

Report of the Directors and
Audited Financial Statements for the Year Ended 24 December 2021
for
P&O Property Holdings Limited

Merali's
Chartered Accountants & Statutory Auditors
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

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for the Year Ended 24 December 2021

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P&O Property Holdings Limited
Company Information
for the Year Ended 24 December 2021

DIRECTORS: Khwaja Kamran Shah
Junaid Muhammad Rahimullah Muhammad

REGISTERED OFFICE: 16 Palace Street
London
SW1E 5JQ

REGISTERED NUMBER: 00282161 (England and Wales)

AUDITORS: Merali's
Chartered Accountants & Statutory Auditors
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

P&O Property Holdings Limited (Registered number: 00282161)

Report of the Directors
for the Year Ended 24 December 2021

The directors present their report and the audited financial statements of P&O Property Holdings Limited (the 'Company'), for the year ended 24 December 2021.

Business review

The principal activity of the Company is an investment company.

The Company's financial statements for the year summarises the investments in subsidiaries and other income.

The Company has been reviewing the corporate rationalization of its subsidiaries. As a result, a number of dormant companies have been voluntarily liquidated and struck off where permissible.

Future developments

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Results

The (loss) / profit for the year, after taxation, amounted to £(111,572) (2020 -profit £29,333,000).

The directors do not recommend the payment of a dividend (2020: £NIL).

Impairment of investments in subsidiaries

The financial performance of subsidiary undertakings may affect their carrying value. The carrying value of these investments is monitored regularly for indications of impairment.

Going concern

Notwithstanding net current asset of £138.9 million as at 24 December 2021 (2020: £139.0 million) and a (Loss)/profit for the year ended amounting to £ (0.11) million (2020: profit of £29.3 million), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

Company will have sufficient funds, through funding from parent company, Istithmar Building FZE, to meet its liabilities as they fall. The day-to-day expenses of the company are settled by and recharged through the inter-company account by a fellow group company, P&O Property Accounts Limited.

Istithmar Building FZE and P&O Property Accounts Limited have indicated their intention to continue to make available such funds as are needed by the Company to meet its liabilities as and when they fall due. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors also note that the principal purpose of the Company is to be an investment holding company. The directors note that the group of which the Company is a part of is actively looking to sell the freehold interest of the site known as Millennium Park at Cromwell Road Grimsby currently held by Millennium Park (Grimsby) Limited. In case of sale of the said site, the directors will assess the future operations of the Company which may include liquidating the Company. The Company also has other subsidiaries but they are winding down their trade and are in the process of being liquidated.

Based on the above, the Directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, the Directors consider that the possibility of sale of free hold interest of Millennium Park, which could result in the company having no ongoing trading activity, represents a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern and, therefore, to continue realising its assets and discharging its liabilities in normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Qualifying third party indemnity provisions

All directors are entitled to contractual indemnification from the Company to the extent permitted by law against claims and legal expenses incurred in the course of their duties.

Such qualifying third party indemnity insurance is provided and remains in force as at the date of approving the Directors' report.

Report of the Directors
for the Year Ended 24 December 2021

Independent auditor's

The auditors, Merali's, will be proposed for appointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

DIVIDENDS

No dividends will be distributed for the year ended 24 December 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 25 December 2020 to the date of this report.

Khwaja Kamran Shah
Junaid Muhammad Rahimullah Muhammad

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are 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 auditors are aware of that information.

ON BEHALF OF THE BOARD:

Junaid Muhammad Rahimullah Muhammad - Director

8 November 2022

Directors' Responsibilities Statement
for the Year Ended 24 December 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Independent Auditors to the Members of **P&O Property Holdings Limited**

Opinion

We have audited the financial statements of P&O Property Holdings Limited (the 'company') for the year ended 24 December 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 December 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 3.2 to the financial statements which indicates that the group of which the Company is a part of is actively looking to sell the freehold interest of the site known as Millennium Park at Cromwell Road Grimsby currently held by Millennium Park (Grimsby) Limited. In case of sale of the said site, the Company will no longer have a trading activity. These events and conditions, along with the other matters explained in note 3.2, constitute a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Going concern basis of preparation

The directors have prepared the financial statements on the going concern basis. As stated above, they have concluded that a material uncertainty related to going concern exists.

