

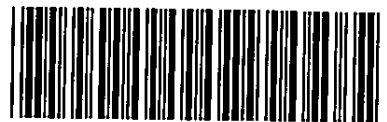
FOLKESTONE HARBOUR NOMINEE (2) LIMITED

DIRECTOR'S REPORT AND ACCOUNTS

31 DECEMBER 2014

Company Registration Number: 6044811

SATURDAY



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A26

08/08/2015

#284

COMPANIES HOUSE

FOLKESTONE HARBOUR NOMINEE (2) LIMITED

Director's report

Director	Sir Roger De Haan
Secretary	Richard Fraser
Registered Office	Strand House, 125 Sandgate High St, Folkestone, Kent CT20 3BZ

The director submits his report together with the accounts of the company for the year ended 31 December 2014

Principal activities and review of business

The company did not trade during the year

Director Interests

R M De Haan owns the whole of the issued share capital of the ultimate parent undertaking, Folkestone Harbour Holdings Limited

By order of the board



R J Fraser
Secretary

FOLKESTONE HARBOUR NOMINEE (2) LIMITED

Balance sheet as at 31 December 2014

	2014 £	2013 £
Current assets		
Amount due from parent undertaking	<u>2</u>	<u>2</u>
Net assets	<u>2</u>	<u>2</u>
 Capital and reserves		
Authorised share capital		
100 ordinary shares of £1 each		
Attributed, called up and fully paid share capital		
2 ordinary shares of £1 each	2	2
 Profit and loss account	-	-
 Equity shareholders' funds	<u>2</u>	<u>2</u>

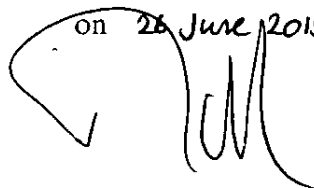
For the year ended 31 December 2014 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies

The member has not required the company to obtain an audit in accordance with section 476 of Part II of the Companies Act 2006

The director acknowledges his responsibility for complying with the Companies Act with respect to accounting records and the preparation of accounts

These financial statements were approved by the Director

on 26 June 2015



RM De Haan
Director

FOLKESTONE HARBOUR NOMINEE (2) LIMITED

Notes to the financial statements

1) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

2) Profit and loss account

No profit and loss account has been prepared as the company did not trade during the year

3) Cash flow statement

The director has taken advantage of the exemption available under FRS 1 (revised) from the requirement to prepare a cash flow statement on the basis that the company qualifies under the exemption for small companies

4) Controlling interest

The ultimate controlling shareholder is Roger De Haan

FOLKESTONE HARBOUR LIMITED PARTNERSHIP

FINANCIAL STATEMENTS

31 DECEMBER 2014

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 6044811

Registration Number: LP11912

SATURDAY

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FOLKESTONE HARBOUR LIMITED PARTNERSHIP

Report of the General Partner

Introduction

Folkestone Harbour (GP) Limited ("the General Partner") presents the financial statements for Folkestone Harbour Limited Partnership ("the Partnership") for the year ended 31 December 2014

Principal activities and review of business

The Partnership was established to acquire and redevelop property situated at Folkestone harbour and the Folkestone foreshore area. Following the grant of planning permission, the business is now focusing its efforts on plans for commencing the redevelopment programme.

Results for the year

The loss for the year amounted to £1,945,716 (2013 profit - £21,435,094) and has been transferred to partners' capital accounts.

Disclosure of information to auditors

The director of the General Partner confirms that, so far as he is aware, there is no relevant audit information of which the Partnership's auditors are unaware, and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Auditors

KPMG LLP have expressed their willingness to continue in office as auditor. A resolution proposing their re-appointment will be made by the Partnership.



Sir Roger De Haan
Director

For and on behalf of Folkestone Harbour (GP) Limited

Strand House,
125 Sandgate High St,
Folkestone,
Kent CT20 3BZ

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE GENERAL PARTNER'S REPORT AND THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations

Under the Partnership and Unlimited Companies (Accounts) Regulations 2008, the General Partner is required to prepare an annual report and financial statements under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 as if the Partnership was a company formed and registered under the Companies Act. Under that law the General Partner has elected to prepare the financial statements in accordance with UK Accounting Standards (UK Generally Accepted Accounting Practice)

The financial statements are required by law to give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period

In preparing these financial statements, the General Partner is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with UK Accounting Standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business

