

ABP MEZZANINE HOLDCO UK LIMITED

(Company Number 05920216)

ANNUAL REPORT AND ACCOUNTS 2015

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Strategic report

The directors present their strategic report for the year ended 31 December 2015.

Principal activity and strategy

The principal activity of the company (number 05920216) is to source and provide debt financing required to support the activities of its fellow group undertakings in the group headed by its immediate parent undertaking, ABP (Jersey) Limited (“ABPJ”). The group’s principal operating subsidiary is Associated British Ports (“ABP”).

The company continues to hold unsecured subordinated loan notes bearing interest at 10.0% per annum and due for repayment in December 2018 (the “shareholder loans”). The loan notes are listed on the Channel Islands Securities Exchange and are held by shareholders of the company’s immediate parent, ABPJ. These borrowings are matched by an equivalent receivable from ABP Bonds UK Limited, a fellow subsidiary of ABPJ.

Performance

The profit (2014: result) for the year attributable to the equity shareholder was £0.1m (2014: £nil).

The primary driver of performance is the ability of the wider group’s main trading group, ABPA Holdings Limited, to generate cash flows, as indicated by the following:

	2015	2014
	£m	£m
ABPA Holdings Limited		
Consolidated EBITDA ¹	317.6	308.5
Cash generated by operations	337.8	292.0

¹ Consolidated EBITDA (earnings before interest, tax, depreciation and amortisation) is calculated in accordance with the definitions set out in the group’s credit facilities and after excluding certain items (see reconciliation of operating profit to consolidated EBITDA below)

ABPA Holdings Limited: Reconciliation of Operating Profit to Consolidated EBITDA

	2015	2014
	£m	£m
Operating Profit	294.2	215.6
Amortisation	32.7	25.8
Depreciation	55.0	56.0
(Increase)/decrease in fair value of investment properties	(59.3)	8.2
Unrealised foreign exchange (gain)/loss	(0.2)	0.2
Net unrealised loss on fuel derivatives	3.7	-
(Profit)/loss on write off of intangibles and disposal of property, plant and equipment, investment property and property and land held for sale	(8.5)	2.7
Consolidated EBITDA	317.6	308.5
Exceptional items	6.0	-
Consolidated EBITDA pre exceptional costs	323.6	308.5

Important events of the year

During the year a fellow group company, ABP Acquisitions UK Limited (“ABPA”), paid £41.5m (2014: £41.5m) of interest on the company’s shareholder loans on behalf of the company. In return the company reduced the balance owed to it by its fellow group company, ABP Bonds UK Limited, through a non-cash transaction, which was passed on in turn to ABPA via intermediate intercompany balances.

Details of transactions in, and interest paid on, listed notes during the year are set out in note 11.

Strategic report (continued)

Position at the end of the year

At 31 December 2015, the company had net assets of £0.6m (2014: £0.5m).

Risks and uncertainties

The company has limited risk because it interacts only with fellow group companies and the shareholders of its immediate parent company, ABP (Jersey) Limited (“ABPJ”), as part of the financing structure of the group owned by ABPJ. The nature of the interactions is set out in notes 4, 6, 7 and 11 to the accounts. Within the interactions the principal risks are the timing of interest receipts and payments and repayment of principal at the end of the loan terms. Agreements are structured so that the company should not be exposed to these risks at any time other than ultimately by the ability of the underlying trading group to pay its debts. Further details on financial risk management are set out in note 8.

The principal risks and uncertainties of the group owned by ABPJ are as follows:

Government energy policy

The group’s largest single cargo by revenue in 2015 was coal, which is predominantly imported for use in coal-fired power stations. Coal-fired power stations are subject to EU requirements to either fit emissions abatement technology or close down. Whilst some coal-fired power stations have opted to fit the required technology, others have announced plans to close and there remain some that have not yet made a decision.

On 18 November 2015, the Secretary of State for Energy and Climate Change announced a consultation on proposals that would see the closure of all unabated coal power stations by 2025 and restrict their use from 2023. Furthermore, the Government has also announced the cancellation of a grant to fund the development of Carbon Capture and Storage, a technology capable of enabling coal-fired power generation with up to 90% less carbon emissions. Despite these announcements the Government has acknowledged that coal-fired power station closures will only proceed if there is confidence that new replacement gas-fired generation capacity can be delivered within the same timescale.

One of the group’s customers has undertaken a partial conversion to burn imported biomass. The group has invested in equipment at Immingham and Hull to handle the new material which requires greater volumes to be handled to achieve the same calorific effect than coal.

Government energy policy continues to support the development of offshore wind and other renewable technologies, and the group is well-placed to benefit from this with a number of offshore wind farms planned for marine areas close to its ports.

Market and competition

The already competitive ports market could become even more competitive resulting in downwards price pressure from existing and new competitors or threat of customer loss. Over the past year there have been changes in the markets the group serves, in particular the energy market. Coal volumes continue to fall and there is increased uncertainty over the future of UK steel production and pressure on UK oil refineries. There are also emerging signs of risks to the wider economy which could impact the volume of trade passing through the group’s ports in the years ahead. The impact of changes in the market environment are largely mitigated by the group’s diverse cargo base, its long-term contracts with a broad mix of customers and c.42% of the group’s 2015 revenues being either guaranteed or not varying with throughput volumes.

Strategic report (continued)

Asset maintenance and capital project management

The efficient maintenance of the group's assets and the effective delivery of new assets (e.g. developing new port facilities) are required to safeguard the ongoing operation and future development of the group's business. The group has experience of having completed a number of major capital projects in recent years and has access to appropriate resources to undertake its planned major developments. The maintenance of the group's assets to ensure safe and reliable operation of the port is managed through regular inspections and scheduled maintenance activity.

Failure of third party infrastructure

The failure of third party infrastructure such as the electrical supply or rail infrastructure to the group's ports could cause severe disruption to the group's operations. The group has business continuity plans in place including contingencies for back up electricity generation and continues to press for further investment by Network Rail in rail infrastructure.

