

REGISTRAR OF COMPANIES

The DHL UK Foundation

Annual Report and Financial Statements

31 March 2015

Company Limited by Guarantee
Registration Number
2223373 (England and Wales)

Charity Registration Number
327880

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Legal and administrative information

Trustees	C Stephens (Chairman) R Dürrwang P Grant A MacDonald D Mascarenhas E McQueen N Morecroft M Parsons T Slater R Stringer
Company secretary	Exel Secretarial Services Limited
Registered office	Ocean House The Ring Bracknell RG12 1AN
Company registration number	2223373 (England and Wales)
Charity registration number	327880
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 81 High Street Bedford MK40 1Y Santander UK plc Business Banking Centre Santander House 301 St Vincent Street Glasgow G2 5NT

Legal and administrative information

Investment managers

Sarasin Investment Management Limited
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Solicitor

Farrer and Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Trustees' report Year to 31 March 2015

The trustees present their annual report together with the financial statements of The DHL UK Foundation for the year ended 31 March 2015.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 and 20 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005).

Principal aims and objects

The vision of the Foundation is for all disadvantaged children and young people to have access to opportunities to develop the self confidence and skills they need to reach their full potential.

The mission of the Foundation is:

"To help disadvantaged children and young people achieve their full potential by engaging with DHL and its employees and working with partner organisations".

The Foundation achieves this by:

- ◆ Providing funding and leveraging DHL employee support, for high quality projects with organisations working with children and young people;
- ◆ Providing structured programmes and encouragement for DHL employees to volunteer, fundraise and use their skills in community activity;
- ◆ Focussing our resources in the UK with a modest number of projects being funded in other countries where we have heritage activities;
- ◆ Maximising the impact of our funds through the structure with a small central team with external 'in kind' support and regular evaluation of all projects supported; and
- ◆ Respecting the wishes of the organisations and individuals who started the Foundation.

The principal objects of the Foundation as laid out in the Memorandum and Articles of Association are:

- ◆ The relief of poverty among employees or former employees of Exel plc or its subsidiaries and their families;
- ◆ To assist in the provision of facilities to improve the conditions of life for deserving persons;
- ◆ To advance the education and training of people at educational establishments; and
- ◆ To make contributions to other charities, which fall within the approved categories.

Structure, Governance and Management

The DHL UK Foundation is a charitable company limited by guarantee with no share capital, governed by its Memorandum and Articles of Association. The articles were amended to allow for current governance arrangements on 28 July 2006, 8 December 2006 and 19 January 2012. The Foundation was registered with the Charity Commission on 22 July 1988.

Appointment, induction and training of trustees

As set out in the Articles of Association in effect from 28 July 2006, the directors of the Foundation are the trustees and trustees are appointed by the Board. The trustees are appointed to serve for a period of three years and are eligible for re-appointment for a further one consecutive term.

The trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. For new trustees there is an induction process which includes a brief on the trustee obligations under charity and company law, the content of the Memorandum and Articles of Association, the governance structure of the Foundation, the programmes run by the Foundation and recent financial performance of the charity.

The following trustees were in office at 31 March 2015 and served throughout the year, except where shown:

Trustees	Appointed/Resigned
John Allan (Chairman) CBE	Resigned 30 July 2015
Christopher Stephens (Chairman)	Appointed 30 July 2015
Ralf Dürrwang (DP DHL employee)	
Peter Grant	
Alan MacDonald (DHL employee)	
Denzil Mascarenhas (DHL employee)	
Elizabeth McQueen (DHL employee)	
Nigel Morecroft	
Mark Parsons (DHL employee)	
Tim Slater (DHL employee)	
Robert Stringer	

Organisational Structure

The DHL UK Foundation has a board of trustees of up to ten members who meet quarterly. Their key responsibilities are:

- i. to set the strategic aims of the Foundation;
- ii. To ensure sound financial management (including investment management);
- iii. to ensure compliance with charity and company law; and
- iv. to ensure the bodies to which responsibility has been delegated are performing their duties in a proper manner.

Structure, Governance and Management (continued)

Organisational Structure (continued)

Sonia Chhatwal was appointed as DHL UK Foundation Director in March 2014.

