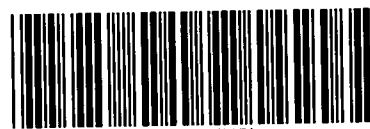


Registered number: 00192571

DHL Distribution Holdings (UK) Limited

**Annual report and financial statements
For the year ended 31 December 2013**

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DHL Distribution Holdings (UK) Limited

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DHL Distribution Holdings (UK) Limited

Company information

Directors

P Couchman
A McCambridge

Company secretary

Orbital Secretaries Limited

Registered number

00192571

Registered office

Orbital Park
178 - 188 Great South West Road
Hounslow
Middlesex
TW4 6JS

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Atrium
1 Harefield Road
Uxbridge
Middlesex
UB8 1EX

DHL Distribution Holdings (UK) Limited

Directors' report For the year ended 31 December 2013

The Directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

This report has been prepared taking advantage of the small companies exemption in accordance with s415A of the Companies Act 2006.

Principal activities

The company's principal activity during the year continued to be that of an investment holding company. No changes are expected to the principal activities in the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £211,540 (2012: £5,282,100), which will be added to reserves.

During the year the Directors recommended and paid an interim dividend of £nil (2012: £nil).

Directors

The Directors who served during the year and up to the date of signing these financial statements were:

P Couchman
A McCambridge

Financial risk management

The company is an investment holding company and therefore financial risks are not considered materially direct risks to the Company. The company is part of a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring the cash flow requirements of the company as part of the wider Deutsche Post Group. The company does not use derivative financial instruments to manage commodity and foreign currency costs as such no hedge accounting is applied.

The directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Directors' indemnities

The company maintains liability insurance for its Directors and officers. The Company also provided an indemnity for its Directors and the secretary, which is a qualifying third party indemnity provision for the purpose of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force.

DHL Distribution Holdings (UK) Limited

Directors' report For the year ended 31 December 2013 (continued)

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure of information to auditors

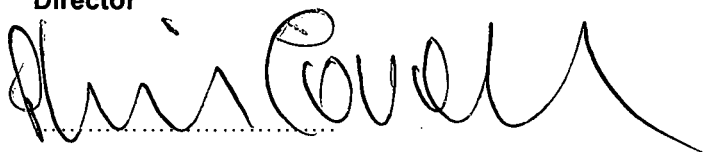
Each of the persons who is a Director at the date of approval of this report confirms that:

- (1) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (2) the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the board

P Couchman

Director



8 August 2014

DHL Distribution Holdings (UK) Limited

Independent auditors' report to the members of DHL Distribution Holdings (UK) Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

- The financial statements, which are prepared by DHL Distribution Holdings (UK) Limited, comprise:
- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

DHL Distribution Holdings (UK) Limited

Independent auditors' report to the members of DHL Distribution Holdings (UK) Limited

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

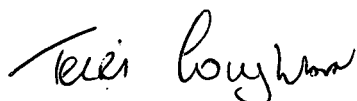
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Terri Coughlan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

8 August 2014

DHL Distribution Holdings (UK) Limited

Profit and loss account For the year ended 31 December 2013

	Note	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Administrative income/(expenses)		<u>185</u>	<u>(53)</u>
		185	(53)
Operating profit/(loss)	2	<u>185</u>	<u>(53)</u>
Interest receivable and similar income	5	27	36
Settlement of loans	4	-	5,299
		<u>212</u>	<u>5,282</u>
Profit on ordinary activities before taxation		212	5,282
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		<u>212</u>	<u>5,282</u>

All amounts relate to continuing operations.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents.


The notes on pages 8 to 13 form part of these financial statements.

Balance sheet
As at 31 December 2013

	Note	31 December 2013 £000	31 December 2012 £000
Fixed assets			
Investments	7	24,413	24,413
Current assets			
Debtors	8	<u>20,484</u>	<u>20,529</u>
		20,484	20,529
Creditors: amounts falling due within one year	9	<u>(37)</u>	<u>(293)</u>
Net current assets		<u>20,448</u>	<u>20,236</u>
Total assets less current liabilities		<u>44,861</u>	<u>44,649</u>
Capital and reserves			
Called up share capital	10	32,000	32,000
Profit and loss account	11	<u>12,861</u>	<u>12,649</u>
Total shareholders' funds	12	<u>44,861</u>	<u>44,649</u>

The financial statements on pages 6 to 13 were approved by the Board of Directors on 8 August 2014 and signed on its behalf by:

P Couchman
Director



DHL Distribution Holdings (UK) Limited

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 Exemption from preparing consolidated financial statements

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006 on the grounds that it is included in the financial statements of Deutsche Post AG. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.3 Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

The Company has entered into an agreement regarding UK corporation tax payments and refunds with Exel Limited, a fellow group undertaking. Under the terms of this agreement, Exel Limited has undertaken to discharge the current and future UK corporation tax liabilities on behalf of, and benefit from any tax recoverable due to, the Company. The Company recognises its UK corporation tax and deferred tax liabilities, but as such liabilities are indemnified by Exel Ltd, an indemnification asset for the amount due from Exel Limited is also recognised in the balance sheet until the amount is settled on the Company's behalf. The net tax charge on the profit or loss on ordinary activities that has been indemnified by Exel Limited is netted against the indemnification amount due from Exel Limited in the profit and loss account.

1.4 Cash flow and related party transactions

The company is a wholly owned subsidiary of Deutsche Post AG, and it is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996).