Potential impacts from accidents, natural disasters and terrorist incidents

Accidents (e.g. from the use of heavy machinery, related to workplace transport or handling of dangerous cargo), natural disasters, principally flooding, and acts of terrorism, (both land and marine) all have the potential to negatively impact the group's ability to undertake its operations. The group mitigates these risks through contingency planning, insurance and implementation of security policies and procedures.

People

Failure to attract, retain, motivate and manage capable employees across the business could limit the group's ability to deliver its strategy. Creating a great place to work is central to the group's strategy and recognises the importance of our employees to the success of the business. The group develops talent through a number of activities, including a graduate development programme and a number of apprenticeship schemes. The group has an established performance and development review process for its staff and provides attractive rewards and incentives.

Regulatory backdrop

The UK ports industry is unregulated in so far as there is no government-appointed regulator to oversee the conduct of industry participants. The European Parliament's deliberations on the draft EU Port Services Regulation, concerning market access and charges levied for port services and infrastructure, have continued through 2015. The final text of the Regulation, which requires agreement between the Parliament and the Council, may be agreed in 2016, although it is also possible that this could be pushed back to 2017. The Council and the draft Parliament text presently indicate that the scope of the Regulation is likely to be limited - for example excluding cargo handling - and therefore unlikely to have material implications for the group. The impact of the Port Services Regulation on the group is currently unclear, although any regulation of charges levied for port services could change the basis on which the group is able to charge its customers.

The industry and the Government's approach is calibrated to effectively ensure that any possible impact of the Regulation is minimised following negotiations to agree a final version of the text between the Council and the Parliament. Both the industry and the UK Government continue to engage with MEPs, the Commission and other Member States accordingly. Furthermore, the industry is actively promoting an amendment capable of exempting privately funded ports altogether from the scope of the Regulation, work which has also involved engaging with parliamentarians in the UK.

Strategic report (continued)

The EU Concessions Directive came into force in April 2014. The Directive must be implemented by the UK government by April 2016. It is anticipated that the UK government will publish implementing regulations in substantially the same form as the Directive by the deadline for implementation of 18 April 2016. The Directive is likely to impact the way in which ABP awards qualifying large scale contracts and ABP could be penalised for not applying the regulations to a particular contract. Furthermore, interested parties may use the new regulations to challenge ABP's actions regarding the award of a particular contract. The Directive also places restrictions on the length of contract where a qualifying concession is put in place, which may cause problems in terms of attracting investment. ABP is reviewing current processes and procedures to ensure its compliance with the new regulations.

Management of environmental matters

The group and its customers operate a diverse range of operations across the group's 12,000 acres of land and seabed including heavy industrial operations such as transportation, handling and processing of oil, bulk fuels, feeds and agricultural product. As such these could present a pollution risk (to air, water and land) or nuisance to neighbouring communities (e.g. noise, dust or light) if not effectively managed which could damage the group's reputation and may lead to costly remediation or enforced restrictions being placed on operations. The group has an environmental management system in place which incorporates a process of risk assessment, audit, review and training in order to control such risks.

The majority of the group's ports are also located in or near areas designated for nature conservation purposes. As such the group works with relevant conservation authorities to ensure its operations do not impact on these sites and to minimise any adverse impact to its operations or developments. The risk of these affecting developments is managed by a process of early engagement with conservation bodies to agree how potential impacts of developments can be prevented, mitigated or compensated for (in that order of priority) and to ensure any unnecessary delay is avoided. The group takes an active position with the Government with regards to designation of further sites so as to keep the potential impact to a minimum.

Business Transformation Programme

The Business Transformation Programme is aimed at delivering effective and efficient business systems and processes that support the group's strategy. Given the prevailing disparate business systems and processes this will require transformational organisational, structural and process change throughout the business. There is a risk that the project fails to deliver the anticipated benefits or that project costs exceed the budgeted amount. A project governance structure has been implemented with stage gate reviews, audits and regular progress reporting to the Board of ABP. The project seeks to use established software, SAP, and the project team includes experienced third party system and process experts working with group employees that are knowledgeable of the group's activities and existing processes.

Defined benefit pension liabilities

The valuation and service costs associated with the defined benefit pension schemes in which the group participates can vary depending on market conditions. A deterioration in the funding levels of such schemes could lead to the need for additional contributions.

Strategic report (continued)

Financial risk management

Treasury matters throughout the group are controlled centrally and carried out in compliance with policies approved by the boards of Associated British Ports Holdings Limited, a fellow group undertaking of the company, and ABP (Jersey) Limited (“ABPJ”), the company’s immediate parent undertaking. The Finance Committee, a sub committee of the ABPJ board, monitors treasury matters and approves significant decisions. The treasury function’s purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the group’s business operations and capital structure. The group’s main financial risks are liquidity, interest rate, foreign exchange, capital and credit risk as described below. The group aims to manage these risks to an acceptable level.

The group does not use financial instruments for speculative purposes.

Liquidity risk

Liquidity risk is principally managed by maintaining cash and borrowing facilities at a level that is forecasted to provide reasonable headroom in excess of the future needs of the group. As at 31 December 2015, the group had access to £540m of committed and undrawn borrowing facilities, which are available for a period of one to eight years. Debt maturities are spread over a range of dates, ensuring the group is not exposed to a material refinancing in any one year.

Management monitors rolling forecasts of the group’s liquidity reserve (comprised of undrawn borrowing facilities and cash and cash equivalents) on the basis of expected cash flows.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Risks arising from changes in interest rates are managed by maintaining a balance between fixed and floating rate debt. The group uses derivative instruments, such as interest rate swaps, when appropriate to economically hedge against changes in interest rates and to adjust the balance between fixed and floating rate debt. As at 31 December 2015, interest rate exposure in relation to all of the group’s floating rate borrowings was fixed.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group principally invoices its customers and settles its expenses in sterling. Accordingly, currency exposure arising from transactions being settled in other currencies tends to arise infrequently. Where such exceptions are significant, any related exposure is managed through forward currency contracts.