The Chairmanship of the Operations Committee is undertaken by Tim Slater (DHL business representative and Trustee). The Operations Committee consists of Sonia Chhatwal (DHL UK Foundation Director), Tim Slater (DHL business representative and Trustee), Duncan Butler (DHL business representative), Nicky Donovan (DHL UK Foundation representative), Andrew Button-Stephens (DHL UK Foundation representative) and Jennifer Simkin (DHL UK Foundation representative).

The Operations Committee normally meets a minimum of seven times each year and is responsible for:

- ◆ approving requests in respect of the Helping Hands programme;
- ◆ reviewing financial statements and agreeing any necessary actions; and
- ◆ identifying and resolving any operational issues.

The Chairmanship of the Investment Committee is undertaken by Nigel Morecroft (Trustee). The Investment Committee consists of Sonia Chhatwal (DHL UK Foundation Director), Nigel Morecroft (Trustee), Duncan Butler (DHL business representative), Mark Parsons (DHL business representative and Trustee), Andrew Button-Stephens (DHL UK Foundation representative) and Tim Gardener (external representative), and normally meets a minimum of four times a year. The role of the committee is to:

- ◆ advise the trustees in taking decisions in all investment related areas;
- ◆ monitor progress towards the achievement of the trustees' goals and to monitor their continuing relevance;
- ◆ manage the trustees' investment manager(s) and any other provider of investment services; and
- ◆ monitor the investment manager(s) and, if necessary, advise the trustees of a need for change.

The Chairmanship of the Transform It! steering group is undertaken by Peter Grant (Trustee). The Transform It! steering group consists of Nick Archer (DHL business representative), Peter Grant (Trustee), Julie Bustos (Groundwork UK representative), Samantha Cox (Groundwork UK representative), Sonia Chhatwal (DHL UK Foundation Director) and Nicky Donovan (DHL UK Foundation representative). The group meets a minimum of four times a year. The role of the committee is to:

- ◆ consider applications to Transform It! and approve in line with programme criteria. Decisions are then ratified by the trustee board.

Sonia Chhatwal is responsible for the strategic direction and the day to day management of the DHL UK Foundation.

Structure, Governance and Management (continued)

Trustees

The trustees constitute directors of the Foundation for the purpose of the Companies Act 2006.

Each trustee has taken responsibility for monitoring the Foundation's activities in specific operational areas and constant regard is had to the skills mix of the trustees to ensure that the board of trustees has all the necessary skills required to contribute fully to the Foundation's development.

No trustee received any remuneration from the charity during the year (2013/14 - none). Out of pocket travelling expenses totalling £2,226 (2013/14 - £4,288) were reimbursed to four (2013/14 - four) trustees during the year.

No trustee had any beneficial interest in any contract with the Foundation during the year.

Statement of trustees' responsibilities

The trustees (who are also directors of the DHL UK Foundation for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice Accounting and Reporting by Charities (Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charity will continue in operation.

Structure, Governance and Management (continued)

Statement of trustees' responsibilities (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Related Parties

The Foundation is independent of any other body. However it was endowed by the National Freight Consortium (NFC) plc. In May 2000, NFC plc merged with Exel plc and on 12 December 2005, Deutsche Post DHL (previously called Deutsche Post World Net) acquired Exel plc.

Deutsche Post DHL is the parent company of DHL. The DHL UK Foundation programmes are now linked to DHL employees with a major focus in the UK. In the period covered by this report a donation of £352,544 (2013/14 - £352,544) has been received from DHL.

Activities and achievements

In the period to 31 March 2015, the DHL UK Foundation made grants and supported charity partners, in line with its objectives, by way of the following programmes.

Match It!

Match It! aims to support and encourage current and retired DHL employees to take part in fundraising and volunteering activities by matching the funds they raise for their chosen charities.

Activities and achievements (continued)

Match It! (continued)

874 applicants received funding for their chosen charity or community organisation as a result of taking part in volunteering (109 applications) or fundraising (765 applications) activities, an increase of 2% (858 applications) over the previous year.