Based on our financial statements audit work, we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors and the Directors' Responsibilities Statement, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of **P&O Property Holdings Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Report of the Independent Auditors to the Members of **P&O Property Holdings Limited**

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management including obtaining and reviewing supporting documentation concerning the company's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- discussing among the engagement team including tax regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion we have not identified fraud risk as high risk.

- obtaining an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company. The key laws and regulations we considered in this context included the Companies Act 2006 and Tax legislation.

Audit response to risks identified

As a result of performing the above, we identified management override of controls, valuation/recoverability of intergroup receivables, existence and completeness of intergroup receivables & payable and valuation of investments in subsidiaries as key audit matters/risks.

Our procedures to respond to risks identified included the following:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

- Substantive testing on the recoverability & valuation of inter-group receivables.

- Substantive testing on the existence & completeness of inter group payables and receivables.

- Substantive testing on the valuation of investments in subsidiaries.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

M P K Merali (Senior Statutory Auditor)
for and on behalf of Merali's
Chartered Accountants & Statutory Auditors
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

8 November 2022

P&O Property Holdings Limited (Registered number: 00282161)

Income Statement
for the Year Ended 24 December 2021

		2021	2020
	Notes	£	£
TURNOVER		-	-
Administrative expenses		(97,032)	(338,706)
OPERATING LOSS		(97,032)	(338,706)
Income from shares in group undertakings	5	36,049	29,671,632
		(60,983)	29,332,926
Amounts written off investments	6	(50,085)	-
(LOSS)/PROFIT BEFORE TAXATION	7	(111,068)	29,332,926
Tax on (loss)/profit	8	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(111,068)	29,332,926

The notes form part of these financial statements

P&O Property Holdings Limited (Registered number: 00282161)

Other Comprehensive Income
for the Year Ended 24 December 2021

	Notes	2021 £	2020 £
(LOSS)/PROFIT FOR THE YEAR		(111,068)	29,332,926
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(111,068)</u>	<u>29,332,926</u>

The notes form part of these financial statements

P&O Property Holdings Limited (Registered number: 00282161)

Balance Sheet
24 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	9	10,992,193	11,042,278
CURRENT ASSETS			
Debtors	10	139,015,042	139,327,683
Cash at bank	11	<u>5,842</u>	<u>5,842</u>
		139,020,884	139,333,525
CREDITORS			
Amounts falling due within one year	12	<u>(46,840)</u>	<u>(298,498)</u>
NET CURRENT ASSETS		<u>138,974,044</u>	<u>139,035,027</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>149,966,237</u>	<u>150,077,305</u>
CAPITAL AND RESERVES			
Called up share capital	13	32,256,398	32,256,398
Share premium	14	318,441	318,441
Other reserves	14	120,793,664	120,793,664
Retained earnings	14	<u>(3,402,266)</u>	<u>(3,291,198)</u>
SHAREHOLDERS' FUNDS		<u>149,966,237</u>	<u>150,077,305</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8 November 2022 and were signed on its behalf by:

Junaid Muhammad Rahimullah Muhammad - Director

The notes form part of these financial statements

P&O Property Holdings Limited (Registered number: 00282161)

Statement of Changes in Equity
for the Year Ended 24 December 2021

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 25 December 2019	32,256,398	(32,624,124)	318,441	120,793,664	120,744,379
Changes in equity					
Profit for the year	-	29,332,926	-	-	29,332,926
Total comprehensive income	-	29,332,926	-	-	29,332,926
Balance at 24 December 2020	32,256,398	(3,291,198)	318,441	120,793,664	150,077,305
Changes in equity					
Deficit for the year	-	(111,068)	-	-	(111,068)
Total comprehensive income	-	(111,068)	-	-	(111,068)
Balance at 24 December 2021	32,256,398	(3,402,266)	318,441	120,793,664	149,966,237

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 24 December 2021

1. GENERAL INFORMATION

P&O Property Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

P&O Property Holdings Limited (the 'Company') principal activity is an investments in subsidiaries and other income.

