

**Company's Registered Number: 02060689**

**DHL MANAGEMENT SERVICES LIMITED**

**Report and accounts  
for the year ended**

**31 DECEMBER 2008**



# **DHL MANAGEMENT SERVICES LIMITED**

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# **DHL MANAGEMENT SERVICES LIMITED**

## **DIRECTORS AND ADVISERS**

### **Directors**

C Bryans  
R Buettner  
K Patheja  
D Rasmussen  
R Steisel  
D Swiestra  
P Trawny  
H Troffaes

### **Secretary**

Orbital Secretaries Ltd

### **Registered office**

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

### **Auditors**

Nexia Smith & Williamson  
Chartered Accountants  
Registered Auditors  
25 Moorgate  
London  
EC2R 6AY

### **Company's registered number**

02060689

# **DHL MANAGEMENT SERVICES LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the accounts for the year ended 31 December 2008.

### **Activities and Business review**

The principal activity of the company continues to be the provision of administrative and support services to DHL operations throughout Europe, Africa, Asia Pacific and the Americas.

The company controls an overseas branch located in Nairobi, Kenya, the results of which are incorporated within these financial statements.

The results for the year are shown on page 7 of the accounts and are in line with expectations and the level of activity is expected to remain consistent in the coming year.

From the perspective of the company, the principal risks of the company are integrated within the risks of the group and are not managed separately. Accordingly the principal risks and uncertainties of Deutsche Post AG which include those of the company are discussed on page 65 of the group's annual report which does not form part of this report.

### **Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the company, 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.

#### *Price risk*

The company is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services it purchases in the UK. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

#### *Credit risk*

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

#### *Liquidity risk*

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

#### *Interest rate risk*

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances which earn interest at a fixed rate.

## **DHL MANAGEMENT SERVICES LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **Results for the year and dividends**

The profit for the year after taxation was £32,000 (2007: £29,000). The directors do not recommend the payment of a dividend (2007: £nil).

#### **Directors**

The directors of the company at 31 December 2008, all of whom served throughout the year, were:

M James	Resigned 5 June 2009
K Patheja	
R Steisel	
D Swiestra	
P Trawny	
H Troffaes	
C Bryans	
R Buettner	
D Rasmussen	Appointed 18 March 2008

#### **Disclosure of information to the auditors**

In the case of each person who was a director at the time this report was approved:

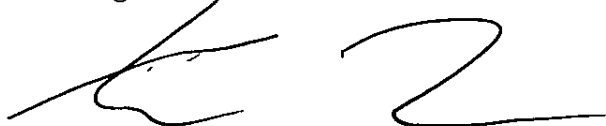
- so far as that director was aware there was no relevant available information of which the company's auditors were unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s234ZA of the Companies Act 1985.

#### **Auditors**

A resolution to re-appoint the auditors, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting.

**Approved by the board of directors  
and signed on behalf of the board**



**P Trawny  
Director**

Date: 25 September 2009

**Company's Registered Number: 02060689**

## **DHL MANAGEMENT SERVICES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position for the company and to enable them to ensure that the accounts 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.

# Nexia Smith & Williamson

## Independent auditors' report to the shareholders of DHL Management Services Limited

We have audited the accounts of DHL Management Services Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 15. These accounts 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 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 auditors' 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We read the information contained within the Directors' Report and consider whether it is consistent with the audited accounts. Our responsibilities do not extend to any other information.

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 state in our report whether in our opinion the information given in the Directors' Report is consistent with the accounts. We also 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 the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

### 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 examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### Opinion

In our opinion:

- the accounts 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 2008 and of its profit for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

Nexia Smith & Williamson  
Chartered Accountants  
Registered Auditors

25 Moorgate  
London  
EC2R 6AY

Date: 12 October 2009

# **DHL MANAGEMENT SERVICES LIMITED**

## **PROFIT AND LOSS ACCOUNT for the year ended 31 DECEMBER 2008**

	<b>Notes</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
<b>Turnover</b>		10,866	11,798
Operating costs		(10,879)	(11,796)
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>	<b>2</b>	<b>(13)</b>	<b>2</b>
Interest receivable and similar income	<b>5</b>	<b>53</b>	<b>41</b>
Interest payable and similar charges	<b>6</b>	<b>(6)</b>	<b>(7)</b>
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>34</b>	<b>36</b>
Tax on profit on ordinary activities	<b>7</b>	<b>(2)</b>	<b>(7)</b>
		<hr/>	<hr/>
<b>Retained profit for the financial year</b>	<b>13</b>	<b>32</b>	<b>29</b>
		<hr/>	<hr/>

All of the company's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.



