

# DSV Road Holding Limited

Directors' report and financial statements

Registered number 1656084

31 December 2010



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## DSV Road Holding Limited

**DIRECTORS:** J B Andersen  
R F Olesen  
J H Lund  
S Schmidt

**SECRETARY:** G M Ridsdale

**AUDITORS:** KPMG LLP  
6 Lower Brook Street  
Ipswich  
Suffolk  
IP4 1AP

**BANKERS:** Danske Bank  
75 King William Street  
London  
EC4 7DT

**REGISTERED OFFICE:** Scandinavia House  
Refinery Road  
Parkeston  
Harwich  
Essex  
CO12 4QG

**REGISTRATION NO:** 1656084

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## DSV Road Holding Limited

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**DSV Road Holding Limited**  
**Directors' report and financial statements**  
**31 December 2010**

**Directors' report**

Registered number 1656084

The directors present their Directors' report and financial statements for the year ended 31 December 2010

**Principal activities**

The principal activity of the Company throughout the year was that of a holding company. The principal activity of the main trading subsidiary company DSV Road Limited was international freight forwarding. The activity of the other trading subsidiary, DSV Commercial Limited, was commercial vehicle servicing and repairs.

The Company is part of the DSV Group of Companies. DSV is a global supplier of transport and logistics services.

The international Group is legally and operationally divided into three divisions, each representing a different transport business area, Road, Air & Sea and Solutions. The Company is the parent of the companies in the Road division in the UK.

**Aims and Objectives**

DSV's global mission is to create value for its shareholders.

The Group's aims are as follows:

- To maintain and improve its position amongst the most profitable intercontinental transport businesses in the UK
- To grow at a rate exceeding the average market growth, through organic growth and acquisitions
- To maintain and increase its profitability
- To generate a solid cash flow
- To be a responsible employer, providing an attractive workplace for employees
- To provide quality service to customers
- To be a professional partner for its subcontractors and agents

**Risk**

As a holding company the risks to the Company reflect those of its underlying subsidiaries. These subsidiaries have the following risks:

The Companies are exposed to normal market and economic conditions and therefore risk. The DSV policy is to lease rather than own equipment. It is the belief of the Directors that this policy improves the Companies' ability to adapt pragmatically to the forces of supply and demand.

The Companies are essentially a service provider and relies on its ability to recruit and retain experienced and committed staff through the application of positive recruitment and retention policies.

Most of the Companies' trade is conducted in sterling but, as some of the trade involves international transportation, they are exposed to a small degree of foreign currency risk. In line with Group policy the Companies do not speculate in currency risk, and exposure is managed on a daily basis in co-ordination with the DSV Group Treasury Department.

The Companies' debt and interest rate risk is managed centrally by the DSV Group Treasury Department. Long term loans are provided by this Department.

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**Directors' report** *(continued)*

The Companies' credit risk relates primarily to their trade debtors. The Companies operate well established credit control procedures. Trade debtors are issued with credit limits and most of the credit risk is insured through an external insurance provider.

**Capital management**

DSV sets the following overall targets for capital structure

- Financial stability for the purpose of reducing the corporate cost of capital, and
- Sufficient financial flexibility to meet the strategic goals

The capital structure of the Group and of each member company is under continual management and control. The Group's gearing ratio, i.e. net interest bearing debt (NIBD) to EBITDA (operating profit before amortisation, depreciation and special items) was 1.7 (2009 3.1) at 31 December 2010.

The Company and its subsidiaries in the UK, manage cash flow with particular focus on net working capital, debtor management, and the control of supplier payments. Performance is monitored to ensure profits are converted to positive cash flows which are used to repay loans from the Group Treasury Department and reduce the Company's net interest bearing debt.

**Performance**

The Company is a holding company and as such does not trade commercially. Income Statement transactions relate to administrative expenses and finance income and expense related to investment and loan balances with its parent and its subsidiaries.

**The Future**

A number of the Company's dormant subsidiaries are in the process of being liquidated. This is in line with DSV Group policy to close inactive companies. The effect on investments will be reflected in future financial statements when the liquidations have been completed.

**Proposed dividend**

The Directors do not recommend the payment of a dividend (2009 *£nil*).

**Directors**

The directors who served during the year were as shown below

J B Andersen  
R F Olesen  
J H Lund  
S Schmidt

The following directors exercised options during the year: J B Andersen, R F Olesen, J H Lund and S Schmidt.

The share options relate to incentive programmes launched by DSV A/S, the ultimate parent company.