The Company is a wholly owned subsidiary of Istithmar P&O Estates (UK) Limited.

The Company is a private company limited by shares and is organized in the United Kingdom. The address of its registered office is 16 Palace Street, London SW1E 5JQ.

2. STATEMENT OF COMPLIANCE

The individual financial statements of P&O Property Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

3. ACCOUNTING POLICIES

3.1 Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flow, on the basis that it is a qualifying entity for the small company exemption.
- (ii) the non-disclosure of key management personnel compensation in total.
- (iii) a reconciliation of the number of shares outstanding at the beginning and end of the period.
- (iv) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

3.2 Going concern

Notwithstanding net current asset/liabilities of £138.9 million as at 24 December 2021 (2020: £139.0 million) and a Profit/(loss) for the year ended amounting to £(0.11) million (2020: profit of £ 29.3 million), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate since for the following reasons.

The Company will have sufficient funds, through funding from parent company, Istithmar Building FZE, to meet its liabilities as they fall due for that period. The day-to-day expenses of the company are settled by and recharged through the inter-company account by a fellow group company, P&O Property Accounts Limited.

Istithmar Building FZE and P&O Property Accounts Limited have indicated their intention to continue to make available such funds as are needed by the Company to meet its liabilities as and when they fall due. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors also note that the principal purpose of the Company is to be an investment holding company. The directors note that the group of which the Company is a part of is actively looking to sell the freehold interest of the site known as Millennium Park at Cromwell Road Grimsby currently held by Millennium Park (Grimsby) Limited. In case of sale of the said site, the directors will assess the future operations of the Company which may include liquidating the Company. The Company also has other subsidiaries but they are winding down their trade and are in the process of being liquidated.

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

Based on the above, the Directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, the Directors consider that the possibility of sale of free hold interest of Millennium Park, which could result in the company having no ongoing trading activity, represents a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern and, therefore, to continue realising its assets and discharging its liabilities in normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

3.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

3.4 Income from investments

Income from investments is recognised when the right to receive payment is established.

3.5 Valuation of investments

Investments are stated at cost less any provision for impairment. Impairment losses are recognised in the Profit and loss account in the period in which they arise. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

During the year amounts written off relating to impairment of investments or dissolution.

3.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

3.8 Creditors

Short term creditors are measured at the transaction price.

3.09 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

3.10 Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.11 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.12 Related party

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

3.13 Consolidated financial statements

The Company is a wholly owned subsidiary of Istithmar P&O Estates (UK) Limited. The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE. The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of both groups are available on request. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

3.14 Critical accounting judgements and estimation uncertainty

There were no critical accounting judgements and estimation uncertainty during the year.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	-	318,489
The average number of employees during the year was as follows:		
	2021	2020
	-	1

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

4. **EMPLOYEES AND DIRECTORS - continued**

Employees

No Director received any emoluments during the year for services to the Company. The Company considers that there is no practicable method to accurately allocate a portion of the emoluments the Directors receive from their respective Group company employer to the qualifying services they provide to the Company. The Company is also of the opinion any allocation would be immaterial.

	2021	2020
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. **INCOME FROM SHARES IN GROUP UNDERTAKINGS**

	2021	2020
	£	£
Shares in group undertakings	<u>36,049</u>	<u>29,671,632</u>

6. **AMOUNTS WRITTEN OFF INVESTMENTS**

	2021	2020
	£	£
Impairment losses - intang f a	<u>50,085</u>	<u>-</u>

7. **(LOSS)/PROFIT BEFORE TAXATION**

The operating loss is stated after charging:

Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements is £22,000 (2020 - £45,000).