As at 31 December 2015, the group had financing in foreign currency comprising of USD 470.0m in private placements, USD 75.0m in public notes and EUR 140.0m in public notes and is therefore exposed to foreign exchange risk on these arrangements. This exposure is managed through cross currency interest rate swaps.

Capital risk

The group keeps its funding structure under review with a view to maximising shareholder value and to ensure that it has the resources and the capacity to meet its operational requirements and to facilitate the execution of its strategy. The group’s external loan covenants impose certain restrictions on the group relating to capital which are regularly monitored by management. The group was in compliance with these covenants during 2015 and 2014 and had significant headroom to the set limits.

Strategic report (continued)

Credit risk

In common with other companies, the group is exposed to credit related losses in the event of non-performance by counterparties to financial transactions. The group mitigates this risk by ensuring that its counterparties do not represent excessive credit risk prior to entering into new agreements. Exposure to counterparties is also reviewed on a regular basis to avoid any excessive reliance on a single one of them.

Credit risk principally arises from cash and cash equivalents, derivative financial instruments and accounts receivable. The group has no material concentrations of credit risk. The group's exposure to credit related losses, in the event of non-performance by counterparties to financial instruments, is mitigated by limiting exposure to any one party or instrument and ensuring only counterparties within defined credit risk parameters are used.

Investment activity is reviewed on a regular basis and cash and cash equivalents are placed with approved counterparties, whose credit ratings are in accordance with internal treasury policies.

The group monitors the credit rating of derivative counterparties on a daily basis and ensures no positions are entered into with counterparties with credit ratings that are below assigned limits.

Employee involvement and management of social and community issues

The company does not have any employees. Employee involvement and the management of social and community issues relating to the wider group owned by the company's immediate parent, ABP (Jersey) Limited, are described within the strategic report of the company's fellow group undertaking ABPA Holdings Limited.

Future outlook

The directors do not foresee any material changes in the principal activity of the company.

By Order of the Board



JJ McManus
Director

1 March 2016

Directors' report

The directors present their report and the audited accounts of the company (number 05920216) for the year ended 31 December 2015.

Dividends

The directors do not recommend the payment of a dividend (2014: £nil).

Ownership

The company's immediate parent company, ABP (Jersey) Limited ("ABPJ"), is owned (directly or through intermediaries, as set out in note 12 to the accounts) by OMERS Administration Corporation, Canada Pension Plan Investment Board, 9348654 Canada Inc., GIC (Ventures) Pte Limited, Kuwait Investment Authority and Hermes GPE Infrastructure Fund LP, Hermes Infrastructure (SAP I) LP and Hermes Infrastructure (Alaska) LP, acting by their manager Hermes GPE LLP.

Directors

The directors of the company during the year and up to the date of these accounts were as follows:

KE Bradbury	(alternate to JJ McManus) appointed on 26 November 2015
PA Busslinger	(alternate to JJ McManus)
PLH Camu	(alternate to PR Lyneham) resigned on 7 July 2015
EH Clarke	resigned on 7 July 2015
H Drissi Kaitouni	appointed on 7 July 2015
GPR Kay	
DW Kerr	(alternate to GPR Kay) resigned on 6 February 2015
PR Lyneham	resigned on 7 July 2015
JJ McManus	
SKJ Nelson	(alternate to EH Clarke) resigned on 7 July 2015
JM Rolland	(alternate to JJ McManus) resigned on 26 November 2015
P Stylianides	(alternate to H Drissi Kaitouni) appointed on 7 July 2015
RBP Wall	appointed on 7 July 2015

An alternate director is a person, appointed by any director (the "appointor"), other than an alternate director, or by resolution of the board, to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors in their absence.

An alternate director has the same rights in relation to any directors' meeting, all meetings of committees of directors of which his appointor is a member and directors' written resolution, as the alternate's appointor. Except as the company's articles specify otherwise, alternate directors are deemed for all purposes to be directors; are liable for their own acts and omissions; are subject to the same restrictions as their appointors and are not deemed to be agents of or for their appointors.

Where a director is also an alternate director he has an additional vote on behalf of his appointor who is not participating in a directors' meeting and would have been entitled to vote if they were participating in it. Whether a person acts solely as an alternate, or is a director also acting as an alternate director; for the purposes of determining whether a meeting quorum is present, he will count as one.

Directors' report (continued)

Directors' indemnities

The company's immediate parent undertaking, ABP (Jersey) Limited, maintains directors' and officers' liability insurance and pension fund trustees' liability insurance which give appropriate cover for any legal action brought against the directors and officers of the company. In addition, the Articles of Association of the company permit the directors and officers of the company to be indemnified in respect of liabilities incurred as a result of their office. Qualifying third party indemnity provisions (as defined by s234 of the Companies Act 2006) for the benefit of directors and officers were in force for all directors and officers during the year and remain in force in relation to certain losses and liabilities which directors and officers may incur (or have incurred) in connection with their duties, powers or office.

Annual general meeting

In accordance with s303 of the Companies Act 2006, the members have not required the directors to call an annual general meeting of the company.

Matters disclosed in the Strategic Report

The directors consider the following matters of strategic importance, otherwise required to be disclosed in the directors' report and have chosen to disclose these in the strategic report:

- Financial risk management objectives and policies and details of the company's exposure to liquidity, credit and capital risk and other risk disclosures
- Employee involvement

Auditor re-appointment

In accordance with s487 of the Companies Act 2006, the auditor is deemed to have been re-appointed and Ernst & Young LLP will therefore continue as auditor to the company.

Audit information

The directors of the company at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and the company's auditor, each of these directors confirms that:

- so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditor in connection with preparing his report) of which the company's auditor is unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By Order of the Board



JJ McManus
Director
Aldwych House
71-91 Aldwych
London, WC2B 4HN
March 2016

Statement of directors' responsibilities in respect of the preparation of the annual report and accounts

The directors are responsible for preparing the annual report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the company accounts in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the directors must not approve accounts unless they are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company. In preparing those accounts, the directors are required to:

- present fairly the financial position, financial performance and cash flows of the company;
- select suitable accounting policies in accordance with *IAS 8: Accounting policies, changes in accounting estimates and errors*, and then apply them consistently;
- make judgements that are reasonable;
- 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 as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance; and
- state that the company has complied with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy, at any time, the financial position of the company at that time and to enable them to ensure that the company accounts 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'S REPORT TO THE MEMBERS OF ABP MEZZANINE HOLDCO UK LIMITED

We have audited the financial statements of ABP Mezzanine Holdco UK Limited for the year ended 31 December 2015, which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 12. 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.

