

Registered number: 00537728

**P&O Overseas Holdings Limited**

**Unaudited**

**Directors' Report and Financial Statements**

**For the Year Ended 31 December 2019**

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**P&O Overseas Holdings Limited**

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**Company Information**

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<b>Directors</b>	R.A. Al Qahtani S.M. Qureshi (resigned 25 June 2019) M.D. Budhdev (appointed 25 June 2019) M Al Hashimy (appointed 25 June 2019)
<b>Company secretary</b>	M Al Hashimy
<b>Registered number</b>	00537728
<b>Registered office</b>	16 Palace Street London SW1E 5JQ

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**P&O Overseas Holdings Limited**

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**Contents**

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	Page
<b>Directors' Report</b>	1 - 2
<b>Income Statement</b>	3
<b>Statement of Financial Position</b>	4
<b>Statement of Changes in Equity</b>	5
<b>Notes to the Financial Statements</b>	6 - 13

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## **P&O Overseas Holdings Limited**

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### **Directors' Report For the Year Ended 31 December 2019**

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The directors present their report and the financial statements for the year ended 31 December 2019. P&O Overseas Holdings Limited ('the Company') is incorporated and domiciled in the UK. The Company acts as a holding company.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,189,821 (2018 - £1,079,346).

The directors do not recommend the payment of a dividend (2018: £NIL).

#### **Directors**

The directors who served during the year were:

R.A. Al Qahtani  
S.M. Qureshi (resigned 25 June 2019)  
M.D. Budhdev (appointed 25 June 2019)  
M Al Hashimy (appointed 25 June 2019)

#### **Qualifying third party indemnity provisions**

All directors are entitled to contractual indemnification from the Company to the extent permitted by law against claim 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.

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**P&O Overseas Holdings Limited**

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**Directors' Report (continued)**  
**For the Year Ended 31 December 2019**

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**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.

This report was approved by the board on 24 November 2020 and signed on its behalf.



M.D. Budhdev  
Director

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**P&O Overseas Holdings Limited**

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**Income Statement  
For the Year Ended 31 December 2019**

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	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Interest receivable and similar income	4	<b>1,142,445</b>	1,089,383
Foreign exchange gain/(loss)		<b>47,376</b>	(10,037)
<b>Profit before tax</b>		<b>1,189,821</b>	1,079,346
<b>Profit for the financial year</b>		<b>1,189,821</b>	1,079,346

There were no recognised gains and losses for 2019 or 2018 other than those included in the income statement.

The notes on pages 6 to 13 form part of these financial statements.

**P&O Overseas Holdings Limited**  
Registered number: 00537728

**Statement of Financial Position**  
As at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	6	4,152,525	4,152,525
		<u>4,152,525</u>	<u>4,152,525</u>
<b>Current assets</b>			
Debtors	7	97,644,207	96,667,948
		<u>97,644,207</u>	<u>96,667,948</u>
Creditors: amounts falling due within one year	8	(94,981,921)	(95,195,483)
<b>Net current assets</b>		<u>2,662,286</u>	<u>1,472,465</u>
<b>Total assets less current liabilities</b>		<u>6,814,811</u>	<u>5,624,990</u>
<b>Net assets</b>		<u>6,814,811</u>	<u>5,624,990</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,081,000	1,081,000
Share premium account		37,569	37,569
Profit and loss account		5,696,242	4,506,421
		<u>6,814,811</u>	<u>5,624,990</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

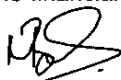
The Company was entitled to exemption from audit under section 479(A) of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

24 November 2020



**M.D. Budhdev**  
Director

The notes on pages 6 to 13 form part of these financial statements.

**P&O Overseas Holdings Limited**

**Statement of Changes in Equity  
For the Year Ended 31 December 2019**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2019	1,081,000	37,569	4,506,421	5,624,990
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,189,821	1,189,821
<b>Total comprehensive income for the year</b>	-	-	1,189,821	1,189,821
<b>At 31 December 2019</b>	<b>1,081,000</b>	<b>37,569</b>	<b>5,696,242</b>	<b>6,814,811</b>

The notes on pages 6 to 13 form part of these financial statements.

**Statement of Changes in Equity  
For the Year Ended 31 December 2018**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2018	1,081,000	37,569	3,427,075	4,545,644
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,079,346	1,079,346
<b>Total comprehensive income for the year</b>	-	-	1,079,346	1,079,346
<b>At 31 December 2018</b>	<b>1,081,000</b>	<b>37,569</b>	<b>4,506,421</b>	<b>5,624,990</b>

The notes on pages 6 to 13 form part of these financial statements.



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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**1.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**1. Accounting policies (continued)**

**1.3 Impact of new international reporting standards, amendments and interpretations**

IFRS 16 Leases is a new accounting standard that is effective for the year ended 31 December 2019 and has had no material impact on the Company's financial statements.

