

TIBBETT & BRITTEN GROUP LIMITED

Registered number: 1838882

Annual Report and Financial Statements

For the Year Ended

31 December 2009

Directors
P M Taylor
C S Waters
Exel Nominee No 2 Limited

Secretary
Exel Secretarial Services Limited

Registered Office
Ocean House
The Ring
Bracknell
Berkshire
RG12 1AN

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TIBBETT & BRITTEN GROUP LIMITED

Directors' Report

Directors' Report for the year ended 31 December 2009

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2009

Results and dividends

	2009 £000	2008 £000
Profit/(loss) for the year	<u>52,748</u>	<u>(12,725)</u>

The Directors do not recommend the payment of a final dividend (2008 £nil)

Principal activity, business review and future developments

The principal activity of the Company is that of an investment holding company in the Deutsche Post DHL Group. This activity is expected to continue.

In the opinion of the Directors the annexed financial statements give a fair review of the development of the business during the year and of its position at the end of the year.

Going concern

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 financial statements.

Business risk and key performance indicators

Given the straightforward nature of the business, the Directors consider that a discussion of the main business risks and analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Financial risk management

The Company's operations are totally related to the activities of the Deutsche Post DHL group of companies. As such its management of financial risk is dependent on the policies and risk management strategies of the ultimate parent company, Deutsche Post AG. Risk management policies where appropriate are approved by the board of Directors, are consistent with Deutsche Post AG financial risk policies, and are implemented by the Company's finance department.

The Company does not use derivative financial instruments.

Directors

The Directors who held office during the year and up to the date of this report are given below.

J Bumstead	ceased to be a Director on	31 August 2009
B Edwards	ceased to be a Director on	31 August 2009
P M Taylor	was appointed a Director on	28 August 2009
C S Waters	was appointed a Director on	28 August 2009
Exel Nominee No 2 Limited		

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 purposes of the Companies Act 2006.

Directors' Report (continued)

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). 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 judgements 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, in which case there should be supporting assumptions or qualifications as necessary.

The Directors are responsible for keeping proper 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 as to disclosure of information to auditors

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

- so far as the Director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and
- each Director has taken all the steps that one ought to have taken as a Director in order to make oneself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the Annual General Meeting.

By order of the Board



J. Sargeant
For and on behalf of
Exel Secretarial Services Limited
Secretary
30th June 2010

TIBBETT & BRITTEN GROUP LIMITED

Independent Auditors' Report to the Members of Tibbett & Britten Group Limited

We have audited the financial statements of Tibbett & Britten Group Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 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 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 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.

Scope of the audit of the financial statements

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.

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 December 2009 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.

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.

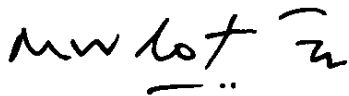
TIBBETT & BRITTEN GROUP LIMITED

Independent Auditors' Report to the Members of Tibbett & Britten Group Limited (continued)

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, 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



Mike Robinson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes
30th June 2010

TIBBETT & BRITTEN GROUP LIMITED**Profit and Loss Account****For the year ended 31 December 2009**

	Note	2009 £000	2008 £000
Other operating income	2	46,300	39,016
Other operating charges	2	(9)	(20,534)
Operating profit		46,291	18,482
(Loss)/profit on disposal of fixed asset investments	7	(3)	210
Income from shares in group undertakings		189	5,639
Interest receivable and similar income	4	2,805	5,222
Amounts written off investments	7	(319)	(42,355)
Adjustments to amounts written off investments	7	3,853	-
Interest payable and similar charges	5	(68)	(2)
Profit/(loss) on ordinary activities before taxation		52,748	(12,804)
Tax on profit/(loss) on ordinary activities	6	-	79
Profit/(loss) for the financial year		52,748	(12,725)

None of the Company's activities were acquired or discontinued during the current year or previous year

There are no recognised gains or losses other than the profit for the year or the loss for the previous year

TIBBETT & BRITTEN GROUP LIMITED**Balance Sheet****At 31 December 2009**

	Note	2009 £000	2008 £000
Fixed assets			
Investments	7	23,744	24,024
Current assets			
Debtors			
Amounts owed by group undertakings		5,075	126,091
Creditors: amounts falling due within one year	8	(18,437)	(192,481)
Net current liabilities		(13,362)	(66,390)
Total assets less current liabilities		10,382	(42,366)
Capital and reserves			
Called up share capital	9	2,453	2,453
Share premium account	10	8,749	8,749
Merger reserve	10	52,929	52,929
Special reserve	10	26,836	26,836
Profit and loss account	10	(80,585)	(133,333)
Total shareholders' funds/(deficit)		10,382	(42,366)