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 Statement of Directors' Responsibilities set out on page 9, 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 Annual Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABP MEZZANINE HOLDCO UK LIMITED (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 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Steven Lunn (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

9 March 2016

Income statement for the year ended 31 December

	Note	2015 £m	2014 £m
Administrative expenses	2	-	-
Finance costs	4	(41.6)	(41.6)
Finance income	4	41.7	41.6
Profit/result before taxation		0.1	-
Taxation	5	-	-
Profit/result for the year		0.1	-

All results are derived from continuing operations in the United Kingdom. The company's activities comprise a single operating segment in accordance with the principles in IFRS 8.

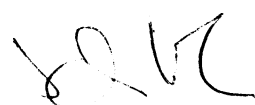
Statement of comprehensive income for the year ended 31 December

There was no other comprehensive income during the year or prior year. Total comprehensive income is represented by the profit/result for the year.

Balance sheet for the year ended 31 December

	Note	2015 £m	2014 £m
Assets			
Non-current assets			
Group receivables	6	416.0	416.0
		416.0	416.0
Current assets			
Group receivables	6	4.1	3.9
Cash and cash equivalents		-	-
		4.1	3.9
Total assets		420.1	419.9
Liabilities			
Current liabilities			
Borrowings	7	(3.5)	(3.4)
		(3.5)	(3.4)
Non-current liabilities			
Borrowings	7	(416.0)	(416.0)
		(416.0)	(416.0)
Total liabilities		(419.5)	(419.4)
Net assets		0.6	0.5
Shareholder's equity			
Share capital	9	-	-
Retained earnings		0.6	0.5
Total shareholder's equity		0.6	0.5

The financial statements were approved by the Board on 2 March 2016 and signed on its behalf by:



JJ McManus
Director

Statement of cash flows for the year ended 31 December

	Note	2015 £m	2014 £m
Cash flows from operating activities			
Cash flows from operations	10	-	-
Net cash flow from operating activities		-	-
Change in cash and cash equivalents during the year			
Cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at 31 December		-	-

Payments on the company's borrowings have been made by a fellow group company and offset against group receivables.

Statement of changes in equity for the year ended 31 December

	Share capital £m	Retained earnings £m	Total £m
At 1 January 2014	-	0.5	0.5
Result for the year	-	-	-
At 31 December 2014	-	0.5	0.5
Profit for the year	-	0.1	0.1
At 31 December 2015	-	0.6	0.6

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis.

The financial statements are presented in sterling and all values are rounded to the nearest tenth of a million (£m) except where otherwise indicated.

Going concern basis

The company's future viability is ultimately dependent upon the performance of the wider trading group owned by the company's fellow group undertaking, ABPA Holdings Limited ("ABPAH"), and group management's decisions on the flow of capital.

The directors have carried out a review, including consideration of appropriate forecasts and sensitivities, which indicates that the company will have adequate resources to continue to trade for the foreseeable future. The primary driver of performance is the ability of the ABPAH group to generate cash flows. For the year ended 31 December 2015 the ABPAH group had consolidated EBITDA, calculated in accordance with the group's credit facilities, as disclosed in the strategic report, of £317.6m and cash generated by operations of £337.8m. The group's five year plan indicates that this strong performance is forecasted to continue in the future.

The company has unsecured subordinated loan notes held by the shareholders of the company's immediate parent, ABP (Jersey) Limited ("ABPJ"), as set out in notes 7, 8 and 11. These loans are due in 2018 and are currently expected to be repaid by the maturity date. There is no indication that the company will not be able to recover the sum due from its fellow group company before it has to pay its debts due to the shareholders of its parent.

Given the nature, maturity dates and counterparties of these liabilities, as well as the wider group's track record of its ability to refinance debt and generate cash flows, the directors are confident that the company has the ability to continue to meet its liabilities as they fall due for the foreseeable future and therefore the financial statements have been prepared on a going concern basis.

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and applied in accordance with the Companies Act 2006.

1.2 Changes in accounting policies

New standards and amendments adopted

There were no new accounting standards issued which were effective for the first time for the annual reporting period commencing 1 January 2015. There were no new amendments and improvements effective for the first time for the annual reporting period commencing 1 January 2015 that had an impact on the company.

Notes to the financial statements

 1. **Accounting policies** (continued)

 1.2 **Changes in accounting policies** (continued)

New standards, amendments and interpretations issued but not yet effective

The IASB and IFRIC have issued the following standards, amendments and interpretations with an effective date of implementation for accounting periods beginning after the start of the company's current financial year:

		Effective for accounting periods beginning on or after
IFRS 9	Financial instruments	01.01.2018*
IFRS 14	Regulatory deferral accounts	01.01.2016*
IFRS 15	Revenue from contracts with customers	01.01.2018*
IFRS 16	Leases	01.01.2019*
IFRS for SMEs	2015 Amendments to IFRS for SMEs	01.01.2017
IFRS 10 and IAS 28 (proposed amendments)	Sale or contribution of assets between an investor and its associate or joint venture	Postponed indefinitely*
IFRS 10, IFRS 12 and IAS 28 (amendments)	Investment entities: applying the consolidated exception	01.01.2016*
IFRS 11 (amendment)	Accounting for acquisitions of interests in joint operations	01.01.2016
IAS 1 (amendment)	Disclosure initiatives	01.01.2016
IAS 16 and IAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation	01.01.2016
IAS 16 and IAS 41 (proposed amendments)	Agriculture: bearer plants	01.01.2016
IAS 27 (amendment)	Equity method in separate financial statements	01.01.2016
IFRS 4, IFRS 7, IAS 19 and IAS 34	Annual improvements 2012-2014	01.01.2016
IAS 12 (amendment)	Income taxes: recognition of deferred tax assets for unrealised losses	01.01.2017*
IAS 7 (amendment)	Disclosure initiative	01.01.2017*

*Not yet endorsed by the EU

IFRS 9 Financial instruments

In July 2014, the IASB issued the final version of IFRS 9 that replaces IAS 39 Financial Instruments: Recognition and Measurement, and all previous versions of IFRS 9. IFRS 9 brings together the requirements for a) classification and measurement of financial assets and financial liabilities, b) impairment methodology and c) general hedge accounting. The new financial instruments standard is effective for accounting periods beginning on or after 1 January 2018.