Match It! expenditure increased from £301,993 in the year ended 31 March 2014, to £315,306 for the year ended 31 March 2015.

37,610 volunteer hours were given by DHL UK employees claiming through Match It! during the year (2013/14 – 45,713 hours), and £468,939 was raised by DHL UK employees and pensioners claiming through Match It! (2013/14 – £448,484).

Outward Bound

The Outward Bound programme provides bursary support for young people from disadvantaged backgrounds to take part in outdoor learning activities and personal development courses. The charity also trains DHL employees as mentors to support the students taking part.

In 2014/15 the Foundation reviewed the 3 programmes run in 2013/14 and further to feedback received from stakeholders combined the Outward Bound First and Future sessions taking the best from both initiatives to form 'Look into Logistics':

- ◆ Funding of £68,900 provided 144 students with a bursary to attend an introduction day and a 5 day residential course at Outward Bound's residential centre in Aberdovey, Wales. They took part in activities that raised their self-esteem and improved their confidence. 15 DHL volunteers were trained and DBS checked and provided positive mentoring support to the children, and from their own fundraising, staff contributed a further £6,459 to the bursary fund.
- ◆ Look into Logistics provided 24 (Year 10) students with the opportunity to realise their full potential at school, in their wider communities and in the future workplace. A total of £24,977 was invested to provide the students with a 5 day residential course in Aberdovey and a total of 4 pre and post course workshops were supported by a core group of DHL mentors. Throughout the programme, students were given the opportunity to learn skills, attitudes and behaviours valued by future employers, including DHL, along with support in preparing CV's and taking part in interviews.

Get Into Logistics with The Prince's Trust

The DHL UK Foundation has been working in partnership with The Prince's Trust to run the 'Get Into Logistics' programme since 2007.

Get Into Logistics aims to enable disadvantaged young people who are not in education, employment or training to have the confidence, skills and experience necessary to progress into employment, ideally with a career in the logistics industry.

Activities and achievements (continued)

Get Into Logistics with The Prince's Trust (continued)

In 2014/15 a donation of £98,886 was made to The Prince's Trust which included £78,885 to fund five 'Get into Logistics' courses and £20,000 to fund two 'Adopt a Team' programmes. This enabled 86 young people to take part in the Get Into Logistics programme across eight DHL sites. Year on year over 75% of young people are offered employment on a DHL site and we estimate that 50% of young people are still employed on the DHL site 12 months later.

Transform It!

The Transform It! programme aims to positively change the lives of disadvantaged children and young people through the development and improvement of local community facilities. Grants of up to £10,000 are provided to DHL employees who want to work with a local charity or community organisation to transform their facilities. During 2014/15, 24 full applications were received. These were considered by the Transform It! steering group, who met four times during the year and approved total grant funding of £137,249 to 15 applicants.

The DHL UK Foundation work in partnership with the charity Groundwork UK to deliver Transform It! The charity's role includes answering DHL employee queries, assessing applications prior to consideration by the project steering group, and providing specialist knowledge where needed.

Type of Organisation	Number	Brief Description
Community based projects	7	Development of: a community café, rooms for homeless people, new play area, outdoor go-kart track, rebuild of scout hut, drama and music space, replacing grass in play area with all-weather surface - wheelchair friendly access
School / Academy	6	Development of: a new outdoor learning environment, outdoor play area, fruit and vegetable gardens
Sports Clubs	2	Refurbishment of a boxing club

IntoUniversity

IntoUniversity are a charity dedicated to raising the aspirations and educational achievements of young people in disadvantaged communities in the UK. The DHL UK Foundation provided £334,000 of funding (on behalf of DPDHL) during 2014/15.

IntoUniversity's partnership with the DHL UK Foundation is supporting the launch of two new local learning centres each year as well as increasing the capacity of IntoUniversity's Secondary FOCUS programme by 3,000 students each year.

In 2014/15 IntoUniversity launched three new learning centres in Leeds, Brighton and Oxford. DHL employees have been given the opportunity to support students as mentors, to help develop their employability skills and to provide practical work experience.

