

Registration number: 00355881

De La Rue Overseas Limited
Annual Report and Financial Statements
for the Period from 26 March 2017 to 31 March 2018



PUBLIC

De La Rue Overseas Limited

Corporate Information

Directors	E H D Peppiatt J F Hermans L S Roche
Company Secretary	J F Hermans
Registered office	De La Rue House Jays Close Viables Basingstoke Hampshire RG22 4BS United Kingdom
Auditors	Ernst & Young LLP Apex Plaza Forbury Road Reading RG1 1YE United Kingdom

De La Rue Overseas Limited

Directors' Report for the period from 26 March 2017 to 31 March 2018

Registered number: 00355881

The Directors present their report and the financial statements for the period from 26 March 2017 to 31 March 2018.

Directors of the Company

The Directors who held office during the period were as follows:

E H D Peppiatt

J F Hermans (alternate director for E H D Peppiatt)

J H Sodha (resigned 19 March 2018)

L S Roche

Employee involvement

The Company has no employees (2017: none). The Director's remuneration is borne by other Group companies and no Director received additional remuneration for their role as a director of De La Rue Overseas Limited. If it had employees, the Company would follow the employment policies of the De La Rue plc Group, details of which are set out in the Responsible Business section on pages 42 to 51 of the 2018 Annual Report of De La Rue plc which does not form part of this report.

Result and dividend

The Company received interest income in the current year of £660,000 (2017: £502,000). The Directors do not recommend the payment of a dividend (2017: £nil). The retained profit of £660,000 (2017: £502,000) has been transferred to reserves.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2017: £nil).

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

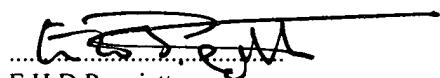
Reappointment of auditors

Following Ernst & Young LLP's appointment as auditor for the Group, KPMG LLP resigned and Ernst & Young LLP were appointed as auditor for the period ending 31 March 2018. Ernst & Young LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies' exemption

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006. The Directors have also taken advantage of the small companies' exemption from preparing the Strategic Report.

Approved by the Board on 20 December 2018 and signed on its behalf by:



E H D Peppiatt
Director

De La Rue Overseas Limited

The Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements for the period from 26 March 2017 to 31 March 2018

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law (United Kingdom Generally Accepted Accounting Practice).

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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of De La Rue Overseas Limited

Opinion

We have audited the financial statements of De La Rue Overseas Limited (the 'company') for the period ended 31 March 2018 which comprise the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 10 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 FRS 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 company's affairs as at 31 March 2018 and of its profit for the period 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 Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

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

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

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

Independent Auditor's Report to the members of De La Rue Overseas Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- the directors were not entitled take advantage of the small companies' exemption in preparing the directors' report and from the requirements to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the members of De La Rue Overseas Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Harkin

Kevin Harkin (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Reading

Date: 20/12/2018

De La Rue Overseas Limited

Statement of Comprehensive Income for the period from 26 March 2017 to 31 March 2018

		26 March 2017 to 31 March 2018	27 March 2016 to 25 March 2017
	Note	£ 000	£ 000
Turnover		-	-
Operating profit/(loss)		-	-
Other interest receivable and similar income	3	660	502
		660	502
Profit before taxation		660	502
Taxation	5	-	-
Total comprehensive income for the financial period		660	502

The notes on pages 10 to 13 form an integral part of these financial statements.

De La Rue Overseas Limited

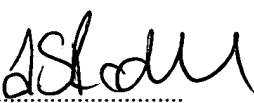
Balance Sheet as at 31 March 2018

	Note	31 March 2018 £ 000	25 March 2017 £ 000
Current assets			
Debtors:	6		
amounts falling due within one year		225	221
Amounts falling due over one year		23,544	22,544
		<u>23,769</u>	<u>22,765</u>
Cash at bank and in hand	7	439	783
Net assets		<u>24,208</u>	<u>23,548</u>
Capital and reserves			
Called up share capital	8	2,500	2,500
Share premium reserve		1,500	1,500
Other reserves		18,544	18,544
Retained profit		<u>1,664</u>	<u>1,004</u>
Shareholder's funds		<u>24,208</u>	<u>23,548</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The notes on pages 10 to 13 form an integral part of these financial statements.

Approved and authorised by the Board on 20 December 2018 and signed on its behalf by:



L S Roche
Director

De La Rue Overseas Limited

Statement of Changes in Equity for the period from 26 March 2017 to 31 March 2018

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
Balance at 27 March 2016	2,500	1,500	18,544	502	23,046
Profit for the period	-	-	-	502	502
Other Comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	502	502
Balance at 25 March 2017	2,500	1,500	18,544	1,004	23,548

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
Balance at 26 March 2017	2,500	1,500	18,544	1,004	23,548
Profit for the period	-	-	-	660	660
Other Comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	660	660
Balance at 31 March 2018	2,500	1,500	18,544	1,664	24,208

The notes on pages 10 to 13 form an integral part of these financial statements.