The company has performed a high level impact assessment of IFRS 9. The preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analysis or additional reasonable and supportable information being made available to the company in the future.

Notes to the financial statements

1. Accounting policies (continued)

1.2 Changes in accounting policies (continued)

New standards, amendments and interpretations issued but not yet effective (continued)

a) Classification and measurement

With respect to classification and measurement, the number of categories of financial assets under IFRS 9 has been reduced; all financial assets that are currently within the scope of IAS 39 will be subsequently measured at either amortised cost or fair value under IFRS 9.

IFRS 9 also contains requirements for the classification and measurement of financial liabilities and derecognition requirements. One major change from IAS 39 relates to the presentation of changes in the fair value of a financial liability designated at fair value through profit and loss attributable to changes in the credit risk of that liability. The company does not designate any liabilities at fair value through profit and loss and as such will not be impacted by this change.

The company does not expect a significant impact on its balance sheet or equity on applying the classification and measurement requirements of IFRS 9.

b) Impairment methodology

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. This may result in earlier recognition of credit losses. The company will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements, to determine the extent of the impact.

c) Hedge accounting

This section is not applicable to the company as the company does not have any derivatives.

IAS 7 (Amendment) Disclosure initiative

In January 2016, the IASB issued an amendment to IAS 7. The amendment requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from operating and financing activities, including both changes arising from cash flows and non-cash changes.

The company is currently assessing the impact of the IAS 7 amendments and plans to adopt the amendment on the required effective date.

The directors do not anticipate that the adoption of the remaining standards, amendments and interpretations will have a material impact on the company's financial statements in the period of initial application.

The company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

1.3 Critical estimates, judgements and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles 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 may ultimately differ from those estimates.

Notes to the financial statements

1. **Accounting policies** (continued)

1.3 **Critical estimates, judgements and assumptions** (continued)

Recoverability of financial assets

Group receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. The company holds a limited number of long term loan balances with a fellow group company and the shareholders of its immediate parent undertaking, ABP (Jersey) Limited (“ABPJ”). These balances were created as part of the acquisition of Associated British Ports Holdings Limited and subsequent refinancing of the ABPJ group. The company’s main transactions each year, which are controlled in conjunction with the rest of the group, relate to interest accrual, receipt and payment.

Ultimate realisation of principal balances, which are due in 2018, depends on the performance of ABPA Holdings Limited’s (“ABPAH”) underlying trading group and the ability of the UK-wide ports and transport segment to generate cash flows. For the year ended 31 December 2015 the ABPAH group had consolidated EBITDA, calculated in accordance with the group’s credit facilities, as disclosed in the strategic report, of £317.6m and cash generated by operations of £337.8m. The group’s five year plan indicates that this strong performance is forecasted to continue in the future. Further attention is drawn to the group’s approach to risk and capital management which is set out in the company’s strategic report.

The directors believe that there are no other areas of the company’s accounting policies involving a high degree of judgement or complexity nor are there any areas where assumptions and estimates are significant to the financial statements.

1.4 **Significant accounting policies**

The directors consider the following to be the most important accounting policies in the context of the company’s operations.

Financial instruments

Group receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of receivables is made when there is objective evidence that the company may not be able to collect all amounts recorded within the balance sheet. The costs of impairment of receivables are recorded within administrative expenses.

Borrowings are initially recognised at fair value, net of transaction costs (being incremental costs that are directly attributable to the inception of borrowings) incurred and are subsequently held at amortised cost. Any difference between the amount initially recognised and the redemption amount is recognised in the income statement over the period of the loan, using the effective interest method.

1.5 **Other accounting policies**

Taxation

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

Deferred tax is recognised in respect of all temporary differences, except to the extent that the deferred tax asset or liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which is not a business combination and which at the time of the transaction affects neither accounting profit nor taxable profit.

Notes to the financial statements

1. **Accounting policies** (continued)

1.5 **Other accounting policies** (continued)

Taxation (continued)

Temporary differences are differences between the tax base value of assets and liabilities and their carrying amount as stated in the financial statements. These arise from differences between the valuation, recognition and amortisation bases used in tax computations compared with those used in the preparation of financial statements.

Deferred tax assets or liabilities are measured at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to facilitate the realisation of such assets.

Share capital

Shares are classified as equity or debt or a combination of the two depending on the terms of the instrument. External costs directly attributable to the issue of new shares are apportioned as either debt or equity on the same basis.

2. **Administrative expenses**

Remuneration received by Ernst & Young LLP (2014: Ernst & Young LLP) is detailed below and has been borne by a fellow group company.

	2015	2014
	£000	£000
Fees payable to the company's auditor for the audit of the company's annual accounts	8	8

3. **Directors and employees**

The directors of ABP Mezzanine Holdco UK Limited were directors of a number of companies within the ABP (Jersey) Limited ("ABPJ") group. Their remuneration for the year ended 31 December 2015 is disclosed in the financial statements of ABPJ. The directors believe that their services to the company are incidental to their role for other group companies and therefore consider that they receive no remuneration in respect of qualifying services to this company (2014: £nil).

The company had no employees during the year (2014: nil).

