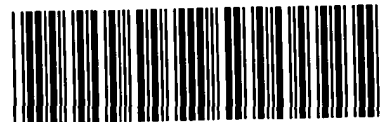


ASSOCIATED BRITISH PORTS HOLDINGS LIMITED

(Company Number 01612178)

ANNUAL REPORT AND ACCOUNTS 2019

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ASSOCIATED BRITISH PORTS HOLDINGS LIMITED

ANNUAL REPORT AND ACCOUNTS 2019

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Strategic report

The directors present their strategic report for the year ended 31 December 2019.

1. Principal activity and strategy

The principal activity of the company is as an intermediate holding company within the group owned by the company's ultimate parent undertaking, ABP (Jersey) Limited ("ABPJ").

The principal activities of the group owned by the company comprise the ownership, operation and development of port facilities and the provision of related services in the United Kingdom ("UK"). The group also provides other transport facilities and related services including the Hams Hall rail freight terminal. The group's principal operating subsidiary undertaking is Associated British Ports, a direct subsidiary undertaking of the company. The group owns and operates 21 general cargo ports within the UK.

2. Important events of the year

The directors advise that no important events occurred in relation to the company during 2019.

3. Performance

During the year the company made a net profit of £139.6m (2018: profit of £95.2m). The company's income is derived from interest on amounts due from parent and subsidiary undertakings.

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

	2019	2018
	£m	£m
ABPA Holdings Limited		
Consolidated EBITDA ¹	315.4	331.5
Cash generated by operations	295.1	314.4

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

4. Position at the end of the year

As at 31 December 2019, the company had net assets of £1,941.2m (2018: £1,801.6m), which includes amounts due from parent and subsidiary undertakings of £1,831.9m (2018: £1,690.8m).

5. Principal risks and uncertainties

The company's main source of risk and uncertainty is the profitability of the underlying trading group ultimately owned by ABPJ and the ability of its UK-wide ports and transport operations to generate cash flows. Subject to the profitability of the underlying group, the company has limited risk because it predominantly interacts only with fellow group companies. The nature of the interactions is set out in notes 7, 9 and 13 to the accounts.

5.1 Financial risk management

The company's main financial risks are liquidity, credit and capital risk. Treasury matters for the company and the wider group owned by ABPJ are controlled centrally in accordance with policies approved by the Board of the company. The company's liquidity and capital risks, along with credit risk relating to cash, are managed by its immediate parent undertaking, ABP Acquisitions UK Limited. For further details of the company's financial risk management objectives and policies, see note 8 to the accounts.

Strategic report (continued)

5.2 Trading group risks and uncertainties

The company's future viability and risk management are ultimately dependent upon the performance of the wider trading group ultimately owned by ABPJ and the ability of its UK-wide ports and transport operations to generate cash flows. Further details of the risks and uncertainties relating to the wider trading group, including the impact of the Covid-19 virus, can be found in the Annual Report and Accounts of ABPAH.

6. Future outlook

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

7. Section 172 Statement

The company is a wholly owned indirect subsidiary of ABPJ. The Board recognises the importance of stakeholder engagement in delivering the long-term and sustainable success of the company. When making decisions, particularly of a strategic nature, the directors have regard to the likely long-term impact of those decisions and also their responsibilities and duties to the company's sole shareholder and other stakeholders. The company's key stakeholders are employees, customers, local authorities and national government, suppliers, the communities in which it operates and the environment. To support the directors and assist them in complying with their duties, management is required to provide information and feedback on their engagement with relevant stakeholders when matters are put forward for Board consideration and decision. Directors receive training on their duties as part of their induction, which is refreshed on an ongoing basis as necessary. The following section outlines how we engage with, and have regard to, each of our key stakeholder groups:

7.1 Stakeholder Engagement

ABP places a great deal of emphasis on maintaining regular dialogue with stakeholders. We issue a number of external publications that detail our performance and activities, including the regular 'ABP Report' and 'Annual Review'. In addition, the company's website and social media accounts are used to ensure up to date information is shared and available for the wider stakeholder audience.

7.2 Employees

ABP recognises that our employees are fundamental to our success, we cannot continue to grow without an engaged, safe, well trained workforce. Obtaining feedback and views from our employees enables us to continuously improve and develop, particularly in relation to our health and safety processes and practices.

We actively engage with our workforce in a number of ways, including regional briefings, use of the ABP intranet and regular newsletters to provide updates on activities around the business, and meeting with trade unions. Our communication includes updates on activities and developments across the business and information in respect of financial and economic factors affecting the performance of the group. The 'Spot-It!' health and safety portal provides a platform for employees to notify any near misses, incidents or concerns which are then followed up and addressed to ensure that a safe working environment is maintained for our workforce.

Employee engagement surveys are also carried out to obtain anonymous feedback from employees to understand their views on ABP, their positivity about the future of their careers and areas that could be improved. Following the 'My Voice' survey in November 2019, the results have been communicated across the business. Action plans are being developed in conjunction with employee workshops to ensure that issues identified are addressed and improvements made.