**1.4 Going concern**

The directors have considered the funding and liquidity position of the Company. Following this review, the directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

**1.5 Valuation of investments**

*Investments in subsidiaries are measured at cost less accumulated impairment.*

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Income Statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**1.6 Financial instruments**

**Financial assets**

**Classification, initial recognition and measurement**

Under IFRS 9, on initial recognition, the Company classifies its financial assets in the following categories:

- 1) Amortised cost;
- 2) Fair value through other comprehensive income ('FVOCI'); or
- 3) Fair value through profit or loss ('FVTPL')

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**1. Accounting policies (continued)**

**Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred and it does not retain control of the financial asset.

**Impairment of non-derivative financial assets**

The Company assesses, on a forward-looking basis the expected credit losses ('ECLs') applicable to its financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

**Non-derivative financial liabilities**

**Classification, initial recognition and measurement**

The Company's financial instruments include non-derivative financial liabilities comprising of trade and other payables including amounts owed to group undertakings and interest-bearing borrowings. All non-derivative financial liabilities are recognised initially at fair value less any directly attributable transaction costs. The Company classifies all its non-derivative financial liabilities as financial liabilities to be carried at amortised cost using effective interest method. The subsequent measurement of non-derivative financial liabilities is carried at the amortised cost using the effective interest method.

**Derecognition of financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

**1.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.8 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**1. Accounting policies (continued)**

**1.9 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**1.10 Taxation**

Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense 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 reporting date in the countries where the Company operates and generates income.

**2. Employees**

The Company has no employees other than the directors, who did not receive any remuneration (2018 - *£NIL*).

**3. Directors' remuneration**

None of the directors received any remuneration from the Company during the year or prior period. The directors' remuneration was borne by group undertakings. The directors do not believe that it is practicable to apportion the remuneration between their services as directors of the Company and their services as directors/employees of other group undertakings.

**4. Interest receivable and similar income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Interest receivable from group companies	<b>1,142,445</b>	<b>1,089,383</b>
	<b>1,142,445</b>	<b>1,089,383</b>

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P&O Overseas Holdings Limited

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Notes to the Financial Statements  
For the Year Ended 31 December 2019

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5. Taxation

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (*2018 - lower than*) the standard rate of corporation tax in the UK of 19% (*2018 - 19%*). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>1,189,821</u>	<u>1,079,346</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	226,066	205,076
<b>Effects of:</b>		
Group relief	(52,178)	(41,916)
Transfer pricing adjustments	(173,888)	(163,160)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

A reduction from 20% to 19% from 1 April 2017 was enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

Retention of a 19% tax rate from 1 April 2020 was announced in the Budget on 11 March 2020, and was substantively enacted on 17 March 2020.

The rate changes will impact the amount of future tax recognised by the Company. However, it does not have any effect on the current year results.

**Unrecognised deferred tax**

No deductible or taxable differences arose during the year, thus no deferred tax assets or deferred tax liabilities have been recognised.

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**6. Investments**

	Investments in subsidiary companies £	Investments in associates £	Total £
<b>Cost</b>			
At 1 January 2019	3,438,483	798,042	4,236,525
At 31 December 2019	<u>3,438,483</u>	<u>798,042</u>	<u>4,236,525</u>
<b>Impairment</b>			
At 1 January 2019	84,000	-	84,000
At 31 December 2019	<u>84,000</u>	<u>-</u>	<u>84,000</u>
<b>Net book value</b>			
At 31 December 2019	<u>3,354,483</u>	<u>798,042</u>	<u>4,152,525</u>
<i>At 31 December 2018</i>	<u>3,354,483</u>	<u>798,042</u>	<u>4,152,525</u>

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
P&O European Ferries Espana S.A.	Spain	Non trading	Ordinary	99.6%
Promociones Cabo Don Miguel S.A.	Spain	Non trading	Ordinary	100%

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**6. Investments (continued)**

**Associate**

The following was an associate of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
DP World Maputo, S.A.	Mozambique	Port Operations	Ordinary	30%

**7. Debtors**

	<b>2019 £</b>	<b>2018 £</b>
Amounts owed by group undertakings	<b>94,490,998</b>	93,352,858
Amounts owed by related parties	<b>3,146,259</b>	3,312,444
Interest receivable on amounts owed by group undertakings	<b>6,950</b>	2,646
	<b><u>97,644,207</u></b>	<b><u>96,667,948</u></b>

**8. Creditors: Amounts falling due within one year**

	<b>2019 £</b>	<b>2018 £</b>
Amounts owed to group undertakings	<b>94,981,921</b>	95,195,483
	<b><u>94,981,921</u></b>	<b><u>95,195,483</u></b>

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**P&O Overseas Holdings Limited**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2019**

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**9. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,500,000 (2018 - 1,500,000) Ordinary shares of £1.00 each	<b>1,500,000</b>	<b>1,500,000</b>
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
1,081,000 (2018 - 1,081,000) Ordinary shares of £1.00 each	<b>1,081,000</b>	<b>1,081,000</b>
	<hr/>	<hr/>

**10. Controlling party**

The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is The Peninsular and Oriental Steam Navigation Company, a company incorporated by Royal Charter and therefore not registered, copies of whose accounts can be obtained from: The Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

The largest group of companies for which publicly available consolidated financial statements are prepared and in which the company is consolidated is DP World PLC. Following delisting from NASDAQ, Dubai and effective from 05 July 2020, DP World PLC changed its name to DP World Limited.

The immediate parent undertaking at 31 December 2019 was The Peninsular and Oriental Steam Navigation Company, a company incorporated in the United Kingdom.

In the opinion of the directors the ultimate controlling parent undertaking as at 31 December 2019 was Port & Free Zone World FZE, which owns 80.45% of DP World PLC. Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation, which is the ultimate parent company of the Company, but which does not exert control over the Company. Both Port & Free Zone World FZE and Dubai World Corporation are incorporated in UAE.