Notes to the financial statements

4. Finance costs/(income)

	2015 £m	2014 £m
Interest on shareholder loans	41.6	41.6
Finance costs	41.6	41.6
Interest on amounts due from group undertaking	(41.7)	(41.6)
Finance income	(41.7)	(41.6)
Net finance income on financial assets and liabilities held at amortised cost	(0.1)	-

5. Taxation

	2015 £m	2014 £m
Analysis of charge for the year	£m	£m
Current tax	-	-
Taxation	-	-

6. Group receivables

	2015 £m	2014 £m
Non-current		
Amounts due from group undertaking	416.0	416.0
Total non-current group receivables	416.0	416.0
Current		
Accrued interest on amounts due from group undertaking	3.5	3.4
Amounts due from group undertaking	0.6	0.5
Total current group receivables	4.1	3.9

Non-current amounts due from group undertaking, along with the current accrued interest, represents a loan to ABP Bonds UK Limited (“ABPB”). ABPB has equivalent receivables from its immediate subsidiary, ABP SubHoldings UK Limited, who in turn has equivalent receivables from its immediate subsidiary ABPA Holdings Limited (“ABPAH”). ABPAH has borrowing agreements that restrict the amounts it can pay in cash in respect of interest due on its intra-group indebtedness.

Current amounts due from group undertaking represent receivables from ABP Acquisitions UK Limited and ABPB.

Further details of the amounts due from group undertaking are disclosed in note 11.

Group receivables are not overdue for repayment and are not considered to be impaired. Disclosure of the financial risks related to these financial instruments is set out in note 8.

The company does not hold any collateral as security. The company’s receivables are denominated in sterling.

Notes to the financial statements

7. Borrowings

	2015 £m	2014 £m
Current		
Interest due on shareholder loans	3.5	3.4
Total current borrowings	3.5	3.4
Non-current		
Shareholder loans	416.0	416.0
Total non-current borrowings	416.0	416.0

Shareholder loans relate to unsecured subordinated fixed rate notes the company has issued and listed on the Channel Islands Securities Exchange.

Interest on the fixed rate notes is accrued and payable in cash semi-annually. Amounts of interest settled is dependent on amounts of interest income the company receives from fellow group company, ABP Bonds UK Limited (“ABPB”), which in turn is dependent on the lending agreements of that company’s immediate subsidiary, ABP SubHoldings UK Limited and its subsidiaries, ABPA Holdings Limited, ABP Finance PLC and ABP Acquisitions UK Limited. Should insufficient funds be available the company may defer payment until a subsequent interest payment date or the final redemption date, being 16 December 2018. Any repayment of interest or capital from ABPB will trigger a mandatory repayment to the lender.

Disclosure of the financial risks related to these financial instruments is set out in note 8. More detail on the company’s related party borrowings is set out in note 11.

There is no collateral held as security. The company’s borrowings are denominated in sterling.

8. Financial instruments

The company’s policies regarding financial instruments are set out in the accounting policies in note 1. Risk and numerical disclosure is set out below.

Fair value of financial instruments

The fair value of financial assets and liabilities are an estimate of the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying amounts of financial assets and financial liabilities in the financial statements approximate to their fair value.

Notes to the financial statements

8. Financial instruments (continued)

Fair value of financial instruments (continued)

The following methods and assumptions were used to estimate the fair values:

- The fair value of current amounts due from group undertakings approximates to their carrying amounts due to the short-term maturities of these instruments;
- The fair value of loans due from group undertaking approximates to their carrying amounts as the loans are on equivalent terms to the shareholder loans, which were recently transacted at par between willing market participants in an arm's length transaction, corresponding to Level 2 in the fair value hierarchy; and
- The fair value of shareholder loans approximates to their carrying amounts as the loans were recently transacted at par between willing market participants in an arm's length transaction, corresponding to Level 2 in the fair value hierarchy.

Financial risk management

Treasury matters throughout the group of which the company is a member are controlled centrally and carried out in compliance with policies approved by the boards of Associated British Ports Holdings Limited, a fellow group undertaking and ABP (Jersey) Limited ("ABPJ"), the company's immediate parent undertaking. The Finance Committee, a sub committee of the ABPJ board, monitors treasury matters and approves significant decisions. The treasury function's purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the group's business operations and capital structure. The company's main financial risks are liquidity, credit and capital risk. The wider group, owned by the company's immediate parent ABPJ, aims to manage these risks to an acceptable level.

Liquidity risk

Liquidity risk is managed by the wider group maintaining borrowing facilities at a level that is forecast to provide reasonable headroom in excess of the future needs of the group. Management monitors rolling forecasts of the group's liquidity reserve (comprised of undrawn borrowing facilities and cash and cash equivalents) on the basis of expected cash flows.

The table below analyses the company's financial liabilities carried at amortised cost, based on undiscounted contractual payments:

	2015	2014
	£m	£m
Not later than one year	41.7	41.5
More than one year but not more than two years	41.6	41.7
More than two years but not more than five years	459.2	500.8
More than five years	-	-
Total payments	542.5	584.0

Interest on shareholder loans has been included in the maturity analysis in line with the year in which the interest arises, before repayment of the principal amount in 2018, with no compounding of interest.

The company had no derivative financial instruments at either 31 December 2015 or 31 December 2014.

Credit risk

Given the counterparties of group receivables, as set out in note 6, and the security provided under the intra-group borrowing arrangements, the directors consider the company's exposure to credit risk to be minimal.

Notes to the financial statements

8. Financial instruments (continued)

Financial risk management (continued)

The maximum exposure to credit risk at the reporting date for group receivables is the carrying value of each class of receivable.

Capital risk

The company keeps its funding structure under review in order to fulfil its principal activity of sourcing and providing debt financing to support the activities of its fellow group undertakings.

The company currently finances its business with loan notes listed on the Channel Islands Securities Exchange held by its immediate parent undertaking's shareholders.

The company holds a limited number of long term loan balances with a fellow group company and the shareholders of its immediate parent undertaking, ABP (Jersey) Limited ("ABPJ"). These balances were created as part of the acquisition of Associated British Ports Holdings Limited and subsequent refinancing of the ABPJ group. The company's main transactions each year, which are controlled in conjunction with the rest of the group, relate to interest accrual, receipt and payment.