The financial statements on pages 5 to 12 were approved by the Board of Directors on 30th June 2010 and signed on its behalf by



C Waters
Director

Tibbett & Britten Group Limited

Registered number: 1838882

TIBBETT & BRITTEN GROUP LIMITED

Notes to the Financial Statements

For the year ended 31 December 2009

1 Accounting Policies

The principal accounting policies adopted by the Company are set out below and are consistent with those of the previous year

(a) Basis of preparation

These 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 UK accounting standards

Group financial statements have not been prepared because the Company is a wholly owned subsidiary of Deutsche Post AG, a company incorporated in Germany. These financial statements present information about the Company as an individual undertaking and not about its group

(b) Cash flow statement and related party disclosures

The Company is included in the consolidated financial statements of Deutsche Post AG, 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

The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with other wholly-owned members of the Group

(c) Dividend income

Dividend income is recognised when the right to receive payment is established

(d) Fixed asset investments

Fixed asset investments are included in the balance sheet at cost less provision for any impairment in value

(e) Amounts owed by group undertakings

As a part of its normal activity, the Company provides loan financing to members of the group. The loans are advanced on commercial terms, taking into account the borrower's status and financial position. The Company periodically assesses the ability of the borrower to repay the loans, and provisions are made where necessary and recognised in other operating charges. If the borrower's financial position subsequently improves or the loan is repaid then any excess provision is released and recognised in other operating income

(f) 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 Limited, 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

TIBBETT & BRITTEN GROUP LIMITED**Notes to the Financial Statements (continued)****For the year ended 31 December 2009****1 Accounting Policies (continued)****(g) Foreign currency translation**

All transactions denominated in foreign currencies are translated at the rate of exchange on the day the transaction occurs or at the contracted rate if the transaction is covered by forward foreign currency contracts. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling on the balance sheet date or, if appropriate, at a forward foreign currency contract rate. Exchange differences arising on foreign currency transactions are included in the profit and loss account.

2 Operating income and expense

The following amounts have been credited in arriving at the operating profit

	2009 £000	2008 £000
Other operating income		
Adjustment to provisions against amounts owed by group undertakings	46,290	38,989
Other operating income	10	27
	46,300	39,016

The following amounts have been charged in arriving at the operating profit

	2009 £000	2008 £000
Other operating charges		
Provisions against amounts owed by group undertakings	-	20,534
Other operating charges	9	-
	9	20,534

The fee payable for the audit of £2,000 (2008: £1,700) has been paid by a fellow group undertaking.

3 Directors and employees

The Directors received no remuneration (2008: none) for services provided to the Company.

The Company had no employees (2008: none).

4 Interest receivable and similar income

	2009 £000	2008 £000
Interest receivable from group undertakings	2,805	5,221
Other interest receivable	-	1
	2,805	5,222

5 Interest payable and similar charges

	2009 £000	2008 £000
Interest payable to group undertakings	68	2

TIBBETT & BRITTEN GROUP LIMITED**Notes to the Financial Statements (continued)****For the year ended 31 December 2009****6 Tax on profit/(loss) on ordinary activities**

	2009 £000	2008 £000
Current tax		
UK corporation tax		
Adjustment in respect of prior periods	-	79
Tax on profit/(loss) on ordinary activities	-	79

A fellow undertaking, Exel Limited, has undertaken to discharge the Company's liability to UK 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 the tax charge (credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK 28% (2008 28.5%). The differences are explained below:

	2009 £000	2008 £000
Profit/(loss) on ordinary activities before taxation	52,748	(12,804)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 28.5%)	14,769	(3,649)
Effects of:		
Expenses not allowable for UK tax	90	12,071
Adjustment in respect of prior periods	-	(79)
Income not subject to UK tax	(14,062)	(6,927)
UK current tax charge for the year	797	1,416
Group relief claimed from other group companies	(797)	(1,495)
Current charge/(credit) tax for the year	-	(79)

The rate of corporation tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the Company's losses for the accounting period ended 31 December 2008 were taxed at an effective rate of 28.5%. Profits or losses of the current and future periods will be taxed at 28%.