(a) The Company's business is organised and revenue generated wholly in the United Kingdom.

(b) The basis of charging intra-group interest is agreed between the parties from time to time.

(c) Audit fee for the year was £15,400 (2020 - £26,000). The Company bore audit fees on behalf of all companies in the Istithmar P&O Estates (UK) Limited group for 2021.

8. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 24 December 2021 nor for the year ended 24 December 2020.

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

8. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
(Loss)/profit before tax	(111,068)	29,332,926
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(21,103)	5,573,256
Effects of:		
Expenses not deductible for tax purposes	17,103	-
Income not taxable for tax purposes	-	(12,256)
Exempt distribution income	-	(5,638,000)
Group relief	(284,000)	(229,000)
Transfer pricing adjustment	288,000	306,000
Total tax charge	-	-

9. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 25 December 2020 and 24 December 2021	35,791,278
PROVISIONS	
At 25 December 2020	24,749,000
Provision for year	50,085
At 24 December 2021	24,799,085
NET BOOK VALUE	
At 24 December 2021	10,992,193
At 24 December 2020	11,042,278

P&O Property Holdings Limited (Registered number: 00282161)

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

9. **FIXED ASSET INVESTMENTS - continued**

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company has been reviewing the corporate rationalization of its subsidiaries. As a result, a number of dormant companies have been voluntarily liquidated and struck off where permissible.

Principal subsidiary undertakings:

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Cheverell Estates Limited	16 Palace St SW1E 5JQ	Development of buildingprojects	Ordinary	100%
P&O Developments Limited	16 Palace St SW1E 5JQ	Development of buildingprojects	Ordinary	100%
Millennium Park (Grimsby) Limited	16 Palace St SW1E 5JQ	Development of buildingprojects	Ordinary	100%
Isthmar P&O Estates Limited	16 Palace St SW1E 5JQ	Activities of head offices	Ordinary	100%
P&O Estates Limited	16 Palace St SW1E 5JQ	Service organization	Ordinary	100%
P&O Properties Limited	16 Palace St SW1E 5JQ	Management of realestate on a fee or contract basis	Ordinary	100%
P&O Property Accounts Limited	16 Palace St SW1E 5JQ	Banks	Ordinary	100%
P&O Agency Services Limited	16 Palace St SW1E 5JQ	Non-trading company	Ordinary	100%
Regent Quarter Limited	16 Palace St SW1E 5JQ	Development of buildingprojects	Ordinary	100%
Ridgecross Limited	16 Palace St SW1E 5JQ	Construction ofcommercial buildings	Ordinary	100%

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	75,156	190,276
Amounts owed by group undertakings	138,774,400	139,051,612
Other debtors	164,086	69,226
Prepayments	1,400	16,569
	<u>139,015,042</u>	<u>139,327,683</u>

11. **CASH AT BANK**

	2021 £	2020 £
Cash at Bank	<u>5,842</u>	<u>5,842</u>

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	-	116,171
Other creditors	5,840	56,327
Accruals and deferred income	41,000	126,000
	<u>46,840</u>	<u>298,498</u>

P&O Property Holdings Limited (Registered number: 00282161)

Notes to the Financial Statements - continued
for the Year Ended 24 December 2021

13. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
64,512,794	Ordinary	0.50	32,256,398	32,256,398

14. **RESERVES**

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 25 December 2020	(3,291,198)	318,441	120,793,664	117,820,907
Deficit for the year	(111,068)			(111,068)
At 24 December 2021	(3,402,266)	318,441	120,793,664	117,709,839

15. **RELATED PARTY TRANSACTIONS**

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

16. **PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking at 24 December 2021 is Istithmar P&O Estates (UK) Limited, a company incorporated in the United Kingdom.

The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE, a company incorporated in Dubai. The consolidated financial statements of this group are available on request from P.O. Box 17000, Dubai, United Arab Emirates.

The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of this group are available on request from P.O. Box 17000, Dubai, United Arab Emirates.

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