Activities and achievements (continued)

Trucks and Child Safety (TACS)

The TACS programme increases road safety awareness amongst primary school aged children in the UK through supporting DHL employees to deliver road safety sessions.

300 DHL employees are now trained as volunteer TACS demonstrators to deliver TACS training sessions for schools and community organisations, demonstrating blind spots and other road safety points using an articulated vehicle as a visual aid. During the year 11,390 children received a TACS demonstration.

Community Heroes Awards

The DHL UK Foundation's annual 'Community Heroes' Awards recognise the community engagement achievements of DHL employees across the UK. 72 applications were received of which 19 were winners; runners up or highly commended in each award category. 120 employees attended the celebration event and a total of £10,120 was donated to charity through the awards process. The cost of the event was £15,574 including costs such as the venue, food and awards.

Edinburgh University Science, Technology, Engineering, Maths scholarship Fund

DPDHL have asked the DHL UK Foundation to administer a scholarship fund with Edinburgh University.

The fund is intended to support aspiring young people of limited means to pursue a world-class education and will specifically support students who have secured a place to study Science, Technology, Engineering or Maths. The first cohort of students will start at the university in October 2015 and students who qualify for the scholarships will receive £2,000 each year for up to five years of their course. The scheme is scheduled to support 14 or 15 students per annum, and will operate for 10 years in total. Students selected to take part may also benefit from placement opportunities and exchange programmes at DHL's UK business divisions.

Grant Making

The Foundation provides grants to organisations that work with disadvantaged young people to achieve their full potential despite social and economic obstacles.

♦ *Helping Hands*

The Helping Hands programme provides grants to retired or current employees of DHL with welfare needs. During the year to 31 March 2015, more than 25 applications were approved and grants totalling £25,067 were awarded.

♦ *Turkey*

The CATOM scholarship programme supports girls in continuing their education. The DHL UK Foundation provided support amounting to £15,700, helping students through provision of scholarships to attend full time education.

Activities and achievements (continued)

♦ ***South Africa***

A grant of £12,654 was made during the year to Khulisa, an initiative which continues to fund Ubuntu clubs in Tembisa South Africa. Ubuntu is a concept focussing on people's relationships with others rather than on their own interests as an individual.

♦ ***Education Development Support Scheme (EDSS)***

The EDSS provides financial support to enable the children of DPDHL employees in African countries and Turkey below a defined income level to attend school. Funding of £32,769 was donated by the Foundation in support of this programme.

Grant making policy

For the programmes described above which include grant giving, the Foundation assesses applications through structured procedures.

For grants made via Match It!, applicants are required to complete a form and provide information including proof of fundraising or volunteering activity. The DHL UK Foundation Director then approves those applications which have met programme criteria, and this decision is then ratified by the Trustee board.

For grants made via Transform It!, applicants and the charity or community organisation they are working with are required to complete a form and provide information about the project. The Transform It! Steering group then approves those applications which have met programme criteria and this decision is then ratified by the Trustee board.

Public Benefit

When setting the objectives and planning the work of the Foundation for the year, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, where relevant, its supplementary guidance.

The mission of the Foundation is defined as "To help disadvantaged children and young people achieve their full potential by engaging with DHL and its employees and working with partner organisations". The trustees ensure that this mission is delivered for the public benefit by running a range of programmes, including:

- ♦ Charity Partnerships;
- ♦ Match It!;
- ♦ Transform It!; and
- ♦ Trucks and Child Safety

Future plans

The UK programme will continue to fulfil the mission statement of the Foundation "to help disadvantaged children and young people achieve their full potential by engaging with DHL and its employees and working with partner organisations". Our future plans for the coming year include:

- ◆ To place greater emphasis on programmes that directly support disadvantaged children and young people;
- ◆ To explore new partnership opportunities with the Prince's Trust and Outward Bound programmes that enable the Foundation to further increase engagement by DHL employees; and
- ◆ To investigate potential new community partnerships that would enable the Foundation to increase support of disadvantaged children and young people.

Financial report for the year

Incoming resources for the year were £2,451,752 (2014 - £2,031,757). The Foundation's two main sources of funding during this year were investment income of £737,227 and the donation from DHL of £352,544.