Ultimate realisation of principal balances, which are not due until 2018, depends on the performance of the ABPA Holdings Limited underlying trading group and the ability of the UK-wide ports and transport segment to generate cash flows. Attention is drawn to the wider group's approach to risk and capital management, which is set out in the strategic report.

9. Share capital

	2015 £m	2014 £m
Authorised		
100,000 (2014: 100,000) ordinary shares of £0.01 each	-	-
Issued and fully paid		
2 (2014: 2) ordinary shares of £0.01 each	-	-

10. Cash flows from operations

	2015 £m	2014 £m
Reconciliation of profit/result before taxation to cash flows from operations:		
Profit/result before taxation	0.1	-
Finance costs	41.6	41.6
Finance income	(41.7)	(41.6)
Operating cash flows before movements in working capital	-	-
Cash flows from operations	-	-

11. Related party transactions

On 16 December 2011 the company issued and listed on the Channel Islands Securities Exchange £423.0m of fixed rate subordinated unsecured loan notes due 16 December 2018, £7.0m of which has been repaid. The notes, which are denominated in amounts of £1 each, are held by the shareholders of ABPJ, the company's immediate parent.

Notes to the financial statements

11. Related party transactions (continued)

Total shareholder loans are as follows:

Facility Type	Due date	Fixed and effective rate per annum	2015 £m	2014 £m
<i>Shareholder loans</i>				
Unsecured fixed rate notes	2018	10.0%	416.0	416.0
Accrued interest			3.5	3.4
			419.5	419.4

Total	2015 £m	2014 £m
Capital amount of loan notes at start of year	416.0	416.0
Amount issued during the year	-	-
Amount discharged during the year	-	-
Capital amount of loan notes at end of year	416.0	416.0
Accrued interest at year end	3.5	3.4
Interest charged during year	41.6	41.6

Details of the notes held by each related party and related transactions are shown below:

GSIP I Mezzanine Global and International S.à.r.l.	2015 £m	2014 £m
Capital amount of loan notes at start of year	94.4	94.4
Amount transferred to Anchorage Ports LLP during the year	(94.4)	-
Capital amount of loan notes at end of year	-	94.4
Accrued interest at year end	-	0.9
Interest charged during year	4.0	9.3

Admiral Institutional S.à.r.l.	2015 £m	2014 £m
Capital amount of loan notes at start of year	2.6	2.6
Amount transferred to Anchorage Ports LLP during the year	(2.6)	-
Capital amount of loan notes at end of year	-	2.6
Accrued interest at year end	-	-
Interest charged during year	0.1	0.3

Infracapital ABP SLP LP for and on behalf of Infracapital Partners LP	2015 £m	2014 £m
Capital amount of loan notes at start of year	41.6	41.6
Amount transferred to Anchorage Ports LLP during the year	(41.6)	-
Capital amount of loan notes at end of year	-	41.6
Accrued interest at year end	-	0.3
Interest charged during year	1.7	4.2

Notes to the financial statements

11. Related party transactions (continued)

Borealis (Luxembourg) S.C.A/Borealis Finance Trust	2015	2014
	£m	£m
Capital amount of loan notes at start of year	138.7	138.7
Amount transferred from Cheyne Walk Investment Pte Limited during the year	8.7	-
Amount transferred to Canada Pension Plan Investment Board during the year	(11.7)	-
Amount transferred to Kuwait Investment Authority during the year	(41.6)	-
Amount transferred to Anchorage Ports LLP during the year	(2.2)	-
Capital amount of loan notes at end of year	91.9	138.7
Accrued interest at year end	0.8	1.1
Interest charged during year	11.2	13.9
Borealis Ark Holdings B.V.	2015	2014
	£m	£m
Capital amount of loan notes at start of year	-	-
Amount transferred from Cheyne Walk Investment Pte Limited during the year	32.9	-
Capital amount of loan notes at end of year	32.9	-
Accrued interest at year end	0.3	-
Interest charged during year	1.9	-
Canada Pension Plan Investment Board	2015	2014
	£m	£m
Capital amount of loan notes at start of year	-	-
Amount transferred from Borealis Finance Trust during the year	11.7	-
Amount transferred from Cheyne Walk Investment Pte Limited during the year	11.7	-
Amount transferred from Anchorage Ports LLP during the year	117.5	-
Capital amount of loan notes at end of year	140.9	-
Accrued interest at year end	1.2	-
Interest charged during year	8.2	-
Cheyne Walk Investment Pte Limited	2015	2014
	£m	£m
Capital amount of loan notes at start of year	138.7	138.7
Amount transferred to Borealis Finance Trust during the year	(8.7)	-
Amount transferred to Borealis Ark Holdings B.V. during the year	(32.9)	-
Amount transferred to Canada Pension Plan Investment Board during the year	(11.7)	-
Amount transferred to Anchorage Ports LLP during the year	(2.2)	-
Capital amount of loan notes at end of year	83.2	138.7
Accrued interest at year end	0.7	1.1
Interest charged during year	10.6	13.9
Kuwait Investment Authority	2015	2014
	£m	£m
Capital amount of loan notes at start of year	-	-
Amount transferred from Borealis Finance Trust during the year	41.6	-
Capital amount of loan notes at end of year	41.6	-
Accrued interest at year end	0.3	-
Interest charged during year	2.4	-

Notes to the financial statements

11. Related party transactions (continued)

Anchorage Ports LLP	2015	2014
	£m	£m
Capital amount of loan notes at start of year	-	-
Amount transferred from GSIP I Mezzanine Global and International S.à.r.l. during the year	94.4	-
Amount transferred from Admiral Institutional S.à.r.l. during the year	2.6	-
Amount transferred from Infracapital ABP SLP LP during the year	41.6	-
Amount transferred from Borealis Finance Trust during the year	2.2	-
Amount transferred from Cheyne Walk Investment Pte Limited during the year	2.2	-
Amount transferred to Canada Pension Plan Investment Board during the year	(117.5)	-
Capital amount of loan notes at end of year	25.5	-
Accrued interest at year end	0.2	-
Interest charged during year	1.5	-