De La Rue Overseas Limited

Notes to the Financial Statements for the period from 26 March 2017 to 31 March 2018

1 General information

The Company is a private company limited by shares incorporated in England and Wales.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with UK Accounting Standards (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared under the historical cost accounting rules in accordance with applicable accounting standards. The accounts have been prepared as at 31 March 2018, being the last Saturday in March. The comparatives for the 2017 financial period are for the period ended 25 March 2017.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

The Company's ultimate parent undertaking, De La Rue plc includes the Company in its consolidated financial statements. The consolidated financial statements of De La Rue plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary, De La Rue plc at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has taken advantage of the exemptions available under paragraph 1.12 of FRS 102 in respect of the following disclosures:

- the requirement to prepare a statement of cash flows;
- the non-disclosure of key management personnel compensation; and
- Certain financial instrument disclosures as included in the consolidated financial statements of the Group in which the Company is consolidated.

Tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purpose.

De La Rue Overseas Limited

Notes to the Financial Statements for the period from 26 March 2017 to 31 March 2018 (continued)

2 Accounting policies (continued)

Functional and presentation currency

The Company's functional and presentation currency is the pound sterling.

Interest

Interest is recognised in the profit and loss account on an accrual basis.

Going concern

The financial statements have been prepared on the going concern basis which the Directors believe to be appropriate for the following reason; The Company has provided a loan to its immediate parent company, De La Rue Holdings Limited, earning interest on its loan on an arm's length basis. The Directors have no significant concerns over the recoverability of the loan in the foreseeable future. The Group has sufficient funds available at its disposal to repay this liability as it fall due for payment. As such the Directors consider that this should enable the Company to continue in existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Critical accounting estimates and areas of judgement

The Company makes estimates and assumptions concerning the future, and the outcome may differ from that calculated. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3 Other interest receivable and similar income

	26 March 2017 to 31 March 2018 £ 000	27 March 2016 to 25 March 2017 £ 000
Interest income on bank deposits	203	21
Interest income on loans to group undertakings	457	481
	<u>660</u>	<u>502</u>

4 Directors' emoluments and auditors remuneration

The Directors and all other staff engaged on the Company's operations received no fees or other remuneration from the Company (2017: £nil). During the period under review Messrs J H Sodha, J F Hermans and E H D Peppiatt were employed by De La Rue plc. Mrs L S Roche was employed by De La Rue Holdings Limited. All Directors were remunerated in respect of their services to the Group as a whole by their employing companies and no Director received any additional remuneration for their role as a Director of De La Rue Overseas Limited. Their emoluments are dealt within their respective companies' financial statements. There are no persons employed by the Company (2017: none).

The auditors' remuneration was borne by another Group company.

De La Rue Overseas Limited

Notes to the Financial Statements for the period from 26 March 2017 to 31 March 2018 (continued)

5 Taxation

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK of 19% (2017: 20%).

The differences are reconciled below:

	26 March 2017 to 31 March 2018 £ 000	27 March 2016 to 25 March 2017 £ 000
Profit before tax	660	502
Corporation tax at standard rate at 19% (2017: 20%)	125	100
Permanent differences	(125)	(100)
Total tax charge	-	-

Factors that may affect future tax charges

A reduction in the UK tax rate from 20 per cent to 19 per cent (effective from April 2017) then 17 per cent (effective from April 2020) was substantively enacted on 26 October 2015 and 6 September 2016 respectively. This will reduce the UK group's future current tax charge accordingly.

6 Debtors

	31 March 2018 £ 000	25 March 2017 £ 000
Amounts owed by group undertakings	23,769	22,765

Debtors includes £23,544,000 (2017: £22,544,000) receivable after more than one year. These represent amounts owed by Group undertakings.

Amounts owed by group undertakings are interest bearing, unsecured and can be repaid early at the request of the lender. Interest rate charges on group loans with subsidiaries are based on the appropriate currency LIBOR rate and an interest margin determined by the creditworthiness of the borrower.

7 Cash and cash equivalents

	31 March 2018 £ 000	25 March 2017 £ 000
Cash at bank	439	783

De La Rue Overseas Limited

Notes to the Financial Statements for the period from 26 March 2017 to 31 March 2018 (continued)

8 Share Capital and reserves

Allotted, called up and fully paid shares

	31 March 2018		25 March 2017	
	No. 000	£ 000	No. 000	£ 000
2,500,000 Ordinary shares of £1 each	2,500	2,500	2,500	2,500

Ordinary shares have full rights in the Company with respect to voting, dividends and distributions.

Reserves

Share premium

This reserve arises from the issuance of shares for consideration in excess of their nominal value.

Profit and loss account

Cumulative profit and loss, net of distributions to owners.

9 Immediate and ultimate parent undertaking

The immediate parent undertaking of the Company is De La Rue Holdings Limited and the ultimate parent undertaking is De La Rue plc, both of which are registered in England and Wales. The De La Rue plc Group is the only Group of which the company is a member for which consolidated group financial statements are prepared. Copies of the Group financial statements are available from the Company Secretary, De La Rue plc at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS.

10 Related party transactions

The Company has taken advantage of the exemption contained in FRS102, Section 33 (Related Party Disclosures) from disclosing transactions with other members of the Group.