2013 £	2012 £
Fees payable to the company's auditor for the audit of the company's annual accounts	3,650	3,743
Auditor's remuneration - non-audit	1,750	1,750
	<u>          </u>	<u>          </u>

**3 STAFF COSTS**

The company has no employees other than the directors, who did not receive any remuneration (2012 - £NIL)

**4 INTEREST PAYABLE**

	2013 £	2012 £
Interest payable to related companies	220,860	232,343
	<u>          </u>	<u>          </u>

**5 TAXATION**

	2013 £	2012 £
UK corporation tax charge on loss for the year	-	-
	<u>          </u>	<u>          </u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2012 - the same as) the standard rate of corporation tax in the UK of 23.75% (2012 - 25.5%) as set out below

	2013 £	2012 £
Loss on ordinary activities before tax	(226,472)	(238,989)
	<u>          </u>	<u>          </u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.75% (2012 - 25.5%)	(53,787)	(60,942)
<b>Effects of</b>		
Tax losses not utilised	53,787	60,942
	<u>          </u>	<u>          </u>
<b>Current tax charge for the year</b>	-	-
	<u>          </u>	<u>          </u>

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

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**5. TAXATION (continued)**

The company has potential deferred tax assets of £731,660 (2012 - £709,118) in respect of tax losses. These have not been recognised as it is not sufficiently certain that suitable taxable profits will arise against which the assets could be recovered.

**6 FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 July 2012 and 30 June 2013	<u>1</u>
<b>Net book value</b>	
At 30 June 2013	<u>1</u>
At 30 June 2012	<u>1</u>

Throughout the year the company owned one ordinary share of £1, fully paid in FSH Nominees Limited, being the entire issued share capital of that company.

**7. DEBTORS**

	2013 £	2012 £
Other debtors	<u>2,611</u>	<u>388</u>

**8 CREDITORS**

**Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	14,766	2,100
Amounts owed to shareholders	7,526,050	7,255,251
Accruals and deferred income	13,261	5,900
	<u>7,554,077</u>	<u>7,263,251</u>

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

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**9 SHARE CAPITAL**

	2013 £	2012 £
<b>Shares classified as capital</b>		
<b>Allotted, called up and fully paid</b>		
50 Ordinary A shares of £1 each	50	50
50 Ordinary B shares of £1 each	50	50
	<u>100</u>	<u>100</u>
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
900 Preference shares of £1 each	<u>900</u>	<u>900</u>

Class A and Class B ordinary shareholders have no dividend entitlement and are entitled to equal voting rights

Participating preference shareholders have dividend entitlement and are not entitled to voting rights  
No dividend has been paid in the current and prior year

On winding up of the company, the assets of the company would be distributed firstly to participating preference shares equal to their capital contributions and secondly to Class A and Class B ordinary shareholders equal to their capital contribution. All remaining assets would be distributed to participating preference shareholders

**10 RESERVES**

	Profit and loss account £
At 1 July 2012	(3,351,259)
Loss for the year	(226,472)
	<u>(3,577,731)</u>
At 30 June 2013	<u>(3,577,731)</u>

**11. POST BALANCE SHEET EVENTS**

No events have arisen between 30 June 2013 and the date of this report that would have had a material effect on the Financial Statements as at 30 June 2013

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**FSH AIRPORT (EDINBURGH) SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

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**12 RELATED PARTY TRANSACTIONS**

A loan provided by Canonsfield Developments Limited amounted to £5,667,276 at 30 June 2013 (2012 - £5,463,540) Interest of £166,236 (2012 - £179,494) was charged during the year by reference to bank base rates

A loan provided by Salmon Harvester Properties Limited amounted to £1,858,774 at 30 June 2013 (2012 - £1,791,710) Interest of £54,579 (2012 - £52,846) was charged during the year by reference to bank base rates

**13 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ordinary share capital of the company is owned equally by Canonsfield Developments Limited and Salmon Harvester Properties Limited. As a result, in the directors' opinion, both of these companies are defined as related parties under Financial Reporting Standard 8 and there is no ultimate controlling party

**14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Opening shareholders' deficit	<b>(3,351,159)</b>	<b>(3,112,170)</b>
Loss for the year	<b>(226,472)</b>	<b>(238,989)</b>
Closing shareholders' deficit	<b><u>(3,577,631)</u></b>	<b><u>(3,351,159)</u></b>