Strategic Report (continued)

Section 172 Statement (continued)

7.3 Customers

Like all businesses, the group's future success is dependent on the maintenance and development of its relations with current and potential customers. ABP works closely with its customers at port, regional and corporate level to understand their needs and develop facilities and services to meet their requirements. Regular dialogue with our customers enables ABP to understand their current and future challenges and plan how we can work in partnership with them to deliver solutions which drive increased value and optimise their supply chain solutions.

ABP also undertakes customer engagement surveys to obtain feedback on how we are performing, the services we deliver and where we can better support customers. The most recent survey was in 2019, when detailed customer interviews were also conducted by a third party as part of the work to formulate our strategic plan. The outcome and conclusions from this exercise were taken into account in the final development of our five-year business plan and strategy.

7.4 Local Authorities and National Government

ABP has a unique position as the UK's largest port operator and is an essential part of the supply chain for key industries throughout the UK. Government policy in respect of matters such as trade and the environment impact the way that businesses operate and accordingly, engagement with local and national government helps ABP to understand topical issues and to work with both government and our customers on areas of shared interest.

During 2019 we have continued to build on our strong relationships with the government, connecting on a regular basis on matters of strategic importance and hosting port visits and engagement events throughout the year. This included ABP's Summer Lunch in Parliament, and receptions and panel discussions at the political party conferences in Brighton and Manchester. ABP has also focused on working with the government to support Brexit preparations, including liaising with the Department for Transport, the Border Delivery Group, the Cabinet Office and other leading government departments. We worked with both customers and Government to look at solutions to the challenges our customers faced, particularly in the scenario of no deal being reached with the European Union.

Strong relationships with local authorities in the regions we operate in are also crucial to ABP, enabling effective planning and development within our estate. When planning development projects, ABP works closely with local authorities to ensure that an appropriate solution is delivered for our customers within planning requirements.

7.5 Suppliers

ABP relies on its suppliers to provide products and services that enable us to deliver our strategy. We seek to engage the best supply chain partners to sustainably deliver value and performance for the business and where possible we work with local and small businesses in our port communities. We recognise that strong relationships, regular communication and engagement with our suppliers are key to delivering our projects in a timely and cost efficient manner and ensuring that specifications are aligned with the needs of the business and our customers.

To support our suppliers, ABP utilises a supplier portal to enable organisations to register and tender for contracts, complete due diligence and correspond directly with ABP. The portal will be further developed to strengthen performance management, enable suppliers to measure their KPIs and complete contract evaluations with ABP. Our shared services team also seek regular feedback from our suppliers in respect of payment processes as we look to obtain continuous improvement and strengthen relationships.

Strategic Report (continued)

Section 172 Statement (continued)

7.6 Communities

ABP recognises the importance of local communities to its continued success and the impact its decisions can have on those communities across its port estate. We seek to develop relationships based on mutual trust and respect and to understand the issues that matter locally. We do this through the facilitation of port user groups, engagement with Local Enterprise Partnerships and attendance at local resident associations. These forums enable ABP to receive direct feedback from port users and local residents and to provide responses to matters or concerns raised, including actions being taken and improvements made.

ABP has also supported local communities through the sponsorship of marathons in Southampton, Newport and the Humber, working with local schools to provide port tours and increase interest in maritime activities and participation in a number of beach cleaning initiatives. Other local charities which ABP supported in 2019 include Hull's Children's University, Hornsea Inshore Rescue and Grimsby, Grimsby & Cleethorpes Sea Cadets, Different Strokes Southampton and Isle of Wight Air Ambulance.

7.7 Environment

ABP is committed to developing its business to meet the needs of its customers in a sustainable way, with due regard for both its operations and the environment. ABP has implemented a number of renewable energy schemes to date, achieving its status as one of the UK's largest private corporate producers of renewable energy, with 12.2% of electricity used being generated from our own wind and solar projects (as at December 2019).

ABP also proactively engages with key environmental stakeholders, including national agencies such as the Environmental Agency, the Department for Environment, Food & Rural Affairs and the Marine Management Organisation. Engaging with these stakeholders is key to ensuring planning and licences are granted and we are able to meet legislative requirements. ABP also engages with key parties when planning projects and works with stakeholders to ensure sustainability and mitigate or reduce the impact of its projects on the environment where possible.

We are represented at the national Water Leaders Group alongside government agencies and non-governmental organisations, whose aim is to provide an integrated approach to the conservation, management and improvement of the water environment. Attendance at local port user groups also provide us with the opportunity to understand the key issues faced by port users and give direct feedback on the steps taken to address any environmental issues or concerns raised.

8. Principal and Strategic Decisions

Outlined below are details of a number of principal and strategic decisions which have been taken by the Board during the year and how they have had regard to the interests of stakeholders.

8.1 Renewable Energy Generation

Stakeholders, Issues and Factors Considered: The Environment, Climate Change

The Board considered a proposal to install 6.5MW of solar photovoltaic panels across one of ABP's ports. The cost of this project was measured against the benefits of sustainable energy generation from renewable sources, which increases the company's energy resilience and delivers long-term financial savings. In making the decision to proceed with the project, directors considered the beneficial impact on the environment, with the scheme projected to prevent 2,600 tonnes of carbon dioxide from entering the atmosphere every year. This supports ABP's aim to reduce the company's carbon footprint and support clean maritime growth in line with the Government's Maritime 2050 report.

