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P&O PROPERTY SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2006

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COMPANIES HOUSE

Registered No. 5172186

Directors

A A Preiskel (Chairman)

L McGuiness

Secretary

B Allinson

Auditors

Ernst & Young LLP

1 More London Place

London SE1 2AF

Registered Office

16 Palace Street

London SW1E 5JQ

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2006

Results and dividends

The profit for the year, after taxation, is £90,914 (2005 restated profit £153,991) The directors have not recommended a dividend to be paid (2005 nil)

Principal activity and review of business

The company's principal activity is administration of the insurance programme covering the UK property portfolio for P&O Property Holdings and its subsidiary undertakings

The company's key financial and other performance indicators during the year were as follows

	2006	2005	Change
	£	£	%
Commissions receivable	144,476	219,987	(34)
Profit on ordinary activities after tax	90,914	153,991	(41)
Deferred income	33,010	55,516	(41)

Commissions receivable have reduced during the year due to commission adjustments received, which are dependant on credit insurance premium adjustments Deferred income has reduced due to fewer insurance policies being taken out during the year which extend beyond the end of the reporting period

Principal risks and uncertainties

The directors do not foresee any significant risks and uncertainties

Events since the balance sheet date

On 1 January 2007 Thunder FZE, an intermediate parent undertaking, was purchased by Galaxy Investments Ltd and in the opinion of the directors, the ultimate parent undertaking from that date is Dubai World Corporation, a company incorporated in Dubai

On 7 June 2007 Galaxy Investments Ltd was renamed DP World Limited

DIRECTORS' REPORT

Directors

The directors of the company who held office during the year were as follows

A A Preiskel (Chairman)

L McGuinness

Secretary

B Allinson was appointed as secretary on 29 September 2006

Directors' Indemnity Insurance

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

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

Disclosure of information to the auditors

So far as each person who was a director at the date of approving the audit report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to take as director in order to make himself aware of any relevant audit information and to establish that the auditor is unaware of that information

Auditors

Following the acquisition of the Peninsular and Oriental Steam Navigation Company by Thunder FZE, a wholly owned subsidiary of Ports, Customs and Free Corporation Dubai, KPMG resigned as the company's auditor and Ernst & Young LLP has been appointed in accordance with the elective resolution passed by the company under section 386 Companies Act 1985

On behalf of the board



A A Preiskel

Director

11 September 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)

The financial statements are required by law to 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 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AUDITORS' REPORT TO THE SHAREHOLDERS OF P&O PROPERTY SERVICES LIMITED

We have audited the financial statements of P&O Property Services Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Recognised Gains and Losses and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with the section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF P&O PROPERTY SERVICES LIMITED

Basis of audit opinion

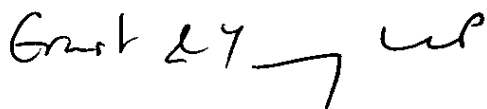
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion,

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



Ernst & Young LLP
Registered Auditor
London
11 September 2007

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2006**

	Notes	2006 £	Restated 2005 £
Turnover			
Continuing operations			
Commission receivable		144,476	219,987
Operating profit			
Continuing operations		144,476	219,987
Profit on ordinary activities before taxation	2	<u>144,476</u>	<u>219,987</u>
Tax on profit on ordinary activities	3	<u>(53,562)</u>	<u>(65,996)</u>
Profit on ordinary activities after taxation and for the financial year		<u><u>90,914</u></u>	<u><u>153,991</u></u>


**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 31 DECEMBER 2006**

There were no recognised gains and losses other than the profit of £90,914 attributable to the shareholders for the year ended 31 December 2006 (2005 - restated profit £153,991)

BALANCE SHEET
AT 31 DECEMBER 2006

	Notes	2006 £	2006 £	Restated 2005 £	Restated 2005 £
Current assets					
Debtors					
Amounts owed by group undertakings		342,361		291,826	
Trade debtors		-		3,677	
			342,361		295,503
Creditors: amounts falling due within one year					
Group relief payable		44,446		65,996	
Deferred income		33,010		55,516	
			77,456		121,512
Net Assets			264,905		173,991
Capital and reserves					
Share capital	4		20,000		20,000
Profit and loss account	5		244,905		153,991
			264,905		173,991