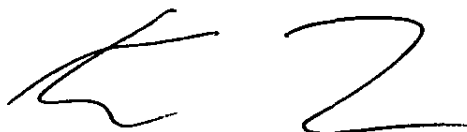
# DHL MANAGEMENT SERVICES LIMITED

## BALANCE SHEET as at 31 DECEMBER 2008

	Notes	2008 £'000	2007 £'000
<b>Fixed assets</b>			
Investments	8	2	2
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	9	2,640	3,074
Cash at bank and in hand		88	88
		<hr/>	<hr/>
		2,728	3,162
<b>Creditors: amounts falling due within one year</b>	10	(2,480)	(2,871)
		<hr/>	<hr/>
<b>Net current assets</b>		248	291
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		250	293
<b>Provisions for liabilities and charges</b>	11	(135)	(210)
		<hr/>	<hr/>
<b>Net assets</b>		115	83
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss account	13	115	83
		<hr/>	<hr/>
<b>Shareholders' funds</b>	14	115	83
		<hr/>	<hr/>

The accounts were approved by the Board of Directors on 25 September 2009 and were signed on its behalf by:

P Trawny  
Director



Company's Registered Number: 02060689

# **DHL MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008**

### **1. Accounting policies**

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice. A summary of the more important accounting policies adopted are described below.

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention. The company has taken advantage of the exemptions available under FRS1 and consequently has not prepared a cash flow statement.

#### **Fixed asset investments**

Fixed asset investments are accounted for at cost less any impairment in value.

#### **Deferred taxation**

Deferred tax is provided for on a full provision basis on all timing differences which have arisen but not reversed at the balance sheet date. A deferred tax asset is not recognised to the extent that the transfer of economic benefit in future is uncertain. Any assets and liabilities recognised have not been discounted.

#### **Pension costs**

Contributions to defined contribution schemes are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

#### **Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

#### **Turnover**

Turnover is recognised to reflect the extent to which services have been provided to group undertakings in respect of consultancy services provided during the year, based on the terms of the related contracts and excluding value added tax.

#### **Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Deutsche Post AG group.

# DHL MANAGEMENT SERVICES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008 (continued)

<b>2</b>	<b>Operating (loss)/profit</b>	<b>2008</b>	<b>2007</b>
		<b>£'000</b>	<b>£'000</b>
	The operating (loss)/profit is stated after charging:		
	Foreign exchange losses	40	14
	Auditors' remuneration – audit services	18	18
		<hr/>	<hr/>

<b>3</b>	<b>Directors' emoluments</b>	<b>£'000</b>	<b>£'000</b>
	All directors:		
	Aggregate emoluments	60	60
		<hr/>	<hr/>

No directors receive retirement benefits in relation to their services as directors of the company (2007: nil).

### 4 Employee information

The average number of persons, including directors employed by the company during the year was:

	<b>2008</b>	<b>2007</b>
	<b>Number</b>	<b>Number</b>
Management and administration	176	195
	<hr/>	<hr/>
	<b>£'000</b>	<b>£'000</b>
Staff costs for the above persons were:		
Wages and salaries	9,709	10,279
Social security costs	73	105
Severance payments	653	713
	<hr/>	<hr/>
	10,435	11,097
	<hr/>	<hr/>

Employee costs for those employees who carry out services for other DHL group companies are reimbursed by a fellow group company.

# **DHL MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008 (continued)**

<b>5</b>	<b>Interest receivable and similar income</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
	Interest receivable from group undertakings	53	41
		<hr/>	<hr/>
<b>6</b>	<b>Interest payable and similar charges</b>	<b>£'000</b>	<b>£'000</b>
	Interest payable to group undertakings	6	7
		<hr/>	<hr/>
<b>7</b>	<b>Tax on profit on ordinary activities</b>	<b>£'000</b>	<b>£'000</b>
(a)	UK corporation tax at 28.5% (2007: 30%)	-	2
	Foreign tax	2	5
		<hr/>	<hr/>
		2	7
		<hr/>	<hr/>
(b)	Factors affecting tax charge for period	<b>£'000</b>	<b>£'000</b>
	Profit on ordinary activities before tax	34	36
		<hr/>	<hr/>
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 28.5% (2007: 30%)	10	11
	Effects of:		
	Expenses not deductible for tax purposes	-	2
	Tax on overseas earnings	2	5
	Double tax relief claimed in the UK	(2)	
	Group relief	(8)	(11)
		<hr/>	<hr/>
	Current tax charge for period	2	7
		<hr/>	<hr/>

There is no deferred tax in this year (2007: £nil).