Strategic Report (continued)

8. Principal and Strategic Decisions (continued)

8.2 Area Regeneration

Stakeholders, Issues and Factors Considered: Local Community, Local Authority

In 2019, the Board reviewed options available in relation to regenerating a conservation area on its port estate. Consideration was given to balancing the interests of the company over the long-term with the needs of the local community and to preserving and regenerating an area of local importance. ABP worked with local community groups, including the local authority and Historic England, as part of a steering group to develop proposals for the restoration of the area, which would realise long-term strategic value for the group. Directors agreed to grant a long lease at a nominal rate to a local charitable trust, in addition to making a capital investment to ensure the safety of the area. This strategic decision was taken to encourage further investment in the area with the aim of generating future business, in addition to boosting job creation and providing retail and leisure spaces for the local community.

8.3 Customer Investment

Stakeholders, Issues and Factors Considered: Customers, Environment, Climate Change

Throughout the year, the Board has considered and approved a number of proposals to support customers across the regions. One such example was the directors' approval of a capital expenditure proposal to develop a warehouse facility which would enable a key customer to consolidate and grow their existing operations. This was balanced by entering into a long-term customer contract to support ABP's longer term revenue stream.

The Board received in depth management proposals following negotiation with the customer and discussions with the local authority to ensure the scheme fully met each of their requirements. The Board also agreed to utilise this opportunity to invest in a rooftop mounted solar scheme at the site, in excess of that required under local authority planning requirements, which will generate 2,350KW of renewable energy and increase the group's energy resilience, improve air quality and reduce ABP's carbon footprint.

8.4 Pension Arrangements

Stakeholders, Issues and Factors Considered: Employees, Deferred Pensioners

ABP recognises the provision of a well-funded pension scheme, which supports employees in their retirement, as a key focus for the business. During the year, the Board considered the transfer of the defined contribution section of the Associated British Ports Group Pension Scheme to a third party mastertrust arrangement. In addition to the operational efficiencies and savings for ABP which would be delivered by the transfer, directors also weighed up the cost impact for scheme participants against the advantages. Under the mastertrust arrangement, scheme participants are able to benefit from more flexibility in how they are able to plan and invest for their retirement. Before implementing the change, management undertook a 60-day statutory consultation with all affected employees, welcoming feedback on the proposals. Additional workshops were held across the group to provide staff with a forum to ask questions and receive detailed information.

Directors reviewed the feedback provided and determined that it was beneficial for participants to transfer to the mastertrust arrangement in addition to being in the best interests of the company and the ABP pension scheme in the long-term.

Strategic Report (continued)

8. Principal and Strategic Decisions (continued)

8.5 Strategic Review

Stakeholders, Issues and Factors Considered: Customers, Employees

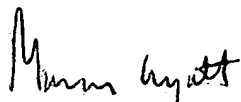
When developing the company's long-term strategy, ABP recognises the importance of engaging with and considering the views of key stakeholders including employees and customers, in addition to our shareholders, to ensure the business strategy is viable and achievable.

During the year, ABP undertook a wholesale review of its strategy and developed its five-year business plan. As part of this process, ABP engaged extensively with employees, establishing an employee survey and holding briefing sessions. Employees were provided with a dedicated email address to contribute ideas and suggest areas for improvement or areas which had potential for further growth. In addition, in-depth interviews took place with key customers and a customer survey was also undertaken to obtain feedback on the services provided by ABP, and to identify our customers' key priorities and future needs. The directors were heavily involved in the end-to-end process and received regular updates, including on feedback from key stakeholders, prior to deciding to approve the new strategy and business plan. Further information on the strategic review can be found in the Directors' Report on page 7.

9. Important events after the reporting period

The company is carefully monitoring the fast changing threat from the Covid-19 virus. The company is an intermediate holding company that does not trade and as such is not directly affected by the virus. The wider group to which the company belongs is proactively considering downside scenarios and monitoring headroom against its loan covenants. Based on currently available information the group does not expect the impact of the virus to cause it to breach its covenants or to otherwise threaten the viability of the group.

By Order of the Board



MM Wyatt

Director

6 April 2020

ASSOCIATED BRITISH PORTS HOLDINGS LIMITED ANNUAL REPORT AND ACCOUNTS 2019

Directors' report

The directors present their report and the audited accounts of the company (number 01612178) for the year ended 31 December 2019.

Registered office

The company's registered office is 25 Bedford Street, London, WC2E 9ES.

