

Company Registration No. 02487872 (England and Wales)

**DEUTSCHE TELEKOM LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

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# DEUTSCHE TELEKOM LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P Hotulew R Zitz
<b>Secretary</b>	Reed Smith Corporate Services Limited
<b>Company number</b>	02487872
<b>Registered office</b>	The Broadgate Tower 3rd Floor 20 Primrose Street London England and Wales EC2A 2RS
<b>Auditors</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>Accountants</b>	WMT 2nd Floor 45 Grosvenor Road St Albans Hertfordshire AL1 3AW

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# DEUTSCHE TELEKOM LIMITED

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# DEUTSCHE TELEKOM LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2012

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The directors present their report and the audited financial statements for the year ended 31 December 2012

#### Principal activities and review of the business

Although the company finished all trading operations in 2003 and all operational aspects of the company had been completed, leaving as close to a nil balance as possible, the company remains in operation to deal with the ongoing lease and subletting of Hammersley House through to the end of the lease commitment on 28 October 2015 Sireo Real Estate GmbH continues to act as the company's agent for the management of the property according to the agency contract dated 26 September 2003

#### Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend (2011 £nil)

#### Directors

The following directors have held office during the year

P Hotulew

R Zitz

#### Auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

#### 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 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,
- 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

# DEUTSCHE TELEKOM LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2012**

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

On behalf of the board



P Hotulew

Director

25.09.2013

# **DEUTSCHE TELEKOM LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF DEUTSCHE TELEKOM LIMITED FOR THE YEAR ENDED 31 DECEMBER 2012**

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We have audited the financial statements of Deutsche Telekom Limited for the year ended 31 December 2012, 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 pages 1 to 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 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 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. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or 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 company's affairs as at 31 December 2012 and of its loss 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.

#### **Emphasis of matter - basis of preparation**

We draw your attention to Note 1 of the financial statements which explains that the directors have determined that the company has ceased trading. Accordingly, the going concern basis of accounting is not appropriate. Adjustments have been made in the financial statements to reflect this as detailed in Note 1 of the financial statements. Our opinion is not qualified in this respect.

#### **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.

# DEUTSCHE TELEKOM LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF DEUTSCHE TELEKOM LIMITED FOR THE YEAR ENDED 31 DECEMBER 2012

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#### 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, or
- the directors were not entitled to take advantage of the small companies exemptions in preparing the Directors' Report



Mark Allsop (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

25<sup>th</sup> September 2013

# DEUTSCHE TELEKOM LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Administrative expenses		(145,707)	(150,148)
Other operating income	2	125,997	130,273
<b>Operating loss</b>	3	(19,710)	(19,875)
Other interest receivable	4	3,342	3,527
Finance charges	8	(186)	(186)
<b>Loss on ordinary activities before taxation</b>		(16,554)	(16,534)
Tax on loss on ordinary activities	5	-	-
<b>Loss for the year</b>	10	(16,554)	(16,534)

The profit and loss account has been prepared on the basis that all operations are continuing operations. However, the company ceased all trading operations on 30 June 2003.

There are no recognised gains and losses other than those passing through the profit and loss account.



# DEUTSCHE TELEKOM LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
<b>Current assets</b>					
Debtors	6	66,688		78,342	
Cash at bank and in hand		2,272,650		2,306,629	
		<u>2,339,338</u>		<u>2,384,971</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(85,278)</u>		<u>(77,764)</u>	
<b>Total assets less current liabilities</b>			2,254,060		2,307,207
<b>Provisions for liabilities and charges</b>	8		<u>(104,666)</u>		<u>(141,259)</u>
<b>Net assets</b>			<u>2,149,394</u>		<u>2,165,948</u>
<b>Capital and reserves</b>					
Called up share capital	9	240,000		240,000	
Profit and loss account	10	1,909,394		1,925,948	
<b>Shareholders' funds</b>	11	<u>2,149,394</u>		<u>2,165,948</u>	

The financial statements on pages 5 to 11 were approved by the Board on 25.09.2013 and were signed on its behalf by



P Hotulew  
Director

Company Registration No. 02487872

# DEUTSCHE TELEKOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard 1 "Cash Flow Statements" (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking of Deutsche Telekom AG, a company registered in Germany, whose consolidated financial statements are available to the public

##### **1.2 Going concern**

The company is not considered a going concern, and ceased trading in 2003. The accounts have been prepared on this basis and a provision has been made for the expected net costs due to the vacation by the company of a property subject to an operating lease.