Charitable expenditure on activities in furtherance of the Foundation's objectives increased by £133,854 to £1,839,062 of which £1,616,235 relates to charitable grants and donations. The costs of governance of the charity decreased by £1,201 from £143,841 to £142,640. Total expenditure for the year amounted to £2,237,301 (2014 - £2,082,153).

This resulted in an operating surplus of £214,451 (2014 – deficit of £50,396). The charity received £2,562,873 of realised and unrealised investment gains, which contributed to a total increase in funds of £2,777,324.

Reserves policy and financial position

Reserves policy

As detailed above the charity carries out a diverse range of activities, the trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be approximately £100,000 equivalent to approximately one month's annual expenditure on unrestricted funds at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. The reserve balance at the year end was £440,954. The DHL UK Foundation has recently chosen to adopt a total return approach to investment, thus the year end reserve balance is deemed to be prudent given the change to be less dependent in income generating investments.

Reserves policy and financial position (continued)

Financial position

The balance sheet shows total funds of £30,385,634 (2014 - £27,608,310).

These funds include an expendable endowment fund of £29,944,680 (2014 - £27,411,878). The endowment, whilst expendable, is represented by investments the income from which supports charitable activities of the Foundation.

Also included in total funds is an amount of £nil (2014 - £ nil) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 15 to the financial statements together with an analysis of movements in the year.

General funds of the charity at 31 March 2015 total £440,954 (2014 - £196,432) and equate to free reserves. In addition £56,456 cash held in investments is available at 24 hours' notice. Free reserves of the charity are comfortably within the reserves policy stated above.

Risk management

The trustees have established a risk management process comprising:

- ◆ an annual review of the risks the charity may face;
- ◆ the establishment of systems and procedures to mitigate those risks identified; and
- ◆ the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Investment policy

The charity has a portfolio of investments with a market value as at 31 March 2015 of £29,944,680 (2014 - £27,411,878).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The overall investment policy is to maximise total return through a diversified portfolio, aiming to provide the level of income advised by the trustees and, at the same time, with a view to ensuring that capital appreciation of the fund exceeds inflation over any five year period.

The trustees meet with the investment managers annually to review the performance of the portfolio and the investment strategy.

The trustees are satisfied that their investment policy is being achieved.

Trustees' report Year to 31 March 2015

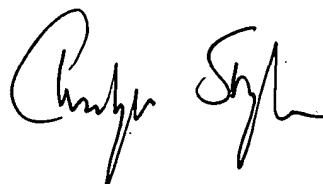
Volunteers

The trustees are very grateful to the many volunteers who have given their time to the charity over the past year and who have provided invaluable assistance.

Approved by the trustees and signed on their behalf by:

Trustee

Approved by the trustees on 30 July 2015

A handwritten signature in black ink, appearing to read 'Chris Stephens', written in a cursive style.

(CHRISTOPHER STEPHENS)

Independent auditor's report to the members of the DHL UK Foundation

We have audited the financial statements of the DHL UK Foundation for the year ended 31 March 2015 which comprise the statement of financial activities, the balance sheet, the principal accounting policies 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).

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the statement of trustees' responsibilities set out in the Trustees' report, the trustees 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

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, 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.

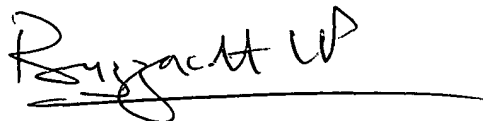
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' 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 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 trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.
- ◆ the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Avnish Savjani, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