The ultimate parent company indemnified one or more directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in place to the date of this report.

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**Directors' report** *(continued)*

**Disabled Employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

**Employee consultation**

The Company places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. The intermediate parent company, DSV Road Holding A/S, produces a periodic newsletter of the group activities for all employees.

**Political and charitable contributions**

The Company made no political or charitable contributions during the year *(2009 £nil)*

**Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Vendors**

Standard payment terms are net 60 days unless otherwise agreed. Preferential terms can only be made in agreement with a director of the Company. Where a corporate agreement is in place with a supplier, these terms will be adopted. The preferred method of payment is via BACS. Payment terms are reviewed, revised and renegotiated annually.

**Going concern**

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described above. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

By order of the Board



Secretary  
G M Ridsdale

Scandinavia House  
Parkeston Quay  
Harwich  
Essex  
CO12 4QG  
28 February 2011

**DSV Road Holding Limited**  
**Directors' report and financial statements**  
**31 December 2010**

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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

Company law requires the directors to prepare company financial statements for each financial year. Under that law they have elected to prepare company financial statements in accordance with IFRSs as adopted by the EU and applicable law.

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 their profit or loss for that period. In preparing the company 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 they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditors' report to the members of DSV Road Holding Limited**

We have audited the financial statements of DSV Road Holding Limited for the year ended 31<sup>st</sup> December 2010 set out on pages 10 to 23. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> December 2010 and of the company's profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union,
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company's financial statements are not in agreement with the accounting records and returns, or



**Independent auditors' report to the members of DSV Road Holding Limited (continued)**

- 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

*S Beavis*

**S Beavis (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

6 Lower Brook Street

Ipswich

IP4 1AP

28 February 2011

**DSV Road Holding Limited**  
**Directors' report and financial statements**  
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**Income Statement**

	<i>Notes</i>	2010 £'000	2009 £'000
Revenue		-	-
<b>Gross profit</b>		<u>-</u>	<u>-</u>
Administrative expenses - impairment of investments	2	(560)	(16,061)
Administrative expenses - other		<u>(12)</u>	<u>(23)</u>
<b>Operating loss</b>	2	<u>(572)</u>	<u>(16,084)</u>
Finance income	3	321	340
Finance expense	3	(8)	(4)
Dividends received from subsidiary undertakings	3	<u>560</u>	<u>15,331</u>
<b>Net finance income</b>	3	<u>873</u>	<u>15,667</u>
<b>Profit/(loss) before taxation</b>		301	(417)
Taxation	4	(87)	(92)
<b>Profit/(loss) for the year attributable to the equity</b>		<u><u>214</u></u>	<u><u>(509)</u></u>

The above results were derived from continuing operations

No separate statement of comprehensive income has been presented as all such gains and losses have been dealt with in the income statement

The notes on pages 14 to 23 form part of these financial statements

**DSV Road Holding Limited**  
**Directors' report and financial statements**  
**31 December 2010**

**Statement of Financial Position**

	<i>Notes</i>	2010 £'000	2009 £'000
<b>Non-current assets</b>			
Intangible assets	5	346	346
Investments	6	27,964	28,524
<b>Total non-current assets</b>		28,310	28,870
<b>Current assets</b>			
Trade and other receivables	7	11,453	11,609
<b>Total current assets</b>		11,453	11,609
<b>Total assets</b>		39,763	40,479
<b>Equity</b>			
Issued capital	8	21,260	21,260
Share premium		357	357
Retained earnings		59	(155)
<b>Total equity attributable to equity holders of the company</b>		21,676	21,462
<b>Non-current liabilities</b>			
Other loans and borrowings	10	17,979	18,604
<b>Total non-current liabilities</b>		17,979	18,604
<b>Current liabilities</b>			
Trade and other payables	11	19	370
Income tax payable	12	89	43
<b>Total current liabilities</b>		108	413
<b>Total liabilities</b>		18,087	19,017
<b>Total equity and liabilities</b>		39,763	40,479

These financial statements were approved by the board of directors on 28 February 2011 and were signed on its behalf by

  
R F Olesen – Director

The notes on pages 14 to 23 form part of these financial statements

**DSV Road Holding Limited**  
**Directors' report and financial statements**  
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**Statement of Changes in Equity**