Directors

The directors who served during the year and to the date of this report were as follows:

Barr, R	(appointed 13 March 2019)	
Bryce, JA		
Bull, GSM	(resigned 14 March 2019)	
Busslinger, PA	(resigned 18 September 2019)	
Coghlan, JB		
Drissi Kaitouni, H		
Hicks, SN	(resigned 13 March 2019)	
Kay, GPR	(resigned 13 June 2019)	
Machiels, EPM		
Maheshwari, P	(appointed 18 September 2019)	
Morea, JV	(resigned 31 January 2019)	
Newell, HM	(appointed 13 March 2019)	
Noergaard, B	(appointed 18 September 2019)	
Nolan, PMG		
Pedersen, HL		
Quinlan, AJ	(appointed 18 September 2019)	
Rishton, J		
Wyatt, MM	(appointed 14 March 2019)	
Butcher, PG	(alternate to JA Bryce)	
Butcher, PG	(alternate to B Noergaard)	(appointed 18 September 2019)
Hofbauer, PF	(alternate to JB Coghlan)	(appointment ceased 26 November 2019)
Newell, HM	(alternate to SN Hicks)	(appointed 25 January 2019 and appointment ceased on resignation of SN Hicks on 13 March 2019)
Pesttrak, GS	(alternate to H Drissi Kaitouni)	
Yashnikov, D	(alternate to R Barr)	(appointed 13 March 2019)
Yashnikov, D	(alternate to PA Busslinger)	(appointment ceased on the resignation of PA Busslinger on 18 September 2019)
Yashnikov, D	(alternate to EPM Machiels)	
Yashnikov, D	(alternate to P Maheshwari)	(appointed 18 September 2019)
Yashnikov, D	(alternate to JV Morea)	(appointment ceased on the resignation of JV Morea on 31 January 2019)

Directors' indemnities

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.

Directors' report (continued)

Directors' indemnities (continued)

Qualifying third party indemnity provisions (as defined by s.234 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.

Dividends

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

Future outlook

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

Matters disclosed in the strategic report

The directors have chosen to disclose the following matters in the strategic report:

- Financial risk management objectives and policies and details of the company's exposure to liquidity, interest rate, foreign exchange, credit and capital risk and other risk disclosures;
- Engagement with suppliers, customers and others in a business relationship with the company and the principal and strategic decisions taken during the year; and
- Important events after the reporting period.

Auditor re-appointment

In accordance with s.487 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 he or she 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;
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information; and
- each director is aware that it is an offence to make a knowingly false statement.

By Order of the Board



AM Morgan
Secretary
25 Bedford Street
London, WC2E 9ES
6 April 2020

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 cashflows 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 ASSOCIATED BRITISH PORTS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Associated British Ports Holdings Limited for the year ended 31 December 2019 which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity and the related notes 1 to 17, including a summary of significant accounting policies. 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.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATED BRITISH PORTS HOLDINGS LIMITED (continued)

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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have 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 strategic report or 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATED BRITISH PORTS HOLDINGS LIMITED (continued)

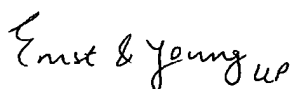
Auditor's responsibilities for the audit of the financial statements

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.

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.



Lloyd Brown (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
6 April 2020

ASSOCIATED BRITISH PORTS HOLDINGS LIMITED ANNUAL REPORT AND ACCOUNTS 2019

Income statement for the year ended 31 December

	Note	2019 £m	2018 £m
Administrative expenses	2	(2.9)	(0.3)
Operating loss		(2.9)	(0.3)
Finance income	4	167.4	120.8
Profit before taxation		164.5	120.5
Taxation charge	5	(24.9)	(25.3)
Profit for the year		139.6	95.2

All results are derived from continuing operations in the United Kingdom.

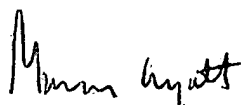
Statement of comprehensive income for the year ended 31 December

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

Balance sheet as at 31 December

	Note	2019 £m	2018 £m
Assets			
Non-current assets			
Investments	6	146.5	146.5
Group and other receivables	7	632.7	656.7
		779.2	803.2
Current assets			
Group and other receivables	7	1,201.7	1,037.3
		1,201.7	1,037.3
Total assets		1,980.9	1,840.5
Liabilities			
Current liabilities			
Group and other payables	9	(31.7)	(30.3)
Provisions	10	(8.0)	(7.7)
		(39.7)	(38.0)
Non-current liabilities			
Other non-current liabilities		-	(0.9)
		-	(0.9)
Total liabilities		(39.7)	(38.9)
Net assets		1,941.2	1,801.6
Shareholder's equity			
Share capital	11	77.5	77.5
Share premium account		130.6	130.6
Capital redemption reserve		25.5	25.5
Retained earnings		1,707.6	1,568.0
Total shareholder's equity		1,941.2	1,801.6

The financial statements were approved by the Board on 6 April 2020 and signed on its behalf by:



MM Wyatt
Director

Statement of cash flows for the year ended 31 December

	Note	2019 £m	2018 £m
Cash flows from operating activities			
Cash absorbed by operations	12	(113.1)	(164.2)
Interest received		38.0	49.0
Net cash outflow from operating activities		(75.1)	(115.2)
Cash flows from financing activities			
Proceeds from repayment of loans		25.1	115.2
Dividends received		50.0	-
Net cash inflow from financing activities		75.1	115.2
Change in cash and cash equivalents during the year		-	-
Cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at 31 December		-	-

Statement of changes in equity for the year ended 31 December

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Retained earnings £m	Total £m
At 1 January 2018	77.5	130.6	25.5	1,472.8	1,706.4
Profit for the year	-	-	-	95.2	95.2
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	95.2	95.2
At 31 December 2018	77.5	130.6	25.5	1,568.0	1,801.6
Profit for the year	-	-	-	139.6	139.6
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
At 31 December 2019	77.5	130.6	25.5	1,707.6	1,941.2

Capital redemption reserve

The capital redemption reserve is a reserve to record the nominal value of shares repurchased.