17 August 2015

Statement of financial activities Year to 31 March 2015

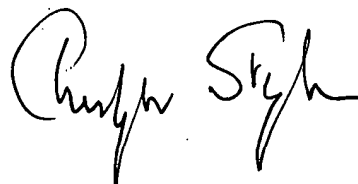
	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2015 Total funds £	2014 Total funds £
Income and expenditure						
Incoming resources						
Incoming resources from generated funds						
. Voluntary income	1	1,380,525	334,000	—	1,714,525	919,425
. Investment income	2	737,227	—	—	737,227	1,112,332
Total incoming resources		<u>2,117,752</u>	<u>334,000</u>	<u>—</u>	<u>2,451,752</u>	<u>2,031,757</u>
Resources expended						
Cost of generating funds						
. Costs of generating voluntary income	5	24,133	—	—	24,133	17,641
. Investment manager costs		—	—	231,466	231,466	136,005
Charitable expenditure						
. Grants and donations payable	3	1,282,235	334,000	—	1,616,235	1,534,397
. Other charitable activities	4	222,827	—	—	222,827	250,269
Governance costs	6	142,640	—	—	142,640	143,841
Total resources expended		<u>1,671,835</u>	<u>334,000</u>	<u>231,466</u>	<u>2,237,301</u>	<u>2,082,153</u>
Net incoming (outgoing) resources before transfers and investment asset disposals						
	7	445,917	—	(231,466)	214,451	(50,396)
Transfers between funds	14	(204,228)	—	204,228	—	—
Realised gains on investments	11	—	—	161,698	161,698	209,269
Statement of total recognised gains and losses						
Net income (expenditure) for the period		241,689	—	134,460	376,149	158,873
Unrealised gains on investments	11	—	—	2,401,175	2,401,175	694,607
Net movement in funds		<u>241,689</u>	<u>—</u>	<u>2,535,635</u>	<u>2,777,324</u>	<u>853,480</u>
Fund balances brought forward at 1 April 2014		<u>196,432</u>	<u>—</u>	<u>27,411,878</u>	<u>27,608,310</u>	<u>26,754,830</u>
Fund balances carried forward at 31 March 2015		<u>438,121</u>	<u>—</u>	<u>29,947,513</u>	<u>30,385,634</u>	<u>27,608,310</u>

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 March 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Investments	11		29,944,680		27,411,878
Current assets					
Debtors	12	180,693		85,163	
Cash at bank and in hand		<u>1,342,689</u>		<u>1,307,543</u>	
		1,523,382		1,392,706	
Creditors: amounts falling due within one year	13	<u>(1,082,428)</u>		<u>(1,196,274)</u>	
Net current assets			440,954		196,432
Total net assets			<u>30,385,634</u>		<u>27,608,310</u>
Represented by:					
Funds and reserves					
Capital funds:					
Endowment funds	14		29,944,680		27,411,878
Income funds:					
Restricted funds	15		—		—
Unrestricted funds			<u>440,954</u>		<u>196,432</u>
			<u>30,385,634</u>		<u>27,608,310</u>

Signed on behalf of the trustees by:



Trustee

(CHRISTOPHER STEPHENS)

The DHL UK Foundation, Company Limited by Guarantee
Registration Number 2223373

Approved by the trustees on 30 July 2015

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of the Companies Act 2006. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these accounts.

Cash flow

The financial statements do not include a cash flow statement because the charity as a small reporting entity is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Gifts in kind are recognised in the Statement of Financial Activities at their estimated market value when received.

Dividends are included in the Statement of Financial Activities from the date on which the investment is first listed "ex-dividend". Bank interest is included in the Statement of Financial Activities on an accruals basis.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. The costs of generating funds include the salaries, direct costs and overheads associated with generating donated income and the fees paid to investment managers in connection with the management of the charity's listed investments.
- b. The costs of charitable activities comprise expenditure on the charitable company's primary charitable purposes as described in the trustees' report.
- c. Support costs are allocated between activities on the basis of time spent or funds involved or charged directly to an activity.
- d. Governance costs represent costs attributable to the strategic direction of the charity and compliance with constitutional and statutory requirements.

Investments

Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

Funds

The expendable endowment funds comprise monies set aside out of general funds in pursuit of the objectives of the Foundation.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

Contributions in respect of defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme.

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Donation from DHL	352,544	—	352,544	352,544
Gift in kind from DHL	247,958	—	247,958	243,691
General donations	780,023	334,000	1,114,023	323,190
	<u>1,380,525</u>	<u>334,000</u>	<u>1,714,525</u>	<u>919,425</u>

Gifts in kind comprise the donation of employee services made in the year from DHL.