Attributable to the equity holders of the company

<i>Notes</i>	<u>Share capital</u> 8 £'000	<u>Share Premium</u> 9 £'000	<u>Retained earnings</u> 9 £'000	<u>Total Equity</u> £'000
Balance as at 1 January 2009	21,260	357	354	21,971
Total recognised in Income Statement	-	-	(509)	(509)
<b>Balance as at 31 December 2009</b>	<b>21,260</b>	<b>357</b>	<b>(155)</b>	<b>21,462</b>
Balance as at 1 January 2010	21,260	357	(155)	21,462
Total recognised in Income Statement	-	-	214	214
<b>Balance as at 31 December 2010</b>	<b>21,260</b>	<b>357</b>	<b>59</b>	<b>21,676</b>

The notes on pages 14 to 23 form part of these financial statements

**DSV Road Holding Limited**  
**Directors' report and financial statements**  
**31 December 2010**

**Statement of Cash Flows**

	<i>Notes</i>	2010 £'000	2009 £'000
<b>Cash flows from operating activities</b>			
Profit/(loss) before taxation		301	(417)
Adjustments for			
Investment impairment	6	560	16,061
Net finance income	3	(873)	(15,667)
		(12)	(23)
Decrease/(increase) in trade and other receivables	7	156	(9,848)
Decrease in trade and other payables	11	(351)	(1,269)
Cash generated from operations		(207)	(11,140)
Interest paid	3	(8)	(4)
Income taxes paid	4	(41)	(9)
Dividend received	3	560	15,331
Net cash from operating activities		304	4,178
<b>Cash flows from investing activities</b>			
Acquisition of ABX Logistics (UK) Limited	6	-	(13,379)
Decrease/(increase) in loans and borrowings	10	(625)	8,861
Interest received	3	321	340
Net cash from investing activities		(304)	(4,178)
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at 31 December		-	-

The above results were derived from continuing operations

The notes on pages 14 to 23 form part of these financial statements

**DSV Road Holding Limited**  
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**Notes**

*(forming part of the financial statements)*

**1 Accounting policies**

DSV Road Holding Limited is a company incorporated and domiciled in the United Kingdom

The Company is a wholly owned subsidiary of DSV Road Holding A/S, a company incorporated in Denmark. The consolidated financial statements for DSV A/S, a company incorporated in Denmark, within which the company is included, can be obtained from the address given in note 15

**Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the EU ("adopted IFRSs")

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

**Basis of preparation**

The company financial statements are presented in pound sterling, rounded to the nearest thousand

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules

The company is exempt from the requirements to prepare group accounts by virtue of section 400 of the Companies Act 2006. These accounts therefore present information about the company as an individual undertaking and not about its group

The preparation of financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described above. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

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**Notes (continued)**

***Intangible assets and goodwill***

*Goodwill*

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries, associates and joint ventures. In respect of business acquisitions that have occurred since 1 January 2003, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

In respect of acquisitions prior to this date, goodwill is included on the basis of its deemed costs, which represents the amount recorded under UK GAAP. The classification and accounting treatment of business combinations that occurred prior to 1 January 2003 has not been reconsidered in preparing the Company's opening adopted IFRS balance sheet at 1 January 2004.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. The latest test being performed as at 31 December 2010 with no impairment indicated.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of intangible property. The estimated useful lives are as follows:

Customer relationships	10 years
Software	3 years

***Trade and other receivables***

Trade and other receivables are stated at their fair value less impairment losses.

***Cash and cash equivalents***

Cash and cash equivalents comprises cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

***Net finance costs***

Net finance costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested, dividend income and foreign exchange gains and losses.

Interest income is recognised in the income statement as it accrues using the effective interest method, dividend income is recognised in the income statement on the date that the entity's right to receive payments is established.

***Taxation***

Taxation comprises current and deferred tax. Corporation tax payable is provided on taxable profits at the current rate.

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**Notes** *(continued)*

The taxation liability may be reduced wholly or in part by the surrender of losses by fellow group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the surrendering and recipient undertakings.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Timing differences on goodwill not deductible for tax purposes are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**Investments**

Fixed asset investments in subsidiary undertakings are shown at cost less amounts written off. Provisions are made for permanent reductions in value but not temporary diminutions in value. Permanent diminutions are written off to the income statement.

Other fixed asset investments are shown at cost.

**Foreign currency**

Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

**Impairment**

The carrying amounts of the Company's assets, investment property, inventories and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists the asset's recoverable amount is assessed.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. The cash generating unit is the lowest level at which goodwill is monitored.



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**Notes** *(continued)*

Goodwill is tested for impairment on an annual basis and this requires an estimation of the value in use of the cash generating units to which the intangible assets are allocated. This involves estimation of future cash flows and selection of suitable discount rates. An impairment loss in respect of goodwill is not reversed.