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. The financial statements provide comparative information in respect of the previous period.

Consolidation exemption

These separate financial statements contain information about Associated British Ports Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption available under s400 of the Companies Act 2006, from the requirement to prepare and deliver consolidated financial statements, as the results of the group are included in the consolidated financial statements of its intermediate parent undertaking, ABPA Holdings Limited, which are available from 25 Bedford Street, London, WC2E 9ES.

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, amendments and improvements effective for the first time for the annual reporting period commencing 1 January 2019 that had a material impact on the company.

New standards, amendments and interpretations issued but not yet effective

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

The directors do not anticipate that the adoption of these new 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.

Notes to the financial statements

1. Accounting policies (continued)

1.3 Critical estimates, judgements and assumptions

The preparation of the company's financial statements 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 the directors' best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

Judgements

In the process of applying the company's accounting policies, the directors have made the following judgement which has the most significant effect on the amounts recognised in the financial statements:

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 allowance for expected credit losses. Ultimate realisation of principal balances depends on the performance of ABPA Holdings Limited's ("ABPAH") underlying trading group and the ability of the UK-wide ports and transport operations to generate cash flows. For the year ended 31 December 2019 the ABPAH group had consolidated EBITDA, calculated in accordance with the group's credit facilities, as disclosed in the strategic report of £315.4m and cash generated by operations of £295.1m. The group's strategic plan indicates that a strong performance is forecast to continue in the future. Further attention is drawn to the company's and 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

The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Group and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses ("ECLs").

Notes to the financial statements

1. Accounting policies (continued)

1.4 Significant accounting policies (continued)

Financial instruments (continued)

At each reporting date, the company performs an impairment analysis for all group and other receivables to measure the allowance for ECLs. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for default events that are possible within the next 12 months. For credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is calculated for credit losses expected over the remaining life of the exposure, irrespective of the expected timing of the default. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment.

The provision for expected credit losses of receivables are recorded within administrative expenses.

Group and other payables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Impairment of non-financial assets

~~The company assesses at each reporting date whether there is an indication that an asset may be~~ impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use, and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount.

Notes to the financial statements

1. Accounting policies (continued)

1.5 Other accounting policies

Investments

Investments in subsidiaries are stated at cost. The company assesses at each reporting date whether there is any indication that the investment may be impaired.

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.

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.

Provisions

Provisions are recognised when the company has an obligation in respect of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount. Provisions are discounted when the time value of money is considered material.

Dividends

Dividend receipts and payments are recognised in the period when they become a binding obligation on the paying company.

2. Administrative expenses

Remuneration received by Ernst & Young LLP is detailed below and has been borne by a subsidiary undertaking.

	2019 £'000	2018 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	4.6	4.0

Notes to the financial statements

3. Directors and employees

Staff costs are analysed as follows:

	2019 £m	2018 £m
Staff costs		
Wages and salaries	2.0	2.2
Social security costs	0.4	0.3
Total staff costs	2.4	2.5

The monthly average number of people employed during the year was two (2018: two).

Directors' emoluments are analysed as follows:

	2019 £m	2018 £m
Emoluments paid to directors of the company		
Short-term employee benefits	3.3	3.0
Post-employment benefits	0.1	0.1
Other long term benefits	-	0.8
Total directors' emoluments	3.4	3.9

Emoluments comprise amounts paid to the directors of the company by the company, with one director being paid by an immediate subsidiary undertaking.

Key management compensation is analysed as follows:

	2019 £m	2018 £m
Key management compensation		
Short-term employee benefits	3.3	3.0
Post-employment benefits	0.1	0.1
Other long term benefits	-	0.8
Total key management compensation	3.4	3.9

Key management comprises the directors of the company.

Four (2018: four) directors of the company are eligible to join the Legal & General Workplace Mastertrust Pension Plan. At 31 December 2019, no (2018: no) director is a member of the Legal & General Workplace Mastertrust Pension Plan and three (2018: three) directors received an allowance for contributions towards their own pension arrangements unconnected with the group.

	2019 £m	2018 £m
Highest paid director		
Short-term employee benefits	1.5	1.0
Post-employment benefits	0.1	-
Other long term benefits	-	0.5
Total highest paid director	1.6	1.5

For further disclosure of amounts paid to the shareholders for the directors of the company, refer to note 13.

Notes to the financial statements

4. Finance income

	2019 £m	2018 £m
Interest on amounts due from parent undertaking	76.3	67.8
Interest on amounts due from subsidiary undertaking	41.1	53.0
Dividend income	50.0	-
Finance income	167.4	120.8

5. Taxation

	2019 £m	2018 £m
Analysis of charge for the year		
Current tax	24.9	25.3
Taxation	24.9	25.3

Current taxation for the current and prior year represents a charge for group relief surrendered by group undertakings, with amounts being deducted from amounts due from related parties. For further details see note 13.