TIBBETT & BRITTEN GROUP LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2009

7 Investments

	Shares in group undertakings £000	Other investments £000	Total £000
Cost			
At 1 January 2009	78,804	4	78,808
Disposals	(46,240)	(4)	(46,244)
At 31 December 2009	32,564	-	32,564
Provisions			
At 1 January 2009	(54,784)	-	(54,784)
Charged to the profit and loss account	(319)	-	(319)
Released	3,853	-	3,853
Disposals	42,430	-	42,430
At 31 December 2009	(8,820)	-	(8,820)
Net book amount			
At 31 December 2009	23,744	-	23,744
At 31 December 2008	24,020	4	24,024

During the year the Company sold its investment in Exel UK Limited. No profit or loss was recognised on the sale.

During the year, Combined Transport Limited and Logistics Leasing Limited were dissolved and distributed all of their assets to the Company. A loss of £3,000 was recognised on the distribution.

During the year the Company made a provision of £319,000 against the investment in Tibbett & Britten International Holdings Limited to reflect that undertaking's current financial position.

During the year the Company re-assessed the carrying amount of its investment in Applied Distribution Group Limited and released £3,853,000 of the provision against that investment due to the improved circumstances of Applied Distribution Group Limited.

The following companies are subsidiary undertakings and, unless otherwise stated, 100% of the ordinary share capital is owned directly by the Company, they are incorporated in the United Kingdom, operate in their country of incorporation, and have a 31 December year end.

Company	Nature of business
Applied Distribution Group Limited	Investment company
Bernard Brook Transport (Elland) Limited	Dormant
DHL Systems Limited	Dormant
RDC Properties Limited	Investment company
Ross House (AL) Limited	Dormant
Tibbett & Britten Automotive Assets Limited	Dormant
Tibbett & Britten Consumer Limited	Dormant
Tibbett & Britten Group Iberia Limited	Dormant
Tibbett & Britten International Holdings Limited	Investment company

In the opinion of the Directors, the aggregate value of the Company's investments in group undertakings is not less than the aggregate amount included in the balance sheet.

TIBBETT & BRITTEN GROUP LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2009

8 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	17,137	191,354
Other creditors	1,300	1,127
	18,437	192,481

9 Called up share capital

	2009 £000	2008 £000
Authorised		
64,000,000 ordinary shares of 5p each	3,200	3,200
Allotted and fully paid		
49,062,907 ordinary shares of 5p each	2,453	2,453

There were no allotments during the year

10 Reconciliation of shareholders' funds/(deficit) and movements on reserves

	Share capital £000	Share premium account £000	Merger reserve £000	Special reserve £000	Profit and loss account £000	Total shareholders' funds/(deficit) £000
At 1 January 2008	2,453	8,749	52,929	26,836	(120,608)	(29,641)
Loss for the financial year	-	-	-	-	(12,725)	(12,725)
At 31 December 2008	2,453	8,749	52,929	26,836	(133,333)	(42,366)
Profit for the financial year	-	-	-	-	52,748	52,748
At 31 December 2009	2,453	8,749	52,929	26,836	(80,585)	10,382

11 Contingent liabilities

- The Company has guaranteed certain bank and other credit facilities of subsidiary undertakings amounting at the year-end to £12.4m (2008 £27.1m). These guarantees are typically for overdraft facilities, certain operating leases and employer's liability insurance counter-indemnities.
- For 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.

12 Immediate and ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Exel Limited. The Company's ultimate parent undertaking and controlling party is Deutsche Post AG, a company incorporated in Germany. This is the only group of which the Company is a member for which group financial statements are prepared. Copies of the financial statements of Deutsche Post AG can be obtained from Deutsche Post AG, Headquarters, Investor Relations, 53250 Bonn, Germany.

TIBBETT & BRITTEN GROUP LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2009

13 Events after the balance sheet date

The Company's subsidiary undertaking Tibbett & Britten Group Iberia Limited went into members' voluntary liquidation in March 2010. There will be no net financial impact on the Company.

In his Budget Statement issued on 22 June 2010, the Chancellor of the Exchequer announced the Government's intention to reduce future corporation tax rates to 27% from 1 April 2011 and by a further 1% in following years to a target rate of 24%.

At the date of signing these accounts these proposals had not been substantively enacted. There is no financial impact on these financial statements arising from these proposals.