The General Partner is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enables it to ensure that its financial statements comply with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. The General Partner has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Partnership and to prevent and detect fraud and other irregularities

Independent auditor's report to the members of Folkestone Harbour Limited Partnership

We have audited the financial statements of Folkestone Harbour Limited Partnership for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by regulation 4 of the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the partnership'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 partnership and the partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the General Partner and auditor

As explained more fully in the Statement of General Partner's Responsibilities set out on page 2, the General Partner is 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

**Independent auditor's report to the members of Folkestone Harbour Limited Partnership
continued**

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 as applied to qualifying partnerships 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 members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the members were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report



Henry Todd (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London, E14 5GL

13/07/2015

FOLKESTONE HARBOUR LIMITED PARTNERSHIP
Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	2	147,155	133,366
Cost of sales		-	-
(Impairment)/release of inventory provisions	1	<u>(1,823,050)</u>	<u>21,488,462</u>
Gross profit		<u>(1,675,895)</u>	<u>21,621,828</u>
Administrative expenses		<u>(270,025)</u>	<u>(182,149)</u>
Operating profit		<u>(1,945,920)</u>	<u>21,439,679</u>
Interest receivable	3	204	129
Interest payable		-	(4,714)
(Loss)/profit for the financial year before distributions	4	<u>(1,945,716)</u>	<u>21,435,094</u>
Distributions		-	-
Transfer to partners' income accounts	11	<u>(1,945,716)</u>	<u>21,435,094</u>

Continuing operations

All of the operations of the partnership are continuing

Total recognised gains and losses

The partnership has no recognised gains or losses other than the amounts shown above

The notes on pages 7 to 10 form part of these financial statements

FOLKESTONE HARBOUR LIMITED PARTNERSHIP
Balance sheet as at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	6	8,148	17,115
Current assets			
Debtors	7	263,386	36,351
Inventory	8	29,500,000	29,500,000
Cash at bank and in hand		149,122	99,325
		<u>29,912,508</u>	<u>29,635,676</u>
Creditors			
- amounts falling due within one year	9	(174,040)	(90,824)
Net current assets		<u>29,738,468</u>	<u>29,544,852</u>
Creditors			
- amounts falling due after more than one year	10	(6,361,341)	(4,230,976)
Net assets attributable to partners		<u>23,385,275</u>	<u>25,330,991</u>
Represented by:			
Partners' funds classified as a liability under FRS 25			
Partners' loans	11	<u>23,385,275</u>	<u>25,330,991</u>
Loans and other debts due to partners		<u>23,385,275</u>	<u>25,330,991</u>

These financial statements were approved by
R M De Haan on 26 June 2015

For and on behalf of Folkestone Harbour (GP) Limited



The notes on pages 7 to 10 form part of these financial statements

FOLKESTONE HARBOUR LIMITED PARTNERSHIP

Notes to the financial statements

1 Accounting policies

a) Basis of preparation

Under the Partnership and Unlimited Companies (Accounts) Regulations 2008, the partnership, as a qualifying partnership, is required to prepare and have audited an annual report and financial statements under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 as if the Partnership was a company formed and registered under the Companies Act

Under the Companies Act, the partners have the choice whether their financial statements are prepared under that applicable law and either UK Accounting Standards (UK Generally Accepted Accounting Practice) or International Financial Reporting Standards (IFRSs) as adopted by the EU. The partners have decided to apply UK Generally Accepted Accounting Practice

A key source of estimation uncertainty within these financial statements surrounds the carrying value of inventory. The Director has reviewed the carrying costs of inventory against estimates of net realisable value (NRV). The Director has arrived at NRV taking account of an estimate of cash flows projected to arise from the realisation of inventory. This has given rise to a decrease in value for the year of £1,823,050 (2013 increase - £21,488,462). Should there be further significant movement in UK real estate pricing, then further write-downs or write-backs of inventory may be necessary.

b) Turnover

Turnover is recognised in the accounts in the period when the related goods or services are provided. Rental income is recognised on a straight-line basis over the period of the lease.

c) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and, where appropriate, provision for impairment. The cost of fixed assets is depreciated by equal instalments over their useful economic lives as follows,

Fixtures and fittings held at leasehold tenant's premises-over the life of the lease
Other fixtures and fittings – over three years

d) Inventory

Inventory is included in the accounts at the lower of cost and net realisable value. Cost comprises land acquisition costs together with professional fees incurred in the process of acquiring the land and in respect of preparing the re-development plan.