##### **1.3 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### **1.4 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.5 Deferred 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, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exception:

On the basis of available evidence, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. The deferred tax balance is not discounted.

##### **1.6 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

##### **1.7 Provisions**

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. A provision for onerous contracts is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

# DEUTSCHE TELEKOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

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### 1 Accounting policies (continued)

#### 1.8 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Transactions" from the requirement to disclose balances with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent undertaking

### 2 Other operating income

	2012 £	2011 £
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Rent receivable	125,997	130,273
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### 3 Operating loss

	2012 £	2011 £
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Operating loss is stated after charging

Loss on foreign exchange transactions

	2,145	-
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Operating lease rentals - land and buildings (net of utilisation of the onerous lease provision - see note 8)

	124,116	130,976
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Fees payable to the company's auditor for the audit of the company's annual accounts

	6,000	6,100
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### 4 Investment income

	2012 £	2011 £
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Bank interest	3,342	3,527
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	3,342	3,527
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# DEUTSCHE TELEKOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2012

<b>5</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
	Total current tax	-	-
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(16,554)	(16,534)
		<u>          </u>	<u>          </u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	(3,973)	(4,299)
		<u>          </u>	<u>          </u>
	Effects of		
	Non deductible expenses	-	79
	Tax losses carried forward	3,973	4,332
	Effect of change in corporation tax rate	-	(112)
		<u>          </u>	<u>          </u>
		3,973	4,299
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the year</b>	-	-
		<u>          </u>	<u>          </u>

The company has estimated losses of £ 196,701 (2011 - £ 141,598) available for carry forward against future trading profits

<b>6</b>	<b>Debtors</b>	<b>2012</b>	<b>2011</b>
		£	£
	Other debtors	29,225	37,199
	Prepayments and accrued income	37,463	41,143
		<u>          </u>	<u>          </u>
		66,688	78,342
		<u>          </u>	<u>          </u>
<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
		£	£
	Taxes and social security costs	-	4,796
	Other creditors	38,190	27,000
	Accruals and deferred income	47,088	45,968
		<u>          </u>	<u>          </u>
		85,278	77,764
		<u>          </u>	<u>          </u>

# DEUTSCHE TELEKOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

### 8 Provisions for liabilities

	Onerous lease £
Balance at 1 January 2012	141,260
Increase in provision due to passage of time	521
Amounts utilised in the year	(37,115)
	<u>104,666</u>
Balance at 31 December 2012	<u>104,666</u>

A provision has been made for onerous lease obligations arising on the leased office at Hammersley House, which is sublet to a third party at an amount below that payable by the company to the landlord

### 9 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
240,000 Ordinary shares of £1 each	<u>240,000</u>	<u>240,000</u>

### 10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2012	1,925,948
Loss for the year	(16,554)
	<u>1,909,394</u>
Balance at 31 December 2012	<u>1,909,394</u>

### 11 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Loss for the financial year	(16,554)	(16,534)
Opening shareholders' funds	<u>2,165,948</u>	<u>2,182,482</u>
Closing shareholders' funds	<u>2,149,394</u>	<u>2,165,948</u>

# DEUTSCHE TELEKOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2012

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#### 12 Contingent liabilities

The company has a leased office at Hammersley house, the lease term for which expires on 28 October 2015. The property has been sublet to a third party for the entire lease period. The company has not recorded a provision towards dilapidation costs as the directors of the company have assessed the probability of a cash outflow in this regard as unlikely.

#### 13 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013:

	<b>Land and buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Between two and five years	122,300	122,300

#### 14 Employees

##### Number of employees

There were no employees during the year apart from the directors.

The directors received no remuneration in relation to their services to the company during the year (2011: £nil).

#### 15 Control

The immediate and ultimate parent undertaking is Deutsche Telekom AG, a company registered in Germany. Copies of the parent's consolidated financial statements may be obtained from the Secretary, Deutsche Telekom, PO Box 2000, 53105, Bonn 1, Germany.

There is no ultimate controlling party.