2 Investment income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Income from listed investments	732,052	—	732,052	1,104,413
Interest receivable	5,175	—	5,175	7,919
	<u>737,227</u>	<u>—</u>	<u>737,227</u>	<u>1,112,332</u>

3 Grants payable

The grants payable during the year were for the following purposes:

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Direct costs:				
· Match it!	315,306	—	315,306	301,993
· Transform It!	137,249	—	137,249	260,285
Supporting Future Generations:				
· Outward Bound Trust	100,336	—	100,336	128,286
· The Princes Trust	98,886	—	98,886	98,885
· Career Academies UK	—	—	—	3,100
· Into University	—	334,000	334,000	322,000
· University of Edinburgh Development Trust	150,000	—	150,000	—
International Donations:				
· Tsunami	—	—	—	3,138
· South Africa	12,654	—	12,654	19,654
· Turkey	15,700	—	15,700	15,700
· Other Europe	5,000	—	5,000	5,000
· Other Africa	27,769	—	27,769	27,788
Other Donations:				
· Helping Hands Scheme	25,067	—	25,067	16,708
· Other	12,500	—	12,500	4,889
· Community Heroes	10,120	—	10,120	11,100
	<u>910,587</u>	<u>334,000</u>	<u>1,244,587</u>	<u>1,218,526</u>
Allocation of support costs (note 5)	371,648	—	371,648	315,871
	<u>1,282,235</u>	<u>334,000</u>	<u>1,616,235</u>	<u>1,534,397</u>

4 Other charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Direct costs				
. Trucks and Child Safety	4,523	—	4,523	41,512
. Community Heroes	15,574	—	15,574	17,081
. Gifts in kind – DHL employee services	188,250	—	188,250	178,193
	<u>208,347</u>	<u>—</u>	<u>208,347</u>	<u>236,786</u>
Allocation of support costs (note 5)	14,480	—	14,480	13,483
	<u>222,827</u>	<u>—</u>	<u>222,827</u>	<u>250,269</u>

5 Support costs

The support costs incurred during the year to 31 March 2015 and the bases of their allocation were as follows:

	Costs of generating voluntary income £	Grants payable £	Other charitable activities £	Governance £	Total £	Basis of allocation
Staff costs	13,908	214,189	8,345	41,725	278,167	Proportion of staff time involved
Premises, administration and travel	3,988	61,422	2,393	11,966	79,769	Proportion of staff time involved
Consultancy	2,569	39,565	1,542	7,707	51,383	Proportion of staff time involved
Irrecoverable VAT	3,370	51,903	2,022	10,111	67,406	Proportion of staff time involved
Sundry expenses	298	4,569	178	890	5,935	Proportion of staff time involved
	<u>24,133</u>	<u>371,648</u>	<u>14,480</u>	<u>72,399</u>	<u>482,660</u>	

6 Governance costs

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Direct costs:				
. Audit fees	9,000	—	9,000	7,464
. Meeting expenses	190	—	190	1,134
. Bank charges	1,343	—	1,343	982
. Legal fees	—	—	—	15,840
. Gifts in kind – DHL employee services	59,708	—	59,708	65,498
	<u>70,241</u>	<u>—</u>	<u>70,241</u>	<u>90,918</u>
Allocation of support costs (note 5)	72,399	—	72,399	52,923
	<u>142,640</u>	<u>—</u>	<u>142,640</u>	<u>143,841</u>

7 Net incoming (outgoing) resources before transfers and investment asset disposals

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Staff costs (note 8)	235,025	—	235,025	184,776
Auditor's remuneration				
Statutory audit services	9,000	—	9,000	7,464

8 Staff costs

Staff costs during the year were as follows:

	2015 £	2014 £
Wages and salaries	194,599	147,850
Social security costs	20,289	13,972
Other pension costs	20,137	22,954
	235,025	184,776

One employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year (2014 - none).

The average number of employees seconded to the Foundation during the year was 6 (2014 – 6). Their costs were recharged from DHL. The employees were all engaged in support activities on the following estimated proportions: 5% generating funds, 80% charitable activities, 15% governance.