The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Deutsche Post AG group or investees of the Deutsche Post AG group.

1.5 Investments

Investments held as fixed assets are stated at cost less any provision for impairment. Where there is an indication that assets may be impaired there is an impairment review carried out by the Directors.

1.6 Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

DHL Distribution Holdings (UK) Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	Year ended 31 December 2013	Year ended 31 December 2012
	£000	£000
Auditors' remuneration - audit services	8	8

3. Directors' remuneration and employee information

During the year, none of the Directors received any emoluments in respect of their services to the company (2012: £nil). No staff were employed by the company during the year (2012: none).

The directors were remunerated by another entity within the group. None of these costs were recharged to this entity during the year.

4. Settlement of loans

	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Gain on forgiveness of loan from Russell Davies Limited	-	5,249
Gain on forgiveness of loan from DHL Pony Express Limited	-	50
	<u>-</u>	<u>5,299</u>

5. Interest receivable and similar income

	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Interest receivable from group undertakings	27	36
	<u>27</u>	<u>36</u>

DHL Distribution Holdings (UK) Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

6. Tax on profit/(loss) on ordinary activities

A fellow group undertaking, Exel Limited, has undertaken to discharge the Company's liability to United Kingdom corporation tax. The Company has also agreed that Exel Limited will benefit from any tax recoverable. The indemnification asset arising under this agreement, if any, is disclosed in other debtors.

Factors affecting tax for the year:

The tax assessed for the year differs (2012: differs) from the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Profit on ordinary activities before taxation	<u>212</u>	<u>5,282</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	49	1,294
Effects of:		
Expenses not allowable for UK tax	-	0
Income not subject to UK tax	-	(1,298)
UK current tax for the year	<u>49</u>	<u>(4)</u>
Group relief (claimed from)/surrendered to group companies for nil consideration	(49)	4
Current tax for the year	<u>≡</u>	<u>≡</u>

In Finance Act 2013 the main rate of corporation tax was reduced from 23% to 21% from 1 April 2014 and to 20% from 1 April 2015.

DHL Distribution Holdings (UK) Limited

**Notes to the financial statements
for the year ended 31 December 2013 (continued)**

7. Fixed asset investments

£000

Cost and net book value

At 1 January 2013 and 31 December 2013

24,413

The company holds 100% of the ordinary share capital of the following subsidiary undertakings:

Subsidiary undertakings	Principal activity and country of incorporation
DHL Express (Ireland) Limited	Parcel and document delivery (Ireland)
DHL International (UK) Limited	Parcel and document delivery (England)
DHL Aviation (UK) Limited	Document and freight delivery (England)
DHL Air Limited	Cargo air delivery (England)
DHL Management Services Limited	Administrative and support services (England)
Orbital Secretaries Limited	Dormant (England)
DHL UK Pension Trustees Limited	Dormant (England)

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

DHL Distribution Holdings (UK) Limited

**Notes to the financial statements
for the year ended 31 December 2013 (continued)**

8. Debtors

Due within one year	2013 £000	2012 £000
Amounts owed by group undertakings	20,468	20,529
Prepayments and accrued income	16	-
	<hr/> 20,484 <hr/>	<hr/> 20,529 <hr/>

The amounts owed by group undertakings represent cash at bank of £20,467,747 (2012: £20,528,556) that is repayable by fellow subsidiary Deutsche Post Finance BV, is unsecured and earns interest income at 0.1%.

9. Creditors: amounts falling due within one year

	2013 £000	2012 £000
Other creditors	-	151
Accruals and deferred income	36	142
	<hr/> 36 <hr/>	<hr/> 293 <hr/>

10. Called up share capital

Authorised, allotted, called up and fully paid	2013 £000	2012 £000
32,000,000 (2012: 32,000,000) ordinary A shares of 75p each	24,000	24,000
32,000,000 (2012: 32,000,000) ordinary B shares of 25p each	8,000	8,000
	<hr/> 32,000 <hr/>	<hr/> 32,000 <hr/>

DHL Distribution Holdings (UK) Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

11. Profit and loss account

	2013 £000	2012 £000
At 1 January 2013	12,649	7,367
Profit for the financial year	212	5,282
At 31 December 2013	<u>12,861</u>	<u>12,649</u>

12. Reconciliation of movement in total shareholders' funds

	2013 £000	2012 £000
Profit for the financial year	212	5,282
Net decrease in shareholders' fund	212	5,282
Opening shareholders' funds	<u>44,649</u>	<u>39,367</u>
Closing shareholders' funds	<u>44,861</u>	<u>44,649</u>

13. Contingent liabilities

For Value Added Tax (VAT) purposes, the company is grouped with other undertakings in a VAT group; under these arrangements the company has a joint and several liability for amounts owed by those undertakings to HM Revenue & Customs. At 31 December 2013, this liability amounted to £6,055,334 (2012: £5,707,222).

A contingent liability has been recognised in respect of an intercompany loan balance £5,249,422 which was waived by the intercompany party during the prior year. At this time, the Directors do not believe that there will be an economic outflow relating to this balance.

14. Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Deutsche Post AG, a company incorporated in Germany, which is the parent of the smallest and largest group in which the results of the company are consolidated. Copies of the Deutsche Post AG financial statements are available from Deutsche Post AG, Platz der Deutschen Post, Charles-de-Gaulle Strasse 20, 53250 Bonn, Germany.