# DHL MANAGEMENT SERVICES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008 (continued)

### 8 Fixed asset investments

Shares in  
group  
undertakings  
£'000

#### Cost

At 1 January and 31 December 2008

2

At 31 December 2008 the company had equity interests in the following companies:

Company	Principal activity	% shares held	Country of incorporation
DHL International Malta	Express Courier Services	5	Malta
DHL Regional Services Limited Nigeria	Express Courier Services	-	Nigeria

The following shareholdings are held on a nominee basis, without any beneficial rights and as such are not classified as fixed asset investments:

Company	Principal activity	% shares held	Country of incorporation
DHL International NV	Express Courier Services	0.2	Belgium
Sherkate Hami – O – Naghle Sarie DHL Kish	Express Courier Services	1	Iran
DHL International Iran (PJSC)	Express Courier Services	2	Iran
DHL International Senegal SARL	Express Courier Services	10	Senegal
DHL International Guinea SARL	Express Courier Services	5	Guinea
DHL International Mali SARL	Express Courier Services	5	Mali
DHL International (Gambia) Limited	Express Courier Services	50	Gambia
DHL International (SL) Limited	Express Courier Services	5	Sierra Leone
DHL International Cameroon SARL	Express Courier Services	0.1	Cameroon
DHL International Gabon SARL	Express Courier Services	9	Gabon
DHL International Togo SARL	Express Courier Services	0.1	Togo
DHL International (Benin) SARL	Express Courier Services	1	Benin
DHL International Niger SARL	Express Courier Services	0.4	Niger
DHL International (Burkina Faso) SARL	Express Courier Services	1	Burkina Faso
DHL Guinea Equatorial	Express Courier Services	0.5	Equatorial Guinea
DHL International Congo SARL	Express Courier Services	10	Republic of Congo
DHL International Congo SPRL	Express Courier Services	1	Democratic Republic of Congo
DHL International SA, France	Express Courier Services	-	France
DHL Mozambique Limited	Express Courier Services	0.5	Mozambique
DHL Cote D'Ivoire SARL	Express Courier Services	1	Ivory Coast

# DHL MANAGEMENT SERVICES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008 (continued)

9	Debtors	2008 £'000	2007 £'000
	Amounts owed by group undertakings	2,593	2,936
	Prepayments and accrued income	45	138
	Corporation tax receivable	2	-
		<hr/> 2,640	<hr/> 3,074

Included within amounts owed by group undertakings is £1,419,000 (2007: £479,000) in relation to the in-house bank account which attracts interest at variable rates.

All other amounts owed by group undertakings are unsecured and interest free.

10	Creditors: amounts falling due within one year	2008 £'000	2007 £'000
	Amounts owed to group undertakings	128	133
	Other creditors and accruals	2,352	2,739
	Corporation tax payable	-	1
		<hr/> 2,480	<hr/> 2,871

11	Provisions for liabilities and charges	Provision for redundancy costs £'000
	At 1 January 2008	210
	Charged to profit and loss account	(75)
		<hr/>
	At 31 December 2008	135

The provision for redundancy costs relates to employees who carry out services for other DHL group companies and will be reimbursed by a fellow group company.

# DHL MANAGEMENT SERVICES LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2008 (continued)

12	<b>Called up share capital</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
	<b>Authorised, allotted, called up and fully paid</b>		
	100 ordinary shares of £1 each	-	-
		<hr/>	<hr/>
13	<b>Reserves</b>		<b>Profit and loss account £'000</b>
	At 1 January 2008		83
	Profit for the financial year		32
			<hr/>
	At 31 December 2008		115
			<hr/>
14	<b>Reconciliation of movements in shareholders' funds</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
	Opening shareholders' funds	83	54
	Profit for the financial year	32	29
		<hr/>	<hr/>
	Closing shareholders' funds	115	83
		<hr/>	<hr/>

### 15 Ultimate parent company and controlling party

At 31 December 2008, the immediate parent company was DHL Distribution Holdings (UK) Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Deutsche Post AG, a company incorporated in Germany, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of the consolidated financial statements of Deutsche Post AG may be obtained from Rudiger Krenkel (643-9), Deutsche Post AG, 53105, Bonn.

DeutschePost International BV, a company incorporated in the Netherlands, is the parent undertaking of the smallest group to prepare consolidated financial statements which incorporate the results of the Company. Copies of the consolidated financial statements of DeutschePost International BV may be obtained from DeutschePost International BV, Kruisweg 601, 2132 NA Hoofdrop, The Netherlands.