9 Trustees' remuneration

None of the trustees received any remuneration in respect of their services during the year (2014 - none).

During the year out of pocket travelling expenses amounting to £2,226 (2014 - £4,288) were reimbursed to 2 (2014 – 4) trustees.

10 Taxation

The DHL UK Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 31 March 2015

11 Investments

	2015 £	2014 £
Listed investments		
Market value at 1 April 2014	27,329,412	26,359,447
Additions at cost	25,110,951	5,134,614
Disposals at book value (proceeds: £25,115,012; gains: £161,698)	(24,953,314)	(4,859,256)
Unrealised investment gains	2,401,175	694,607
Market value at 31 March 2015	29,888,224	27,329,412
Cash held by investment managers for re-investment	56,456	82,466
	29,944,680	27,411,878
Cost of listed investments at 31 March 2015	27,371,203	23,722,683

Listed investments held at 31 March 2015 comprised the following:

	2015 £	2014 £
UK Equities	4,298,706	9,348,563
Overseas Equities	7,680,306	13,404,026
UK Property	1,030,855	1,488,150
Overseas Property	94,479	148,941
UK Fixed Interest Securities	1,562,975	2,939,732
OEIC Funds	15,220,903	—
	29,888,224	27,329,412

At 31 March 2015 listed investments included the following individual investment holdings deemed material when compared to the overall holding at that date:

Holding	Market value of holding £	Percentage of total portfolio %
Sarasin Global Higher Dividend (Sterling hedged) – I Inc	3,126,439	10
Sarasin Global Higher Dividend – I Inc	3,673,741	12
Sarasin Equisar Global Thematic (Sterling hedged) – I Inc	3,730,386	12
Ruffer Absolute Return C Inc	15,220,903	51

12 Debtors

	2015 £	2014 £
Amount due from DHL	—	40,000
Accrued Income	10,269	756
Sundry debtors	170,424	44,407
	180,693	85,163

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Amount due to DHL	211,685	74,311
Other creditors	176,565	32,805
Accruals and deferred income	694,178	1,089,158
	1,082,428	1,196,274

14 Endowment funds

Movements on the expendable endowment funds during the year can be summarised as follows:

	At 1 April 2014 £	Incoming resources £	Expenditure, gains, losses and transfers £	At 31 March 2015 £
Endowment fund	27,411,878	—	2,532,802	29,944,680

The endowment funds are represented in full by the investments of the Foundation. Transfers in the year bring the expendable endowment fund in line with the market value of investments held.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 April 2014 £	Incoming resources £	Expenditure, gains, losses and transfers £	At 31 March 2015 £
Into University project	—	334,000	(334,000)	—

IntoUniversity Fund

DP DHL has provided £1m of funding to be donated to IntoUniversity over a three year period to support IntoUniversity's expansion plan. The fund is managed by the Foundation with the target of achieving two key objectives over a three year period (from September 2013): Developing the capacity of IntoUniversity's Secondary FOCUS programme and the creation of 6 new centres adding 5,400 places for students each year.

16 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	Total 2015 £
Fund balances at 31 March 2015 are represented by:				
Investments	—	—	29,944,680	29,944,680
Current assets	1,523,382	—	—	1,523,382
Creditors: amounts falling due within one year	(1,082,428)	—	—	(1,082,428)
Total net assets	440,954	—	29,944,680	30,385,634

17 Capital commitments

The company had no capital commitments as at 31 March 2015 (2014 – none).

18 Liability of members

The DHL UK Foundation is a company limited by guarantee. In the event of winding up, the maximum amount guaranteed to be contributed by each member is £1.

19 Related Parties

The Foundation is independent of any other body. However it was endowed by the National Freight Consortium (NFC) plc. In May 2000, NFC plc merged with Exel plc and on 12 December 2005, Deutsche Post DHL (previously called Deutsche Post World Net) acquired Exel plc.

Deutsche Post DHL is the parent company of DHL. The DHL UK Foundation programmes are now linked to DHL employees with a major focus in the UK. In the period covered by this report a donation of £352,544 (2014 - £352,544) has been received from DHL.