The taxation charge (2018: charge) for the year is lower (2018: higher) than the standard rate of taxation in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	2019 £m	2018 £m
Profit before taxation	164.5	120.5
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	31.2	22.9
Effects of:		
Items not chargeable to tax	(6.3)	-
Items not deductible for tax	-	2.4
Total tax charge for the company	24.9	25.3
Effective tax rate	15.2%	21.0%
Total tax charge for the company	24.9	25.3
Effects of permanent differences:		
Related party debt - disregarded	(3.2)	(2.4)
Dividend income	9.5	-
Tax charge for the company after removing permanent differences	31.2	22.9
Tax rate after permanent differences	19.0%	19.0%

The items not chargeable to tax related mostly to dividend income from the company's immediate subsidiary undertaking, Associated British Ports.

Notes to the financial statements**6. Investments**

Details of subsidiary undertakings are provided in note 15.

	Interest in subsidiary undertakings	
	2019	2018
	£m	£m
At 1 January	146.5	146.5
At 31 December	146.5	146.5

7. Group and other receivables

	2019	2018
	£m	£m
Non-current		
Amounts due from subsidiary undertakings	632.7	656.7
Total non-current group and other receivables	632.7	656.7
Current		
Amounts due from parent undertaking	1,194.7	1,029.6
Amounts due from subsidiary undertaking	4.5	4.5
Other receivables	2.5	3.2
Total current group and other receivables	1,201.7	1,037.3

Non-current amounts due from subsidiary undertakings primarily relate to a loan receivable from Associated British Ports, the company's immediate subsidiary undertaking. Current amounts due from parent undertaking relates to a balance with ABP Acquisitions UK Limited. Amounts due from subsidiary and parent undertakings are not overdue for repayment and are not considered to be impaired. For further details see note 13.

Other receivables comprise amounts due from external insurers for insurance claims which have been accepted by the insurers but not settled. These amounts 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.

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 transaction between willing parties, other than in a forced or liquidation sale.

Notes to the financial statements**8. Financial instruments (continued)****Fair value of financial instruments (continued)**

The carrying amounts of financial assets and financial liabilities in the financial statements approximate to their fair value. The following methods and assumptions were used to estimate the fair values:

- The fair value of amounts due from Associated British Ports and ABP Acquisitions UK Limited approximates to their carrying amounts as interest charged is linked to the group's weighted average cost of debt.
- The fair value of cash and cash equivalents, current group and other receivables and current group and other payables approximates to their carrying amounts due to the short-term maturities of these instruments.

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 Board of the company. The Board of the company monitors treasury matters and approves significant decisions. The treasury function's purpose is to identify, mitigate and hedge 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 ABP (Jersey) Limited ("ABPJ"), aims to manage these risks to an acceptable level.

Liquidity risk

Liquidity risk is managed by the wider group, owned by ABPJ, 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:

	2019 £m	2018 £m
Not later than one year	31.7	30.3
More than one year but not more than two years	-	0.9
Total payments	31.7	31.2

The company did not have direct access to any undrawn borrowing facilities at 31 December 2019 (2018: £nil). The company can access committed undrawn borrowings through its immediate parent undertaking, ABP Acquisitions UK Limited as set out in the table below:

	2019 £m	2018 £m
Expiring in:		
More than one year but not more than two years	-	300.0
More than two years but not more than five years	365.0	100.0
Undrawn borrowing facilities	365.0	400.0

Notes to the financial statements**8. Financial instruments (continued)****Financial risk management (continued)***Credit risk*

Credit risk with banks and financial institutions is managed by the wider group. The group monitors the credit risk of banking counterparties, tracking credit default swap rates and credit ratings of actual and potential counterparties. Cash deposits at the year end were all with counterparties with a credit rating of A3 or better.

An impairment analysis is performed at each reporting date to determine the expected credit losses. The analysis reflects the time value of money and reasonable and supportable information that is available at the reporting date about past events, current condition and forecasts of future economic conditions. Based on the impairment analysis the provision for loss allowance measured at an amount equal to the 12-month expected credit losses for the year ended 31 December 2019 was £nil (2018: £nil).

Given the counterparties of group and other receivables, as set out in note 7, and the security provided under intra-group borrowing arrangements, the directors consider the company's exposure to credit risk to be minimal. The maximum exposure to credit risk at the reporting date for group and other receivables is the carrying value of each class of receivable.

Capital risk

The company finances itself with retained earnings of £1,707.7m (2018: £1,568.0m). The company's immediate parent undertaking, ABP Acquisitions UK Limited, also has committed but undrawn facilities totalling £365.0m (2018: £400.0m). The company 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.

9. Group and other payables – current

	2019 £m	2018 £m
Amounts due to subsidiary undertakings	29.6	29.6
Accruals	2.1	0.7
Total group and other payables - current	31.7	30.3

Disclosure of the financial risks related to these financial instruments is set out in note 8. The company's payables are denominated in sterling.

10. Provisions

	2019 £m	2018 £m
At 1 January	7.7	7.5
Charged during the year	2.0	0.3
Utilised in the year	(1.7)	(0.1)
At 31 December	8.0	7.7
Expected utilisation within one year	8.0	7.7

Notes to the financial statements

10. Provisions (continued)

Provisions are analysed between non-current and current as follows:

	2019 £m	2018 £m
Current	8.0	7.7
Non-current	-	-
Total provisions	8.0	7.7

The provision relates to liabilities for certain third party claims relating primarily to property, employer's liabilities and general third party liabilities that are made against other group undertakings that are accepted and settled when appropriate by the company.