The company has also entered into related party transactions and/or holds balances with the following related parties:

Name	Relationship
ABP Bonds UK Limited	Fellow group undertaking
ABP Acquisitions UK Limited	Fellow group undertaking

The company has a loan receivable from the following related party:

Name	Due date	Fixed and effective rate per annum	2015	2014
			£m	£m
ABP Bonds UK Limited	2018	10.0%	416.0	416.0
Interest accrued			3.5	3.4
			419.5	419.4

The following table shows the loan transactions that have been entered into by the company with ABP Bonds UK Limited, together with period end balances, for the relevant financial year:

ABP Bonds UK Limited	2015	2014
	£m	£m
Intercompany receivable at start of the year	419.4	419.3
Interest charged	41.6	41.6
Non-cash movement in interest receivable	(41.5)	(41.5)
Intercompany receivable at end of the year	419.5	419.4

The company also has current accounts with related parties. The following table shows the transactions that have been entered into by the company with related parties, together with period end balances, for the relevant financial year:

ABP Acquisitions UK Limited	2015	2014
	£m	£m
Intercompany receivable at start of the year	0.5	0.5
Interest charged – 8.1% per annum (2014: 7.7%)	-	-
Intercompany receivable at end of the year	0.5	0.5

Notes to the financial statements

11. Related party transactions (continued)

The company has also entered into transactions during the year of less than £0.1m with ABP Bonds UK Limited. The outstanding balance as at 31 December 2015 was less than £0.1m.

12. Ultimate parent undertaking and controlling parties

The company is a limited liability company registered in England and Wales.

Its immediate and ultimate parent undertaking and controlling party is ABP (Jersey) Limited (“ABPJ”), which produces consolidated financial statements that comply with IFRS and are available from its registered office at 44 Esplanade, St Helier, Jersey, JE4 9WG. The consolidated financial statements of ABPJ are the smallest and largest group in which the company is included.

ABPJ is a limited liability company registered in Jersey. The company is owned by a consortium of investors as shown below:

	% of A Ordinary shares	% of B Ordinary shares	% of Preference shares
2015			
Borealis ABP Holdings B.V. (owned by OMERS Administration Corporation)	22.10	22.10	22.09
Borealis Ark Holdings B.V. (owned by OMERS Administration Corporation)	7.90	7.90	7.91
Canada Pension Plan Investment Board ¹	33.88	33.88	33.88
Cheyne Walk Investment Pte Limited (owned by GIC (Ventures) Pte Limited)	20.00	20.00	20.00
Kuwait Investment Authority	10.00	10.00	10.00
Anchorage Ports LLP (owned by Hermes GPE Infrastructure Fund LP, Hermes Infrastructure (SAP I) LP and Hermes Infrastructure (Alaska) LP)	6.12	6.12	6.12
	100.00	100.00	100.00

¹Included in Canada Pension Plan Investment Board’s A Ordinary Shares are 3.88% of A Ordinary shares held by 9348654 Canada Inc., a private Canadian company.

	% of A Ordinary shares	% of B Ordinary shares	% of Preference shares
2014			
Borealis (Luxembourg) S.C.A. (owned by OMERS Administration Corporation)	-	33.334	33.333
Borealis International Investments Corporation (owned by OMERS Administration Corporation)	33.334	-	-
Cheyne Walk Investment Pte Limited (owned by GIC (Ventures) Pte Limited)	33.333	33.333	33.333
Infracapital ABP SLP LP ¹ (owned by Infracapital Partners LP, itself managed by M&G Investment Management Limited)	10.000	10.000	10.000
Admiral Global & International S.à.r.l. (owned by GS Global Infrastructure Partners I, LP and GS International Infrastructure Partners I, LP)	23.000	23.000	22.701
Admiral Institutional S.à.r.l. (owned by GS Institutional Infrastructure Partners I, LP)	0.333	0.333	0.633
	100.000	100.000	100.000

¹During the year Infracapital Nominees Limited transferred its shares in ABPJ to Infracapital ABP SLP LP

Notes to the financial statements

12. Ultimate parent undertaking and controlling parties (continued)

During the year ABP (Jersey) Limited was subject to a number of equity transactions, the first of which involved the sale of the entire shareholdings of Infracapital ABP SLP LP, Admiral Global & International S.à.r.l. and Admiral Institutional S.à.r.l. to Anchorage Ports LLP, a consortium comprising Canada Pension Plan Investment Board (“CPPIB”) and entities managed by Hermes GPE LLP.

In a further series of transactions, Borealis International Investments Corporation (“Borealis International”) sold 10.00% of their equity holdings to Kuwait Investment Authority (acting through its London Office for and on behalf of the State of Kuwait in respect of the investing of the assets deposited into the account known as the Future Generation Fund), with further transfers from Cheyne Walk Investment Pte Limited (“Cheyne Walk”) to Borealis Ark Holdings B.V. and Borealis International, totalling 10.00%. The final tranche of transactions involved the transfer of shareholdings from Anchorage Ports LLP to CPPIB, and further transfers from Cheyne Walk and Borealis International to Anchorage Ports LLP, CPPIB and 9348654 Canada Inc. to arrive at the current shareholdings.

All shares classes held by Borealis (Luxembourg) S.C.A. and Borealis International were transferred to Borealis ABP Holdings B.V., a Netherlands registered wholly owned subsidiary of the OMERS Administration Corporation on 17 December 2015. This final transaction did not impact the percentage holdings of any other shareholder.

In addition to A Ordinary shares, the company’s share capital includes participating, non-voting Preference shares and participating, non-voting B Ordinary shares. The Preference shares and B Ordinary shares were transferred in the same proportions as A Ordinary shares throughout the series of transactions. Each shareholder therefore holds each share class in the same proportion. The sole material difference in the apportionment of shareholdings is that 9348654 Canada Inc. is a shareholder of 3.88% A Ordinary shares only and CPPIB’s direct holding of A, B Ordinary shares and Preference shares being 30.00%, 33.88% and 33.88% respectively.