***Interest-bearing borrowings***

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

***Trade and other payables***

Trade and other payables are stated at fair value.

***Dividends on shares presented within shareholders' funds***

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

***New standards and interpretations not applied***

The IASB and IFRIC have issued standards and interpretations with an effective date for periods starting on or after the date on which these financial statements commence. The following applicable standards and interpretations have been issued, none of which are anticipated to significantly impact the company's results or assets and liabilities and are not expected to require significant disclosure.

<b>International Financial Reporting Standards ('IFRS')</b>	<b>Effective Date</b>
IFRS 2 – Group cash settled share based payment arrangements	1 January 2010
IFRS 3 – (Revised) Business combinations	1 July 2009
<b>International Financial Reporting Interpretations Committee ('IFRIC')</b>	
IFRIC 17 – Distribution of non cash assets to owners	1 January 2010

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**Notes (continued)**

**2 Operating loss**

	Year ended 31 December 2010 £'000	Year ended 31 December 2009 £'000
Arrived at after charging		
<i>Auditors' remuneration</i>		
Audit of these financial statements	1	4
Other services relating to taxation	1	-
	<hr/>	<hr/>
Impairment of investments (note 6)	560	16,061
	<hr/>	<hr/>

Directors of the company are remunerated by other group companies

The average number of employees during the year was nil (2009 nil)

**3 Net finance income**

	Year ended 31 December 2010 £'000	Year ended 31 December 2009 £'000
Finance income		
Interest receivable from group undertakings	321	340
Total finance income	<hr/>	<hr/>
	321	340
Finance expense		
Interest payable to group undertakings	(8)	(4)
Total finance expense	<hr/>	<hr/>
	(8)	(4)
Dividends received from subsidiary undertakings	<hr/>	<hr/>
	560	15,331
Total net finance income	<hr/>	<hr/>
	873	15,667

**4 Taxation**

	2010 £'000	2010 £'000	2009 £'000	2009 £'000
Current tax expense				
- current year UK	87		92	
Total current tax	<hr/>	87	<hr/>	92
Total income tax expense in income statement	<hr/>	87	<hr/>	92

**DSV Road Holding Limited**  
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**Notes (continued)**

Reconciliation to effective tax rate

	2010	2009
	£'000	£'000
Profit/(loss) before tax	301	(417)
Income tax using a domestic corporation tax rate of 28% (2009 28 %)	84	(117)
Effects of		
Expenses not deductible for tax purposes	563	4,502
Non taxable income	(560)	(4,293)
Total tax charge (see above)	87	92

**5 Intangible assets**

Goodwill

£'000

Cost

At 1 January 2010 and 31 December 2010

576

Impairment

At 1 January 2010 and 31 December 2010

(230)

Carrying amounts

At 1 January 2010 and 31 December 2010

346

Goodwill considered significant in comparison to the Group's total carrying amount of such assets has been allocated to cash generating units as follows

	2010	2009
	£'000	£'000
DSV Road Limited	346	346

The recoverable amount has been calculated with reference to its value in use. The key features of this calculation are shown below

	2010	2009
Period on which management approved forecasts are based	5 years	5 years
Growth rate applied during approved forecast period	5.0%	5.0%
Growth rate applied beyond approved forecast period	0.0%	0.0%
Discount rate	9.80%	9.80%

The period on which forecasts are based is 5 years and follows Group policy. A growth rate close to RPI has been used to demonstrate the robust nature of the remaining goodwill. The growth rate is based on management expectations based on past experience and the expectations to future growth. The discount rate is a weighted average cost of capital in line with Group policy, including risk premium.

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Notes (continued)

**6 Investments**

The movement in the carrying value of investments was as follows -

	<u>Investment</u> <u>in subsidiaries</u> £'000	<u>Total</u> £'000
At 1 January 2010	28,524	28,524
Additions	-	-
Impairment	(560)	(560)
At 31 December 2010	<u>27,964</u>	<u>27,964</u>

	<u>Country of</u> <u>incorporation</u>	<u>Principal</u> <u>activity</u>	<u>Proportion of</u> <u>ordinary</u> <u>shares held</u>
DSV Road Limited	UK	Freight forwarder	100%
DSV Commercials Limited	UK	Commercial vehicle servicing	100%
DFDS Food Transport Limited (*)	UK	Non trading	100%
DSV Pension Trustees Limited	UK	Non trading	100%
DFDS Logistics Limited (*)	UK	Non trading	100%
DFDS Transport Limited (*)	UK	Non trading	100%
Frans Maas (UK) Limited (*)	UK	Non trading	100%
Roadferry Limited (*)	UK	Non trading	100%
ABX Logistics (UK) Limited (*)	UK	Non trading	100%

(\*) These companies are in liquidation. No further impairment is required.