11. Share capital

	2019 £m	2018 £m
Issued and fully paid		
310,010,453 (2018: 310,010,453) ordinary shares of £0.25 each	77.5	77.5

12. Cash absorbed by operations

	2019 £m	2018 £m
Reconciliation of profit before taxation to cash absorbed by operations:		
Profit before taxation	164.5	120.5
Dividend income	(50.0)	-
Finance income	(117.4)	(120.8)
Increase in provisions	0.3	1.6
Operating cash flows before movements in working capital	(2.6)	1.3
Increase in group and other receivables	(111.0)	(165.8)
Increase in group and other payables	0.5	0.3
Cash absorbed by operations	(113.1)	(164.2)

13. Related party transactions

During the year 14 (2018: 11) of the directors of the company were representatives of the shareholders of the ultimate parent undertaking, ABP (Jersey) Limited. Each shareholder is entitled to receive fees for the services of these directors and the fees earned during the year were as follows:

	2019 £	2018 £
OMERS Infrastructure (on behalf of Borealis ABP Holdings B.V. and Borealis Ark Holdings B.V.)	101,365	105,000
Cheyne Walk Investment Pte Limited	60,981	70,000
Kuwait Investment Authority	35,000	35,000
Canada Pension Plan Investment Board (on behalf of itself and 9348654 Canada Inc.)	64,615	140,000
CPPIB (Hong Kong) Limited (on behalf of itself and 9348654 Canada Inc.) ¹	50,481	-

¹ All share classes held by Canada Pension Plan Investment Board were transferred to CPPIB (Hong Kong) Limited on 14 August 2019)

Further details of the shareholders' share ownership are set out in note 16.

Notes to the financial statements

13. Related party transactions (continued)

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

Name	Relationship
ABP Acquisitions UK Limited	Immediate parent undertaking
Associated British Ports	Immediate subsidiary undertaking
Amports Holdings Limited	Immediate subsidiary undertaking
ABP (Aldwych) Limited	Immediate subsidiary undertaking
ABP Nominees Limited	Immediate subsidiary undertaking
American Port Services Holdings Limited	Immediate subsidiary undertaking
Amports Vehicle Terminals Limited	Intermediate subsidiary undertaking
Amports Contract Personnel Limited	Intermediate subsidiary undertaking
Amports Cargo Services Limited	Intermediate subsidiary undertaking

The company has the following loan receivable with the related party:

Entity	Due date	Rate per annum	2019 £m	2018 £m
Associated British Ports	2020	7.0%	591.4	615.4

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:

Associated British Ports	2019 £m	2018 £m
Intercompany receivable at start of the year	615.4	728.0
Decrease in receivable	(2.1)	(1.4)
Interest charged – 7.0% per annum (2018: 7.6%)	41.2	53.0
Interest received	(38.0)	(49.0)
Net cash received	(25.1)	(115.2)
Intercompany receivable at end of the year	591.4	615.4

The company also has the following account balances due from/(to) related parties:

	2019 £m	2018 £m
ABP Acquisitions UK Limited	1,194.7	1,029.6
American Port Services Holdings Limited	4.5	4.5
Amports Holdings Limited	(25.1)	(25.1)
Amports Vehicle Terminals Limited	(1.2)	(1.2)
Amports Contract Personnel Limited	(0.4)	(0.4)
Amports Cargo Services Limited	(2.9)	(2.9)
Total current balances	1,169.6	1,004.5
ABP (Aldwych) Limited	0.2	0.2
ABP Nominees Limited	41.1	41.1
Total non-current balances	41.3	41.3

Notes to the financial statements

13. Related party transactions (continued)

The following table shows the current account transactions that have been entered into by the company with the related party, together with period end balances, for the relevant financial year:

ABP Acquisitions UK Limited	2019	2018
	£m	£m
Intercompany receivable at start of the year	1,029.6	821.9
Increase in receivable	88.8	139.9
Interest charged – 7.0% per annum (2018: 7.6%)	76.3	67.8
Intercompany receivable at end of the year	1,194.7	1,029.6

14. Contingent liabilities

	2019	2018
	£m	£m
Contingent liabilities under claims, indemnities and guarantees:		
Guarantees in respect of group borrowings	2,288.7	2,274.1
Guarantees in respect of undrawn group borrowings	530.0	565.0
Total cross guarantees by group companies	2,818.7	2,839.1
Total borrowings and undrawn facilities of group of which company is a member	2,818.7	2,839.1

As part of the security package for borrowing facilities of the wider group, owned by the company's ultimate parent undertaking, certain wider group undertakings have granted a guarantee and fixed and floating charges over their respective assets including over real property owned by them and shares in subsidiary undertakings (excluding Associated British Ports ("ABP") and its subsidiary undertakings) and various other assets including the company's rights in relation to its principal subsidiary undertaking, ABP. No guarantees or security have been granted by ABP or its subsidiary undertakings in respect of such borrowing facilities.

The group self-insures and certain potential liabilities retained by the company are covered by letters of credit totalling £1.1m (2018: £1.1m). The company is not required to secure any cash reserves against these letters of credit.