A A Preiskel
Directors


L McGuinness

11 September 2007

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2006

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements of P&O Property Services Limited were approved for issue by the Board of Directors on 11 September 2007

The financial statements are prepared under the historical cost convention

The financial statements are prepared in accordance with applicable UK accounting standards

Restatements

A trade debtor was not recognised at year end when it was required to be recognised Trade debtors have been increased by £3,677 at 31 December 2005 and commissions receivable increased by £3,677 at 31 December 2005

The corporation tax payable on this income has accordingly been recognised by increasing group relief payable by £1,103 at 31 December 2005

Revenue Recognition

Commissions receivable are recognised on an accrual basis when the contracts are placed, and are earned in accordance with supplier agreements Commissions are apportioned to income based on the time period of cover of the underlying insurance, with any amounts relating to the period after the balance sheet date being transferred to deferred income

Cash flow statement

The company has taken advantage of the exemption available to it under FRS1 "Cash Flow Statements" not to prepare a statement of cash flows

Related party transactions

The company has taken advantage of the exemption available to it under FRS8 "Related Party Disclosures" not to disclose transactions with other group companies There were no other related party transactions during the year

NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006

2 OPERATING PROFIT

- (a) The company's business is organised in the United Kingdom
- (b) The basis of charging intra-group interest is agreed between the parties from time
- (c) The directors are also directors/employees of, and were paid by, other group undertakings. The directors do not believe that it is practicable to apportion these emoluments between their services as directors of the company and their services as directors/employees of other group undertakings
- (d) Fees for audit and non-audit services provided by Ernst & Young LLP to the company have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the company

3 TAX

- (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2006	Restated 2005
	£	£
<i>Current tax</i>		
UK corporation tax at 30% (30%)	(43,342)	(65,996)
Tax underprovided in previous years	(10,220)	-
Total current tax and tax on profit on ordinary activities (note 3(b))	<u>(53,562)</u>	<u>(65,996)</u>

- (b) Factors affecting the tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 - 30%). The differences are reconciled below

	2006	Restated 2005
	£	£
Profit on ordinary activities before tax	<u>144,476</u>	<u>219,987</u>
Profit on ordinary activities multiplied by the current rate of corporation tax in the UK of 30% (2005 - 30%)	(43,342)	(65,996)
Tax underprovided in previous years	(10,220)	-
Total current tax (note 3(a))	<u>(53,562)</u>	<u>(65,996)</u>

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006**

4 AUTHORISED AND ISSUED SHARE CAPITAL

Authorised	2006	2005
	£	£
20,000 ordinary shares at £1 each	20,000	20,000
Allotted, called up and fully paid	2006	2005
	£	£
20,000 ordinary shares at £1 each	20,000	20,000

5 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£
At 6 July 2004	1	-	1
Issue of 19,999 ordinary shares of £1 each	19,999	-	19,999
Profit for the period	-	153,991	153,991
At 31 December 2005	20,000	153,991	173,991
Profit for the year	-	90,914	90,914
At 31 December 2006	20,000	244,905	264,905

NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006

6 PARENT UNDERTAKING

The smallest group of companies for which consolidated financials 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 consolidated financials statements are prepared and in which the company is consolidated is Dubai Ports Authority a company incorporated in Dubai, whose accounts are filed with the Dubai International Financial Exchange

The immediate parent undertaking at 31 December 2006 is P&O Property Holdings Limited, a company incorporated in the United Kingdom

In the opinion of the directors, the ultimate parent undertaking as at 31 December 2006 was Ports Customs and Free Zones Corporation, a company incorporated in Dubai

On 1 January 2007 Thunder FZE, an intermediate parent undertaking, was purchased by Galaxy Investments Ltd and in the opinion of the directors, the ultimate parent undertaking from that date is Dubai World Corporation, a company incorporated in Dubai

On 7 June 2007 Galaxy Investments Ltd was renamed DP World Limited