Folkestone Harbour Limited Partnership owns the beneficial interest in the land, the legal title of which is held by Folkestone Harbour Nominee (1) Limited and Folkestone Harbour Nominee (2) Limited.

e) Interest income

Interest income is recognised in the period to which it relates.

f) Taxation

The Partnership is not a taxable entity and accordingly no provision is made in these accounts for taxation.

FOLKESTONE HARBOUR LIMITED PARTNERSHIP

Notes to the financial statements continued

2 Turnover

Turnover comprises principally of rental income arising on properties let in the period prior to their re-development.

3 Interest receivable

	2014	2013
	£	£
Bank deposit interest receivable	204	129

4 Loss for the financial period before distributions

	2014	2013
	£	£
Is stated after charging		
Audit fees	4,635	4,635

The auditor also received £2,050 for tax services

5 Staff costs

Employee costs for the year were as follows

	2014	2013
	£	£
Wages and salaries	127,782	37,464
Social security costs	10,215	3,795
Health care and other benefits	5,750	1,647
Other pension costs	13,565	3,983
	<u>157,312</u>	<u>46,889</u>

6 Tangible fixed assets

	Fixtures & Fittings
Cost	£
At 1 January 2014	76,902
Additions in year	-
At 31 December 2014	<u>76,902</u>
Aggregate depreciation	
At 1 January 2014	(59,787)
Charge for the year	(8,967)
At 31 December 2014	<u>(68,754)</u>
Net book amount-31 December 2014	<u>8,148</u>
Net book amount-31 December 2013	<u>17,115</u>

FOLKESTONE HARBOUR LIMITED PARTNERSHIP
Notes to the financial statements continued

7 Debtors	2014	2013
	£	£
Prepayments	16,106	11,164
Trade debtors	24,058	20
Other taxes and social security	219,154	-
Other debtors	3,668	19,405
Amounts due from other group undertakings	400	5,762
	<u>263,386</u>	<u>36,351</u>

8 Inventory	2014	2013
	£	£
Land held for development	<u>29,500,000</u>	<u>29,500,000</u>

As explained in note 1 there has been an increase in the write down of inventory during 2014 of £1,823,050 (2013 reduction £21,488,462)

9 Creditors	2014	2013
	£	£
- amounts falling due within one year		
Accruals and deferred income	96,450	31,172
Other tax and social security	9,542	5,613
Trade creditors	62,990	54,039
Amount due to group undertakings	5,058	-
	<u>174,040</u>	<u>90,824</u>

10 Creditors	2014	2013
	£	£
- amounts falling due after more than one year		
Loans from other group undertakings	5,736,341	3,605,976
Loan from partner	625,000	625,000
	<u>6,361,341</u>	<u>4,230,976</u>

The loans are interest free and although repayable on demand, the lenders have indicated that they do not intend to demand repayment within the next 12 months. Of the amount due to other group undertakings, £4,645,000 (2013 £2,510,000) is secured on the assets of the partnership under the terms of a loan agreement dated 13 October 2010.

11 Partners' Capital	2014	2013
	£	£
At 1 January	25,330,991	3,895,897
(Loss)/profit for the period	(1,945,716)	21,435,094
At 31 December	<u>23,385,275</u>	<u>25,330,991</u>

FOLKESTONE HARBOUR LIMITED PARTNERSHIP

Notes to the financial statements continued

11 Related party disclosures

Roger De Haan, through an intermediate holding company (Folkestone Harbour Holdings Limited), owns 100% of the partner companies and Folkestone Harbour Company Limited.

The partnership owes £625,000 to Folkestone Harbour (1) Limited by way of an interest free loan (2013- £625,000)

The partnership owes £1,091,341 to Folkestone Harbour Company Limited by way of an interest free loan (2013- £1,091,341)

The partnership owes £4,645,000 to Folkestone Harbour Holdings Limited by way of an interest free loan (2013- £2,510,000) and £4,635 (2013 £4,635) as a current liability

The partnership is owed £100 (2013 £100) by each of the following companies Folkestone Harbour (1) Limited, Folkestone Harbour (2) Limited, Folkestone Harbour (3) Limited and Folkestone Harbour (4) Limited

The partnership owes £423 (2013 owed by £5,362) to Folkestone Harbour Company Limited

12 Post Balance Sheet Events

On 8 April 2015 the Partnership acquired an additional property at a cost of £166,676