15. Subsidiary undertakings

All subsidiaries have a registered address of 25 Bedford Street, London, WC2E 9ES and operate in England and Wales, unless otherwise stated. The company's controlling interest in subsidiary undertakings is represented by ordinary shares (with the exception of ABP, the company's powers in respect of which are governed by the Transport Act 1981 and Southampton Port Security Authority Limited, which is limited by guarantee). All ordinary shares have voting rights in the same proportion to the shareholding.

	% held by Company
Subsidiary undertakings: Ports and transport	
ABP Security Limited	100
Associated British Ports	(see below) ¹
Immingham Bulk Terminal Limited	100
W.E. Dowds (Shipping) Limited	100

¹Under the Transport Act 1981, Associated British Ports Holdings Limited has powers over ABP corresponding to the powers of a holding company over a wholly owned subsidiary undertaking. ABP's registered office is 25 Bedford Street, London, WC2E 9ES.

Notes to the financial statements

15. Subsidiary undertakings (continued)

	% held by Company
Subsidiary undertakings: Property	
ABP Property Development Company Limited	100
Grosvenor Waterside Investments Limited	100
Millbay Development Company Limited	100
RPM Industrial Site Services Limited	100
Subsidiary undertakings: Group services	
ABP Marine Environmental Research Limited	100
ABPH Marine (Guernsey) Limited ¹ (domiciled in Guernsey)	100
UK Dredging Management Limited	100
W.E.D. (Services) Limited	100
Subsidiary undertakings: Dormant	
ABP (Aldwych) Limited	100
ABP (No. 1) Limited	100
ABP (Pension Trustees) Limited	100
ABP Connect Limited	100
ABP Marchwood Limited	100
ABP Nominees Limited	100
ABP Quest Trustees Limited	100
ABP Safeguard Limited	100
ABP Secretariat Services Limited	100
ABP Southampton Properties Limited	100
Aldwych Logistics Investments Limited	100
American Port Services Holdings Limited	100
Amports Cargo Services Limited	100
Amports Contract Personnel Limited	100
Amports Holdings Limited	100
Amports Vehicle Terminals Limited	100
Associated British Ports Investments Limited	100
Auto Shipping Limited	100
Colchester Dock Transit Company Limited	100
Exxtor Shipping Services Limited	100
Grosvenor Buchanan Properties Limited ² (domiciled in Scotland)	100
Grosvenor Waterside (Cardiff Bay) Limited	100
Grosvenor Waterside (Holdings) Limited	100
Grosvenor Waterside Asset Management Limited	100
Grosvenor Waterside Developments Limited	100
Grosvenor Waterside Group Limited	100
Humber Pilotage (C.H.A.) Limited	100
Ipswich Port Limited	100
Marine Environmental Research Limited	100
Northern Cargo Services Limited	100
Slater's Transport Limited	100
Southampton Free Trade Zone Limited	100
Southampton Port Security Authority Limited	(see below) ³
The Teignmouth Quay Company Limited	100
Whitby Port Services Limited	100

¹ Registered address is Frances House, Sir William Place, St. Peter Port, Guernsey, GY1 4HQ.² Registered address is Associated British Ports, Port Office, Ayr, Ayrshire, KA8 8AH.³ This company is a subsidiary undertaking limited by guarantee.

Notes to the financial statements**16. Ultimate parent undertaking and controlling parties**

The company is a private company limited by shares registered in England and Wales. Its immediate parent undertaking is ABP Acquisitions UK Limited.

Its intermediate parent undertaking is ABPA Holdings Limited ("ABPAH"). ABPAH produces IFRS consolidated financial statements that are available from its registered office at 25 Bedford Street, London, WC2E 9ES. The consolidated financial statements of ABPAH are the smallest group in which the company is included.

The ultimate parent undertaking and controlling party is ABP (Jersey) Limited ("ABPJ"), a limited liability company registered in Jersey. ABPJ 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 largest group in which the company is included.

ABPJ is owned by a consortium of investors as shown below.

	% of A Ordinary shares	% of B Ordinary shares	% of Preference shares
2019			
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
CPPIB (Hong Kong) Limited (owned by Canada Pension Plan Investment Board)	30.00	33.88	33.88
9348654 Canada Inc.	3.88	-	-
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

Notes to the financial statements

16. Ultimate parent undertaking and controlling parties (continued)

2018	% of A Ordinary shares	% of B Ordinary shares	% of Preference shares
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	30.00	33.88	33.88
9348654 Canada Inc.	3.88	-	-
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

All share classes held by Canada Pension Plan Investment Board were transferred to CPPIB (Hong Kong) Limited, a Hong Kong registered wholly owned subsidiary of Canada Pension Plan Investment Board on 14 August 2019. This transaction did not impact the percentage holdings of any other shareholder.

17. Events after the reporting period

The company is carefully monitoring the fast changing threat from the Covid-19 virus. The company is an intermediate holding company that does not trade and as such is not directly affected by the virus. The wider group to which the company belongs is proactively considering downside scenarios and monitoring headroom against its loan covenants. Based on currently available information the group does not expect the impact of the virus to cause it to breach its covenants or to otherwise threaten the viability of the group.