ABX Logistics (UK) Limited was acquired on 1 January 2009 for £13,379,000.

The Turnover and Profit of the trade acquired from ABX Logistics (UK) Limited is fully reflected in the Income Statement of the individual UK trading companies to which the trade and assets of ABX have been transferred to, with effect from the acquisition date. The amount of Turnover and Profit attributable to the ABX business cannot be reported separately. The acquired trade has been seamlessly integrated into the existing traffic structure of the Group and as a consequence separate measurements of Turnover and Profits are not possible. Whilst for a short period post acquisition, a customer might be able to identify which acquired business they previously traded with, it is not practical to record this information for each booking received.

Frans Maas Logistics (UK) Limited was liquidated during 2010.

The impairment charge of £560,000 (2009 £16,061,000) incurred during the period relates to those investment entities which are no longer trading, the dividends due to DSV Road Holding Limited have been paid in full and as a result the remaining equity within the subsidiary is not sufficient to support the carrying value of the investment.

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**7 Trade and other receivables**

	2010	2009
	£'000	£'000
Amounts owed by group undertakings	11,453	11,609
	11,453	11,609

**8 Issued capital**

	2010	2009
	£'000	£'000
Authorised, allotted, called-up and fully paid 21,259,781 ordinary shares of £1 each	21,260	21,260
	21,260	21,260

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company

**9 Capital and reserves**

Reserves disclosed in the statement of changes in equity are attributable to the equity holders of the company

**10 Interest bearing loans and borrowings**

	2010	2009
	£'000	£'000
Amounts owed to group undertakings	17,979	18,604
	17,979	18,604

The loan amounts are due to subsidiary companies. No interest is charged on these borrowings

There are no formal repayments terms in relation to the loans. All loans are classified as non-current on the basis that these amounts will not be recalled by the subsidiary companies within the next 12 months

**11 Trade and other payables**

	2010	2009
	£'000	£'000
Amounts owed to group undertakings	-	352
Non trade payables and accrued expenses	19	18
	19	370

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**12 Income tax payable**

	2010 £'000	2009 £'000
Income tax payable	89	43
	89	43

**13 Related parties**

During the year ended 31 December 2010, there were no goods or services purchased by related parties from the company. Transactions with related parties are priced on an arm's length basis.

	2009		Total £'000	Outstanding £'000
	Trade £'000	Non-trade £'000		
Subsidiary undertaking	-	-	-	11,609
	-	-	-	11,609
	2010			
	Trade £'000	Non-trade £'000	Total £'000	Outstanding £'000
Subsidiary undertaking	-	-	-	11,453
	-	-	-	11,453

During the year ended 31 December 2010, the company did not purchase goods and services from related parties. Transactions with related parties are priced on an arm's length basis.

	2009		Total £'000	Outstanding £'000
	Trade £'000	Non-trade £'000		
Fellow UK group undertakings	-	-	-	352
	-	-	-	352
	2010			
	Trade £'000	Non-trade £'000	Total £'000	Outstanding £'000
Fellow UK group undertakings	-	-	-	-
	-	-	-	-

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**14 Contingent liabilities and financial commitments**

a) The company is a member of the DSV Road Holding Limited VAT group and along with fellow UK undertakings, is jointly and severally liable for the VAT liabilities of the other group members. At 31 December 2010 VAT of £777,000 (2009 £877,000) was payable to HM Revenue and Customs in respect of the VAT Group.

b) The company together with its subsidiaries and sister companies has given an unlimited cross guarantee in respect of available overdraft facilities. The amount available under these facilities at the balance sheet date is £6,000,000 (2009 £6,000,000) of which £1,905,000 (2009 £322,000) has been utilised.

**15 Parent and ultimate parent undertaking**

The company is a wholly owned subsidiary undertaking of DSV Road Holding A/S, a company incorporated in Denmark. The registered office of the parent company is Banemarksvej 58, DK-2605 Broendby, Denmark. The smallest group in which the company's results are consolidated is that headed by DSV A/S, a company incorporated in Denmark.

The ultimate parent undertaking and controlling party is DSV A/S, which owns 100% of DSV Road Holding A/S. The consolidated accounts of DSV A/S may be obtained from the registered office at Banemarksvej 58, DK-2605 Broendby, Denmark.