

REGISTERED NUMBER: 01838882 (England and Wales)

**Annual Report and
Financial Statements for the Year Ended 31 December 2017
for
JOINT RETAIL LOGISTICS LIMITED**

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JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

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for the Year Ended 31 December 2017**

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JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

**Company Information
for the Year Ended 31 December 2017**

DIRECTORS:

J Li
M Trimm

SECRETARY:

J Li

REGISTERED OFFICE:

Ocean House
The Ring
Bracknell
Berkshire
RG12 1AN

REGISTERED NUMBER:

01838882 (England and Wales)

JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

**Strategic Report
for the Year Ended 31 December 2017**

The directors present their strategic report for the year ended 31 December 2017.

REVIEW OF BUSINESS

During the year the company was a holder of intercompany balances with other group undertakings in the Deutsche Post DHL Group.

On 2 November 2017, the Board of Directors approved a capital reduction of the company to reduce the issued share capital of the company by 48,643,820 shares of 5 pence each.

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.

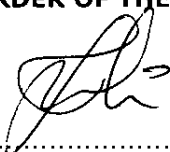
	2017 £	2016 £
(Loss)/profit for the financial year	<u>(100)</u>	<u>10,256</u>

The loss for the financial year is generated from operating charges for guarantee fees.

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.

The directors are satisfied with the position of the company at the year end and continue to monitor performance.

BY ORDER OF THE BOARD:



.....
J Li - Secretary

Date: 25 June 2018

JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

Report of the Directors for the Year Ended 31 December 2017

The directors present their report with the audited financial statements of the company for the year ended 31 December 2017.

FUTURE DEVELOPMENTS

The company has become dormant from 1 January 2018.

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.

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 DHL Group financial risk policies, and are implemented by the company's finance department.

The company does not use derivative financial instruments.

DIVIDENDS

An interim dividend of £0.22 per share was paid on 18 December 2017. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2017 was £10,787,140.

No dividends were distributed for the year ended 31 December 2016.

DIRECTORS

The following directors held office during the whole of the period from 1 January 2017 to the date of this report:

J Li
M Trimm

Other changes in directors holding office are as follows:

K Smith – resigned on 31 March 2017
J Gill – appointed on 1 April 2017 and resigned on 2 November 2017
S Fink – resigned on 2 November 2017

DIRECTORS' INDEMNITIES

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

SLAVERY ACT

The company is a member of the Deutsche Post DHL Group. A statement pursuant to Section 54(1) of the Modern Slavery Act 2015 can be found on the group's UK website using the following link www.logistics.dhl/gb-en/home/about-us/corporate-responsibility/modern-slavery-statement.html.

**Report of the Directors – continued
for the Year Ended 31 December 2017**

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

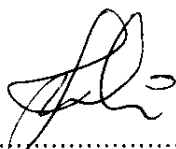
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

EXEMPTION FROM THE REQUIREMENT TO PERFORM AN AUDIT

The company has taken advantage of the exemption from audit granted under Section 479A of the Companies Act 2006 to subsidiary companies of an EU registered ultimate parent company. The ultimate parent company Deutsche Post AG, a company registered in Germany, has agreed to the exemption and provided a guarantee to the company for all outstanding liabilities to which the company is subject at the end of the financial year, in accordance with Section 479C of the Companies Act 2006.

BY ORDER OF THE BOARD:



.....
J Li - Secretary

Date: 25 June 2018

JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

**Statement of Comprehensive Income
for the Year Ended 31 December 2017**

	Note	2017 £	2016 £
Other operating charges		(100)	(85)
OPERATING LOSS	5	(100)	(85)
Other interest receivable and similar income	6	-	10,341
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(100)	10,256
Tax on (loss)/profit on ordinary activities	7	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(100)	10,256

There are no items of other comprehensive income other than the loss for the financial year (2016: £nil).

CONTINUING OPERATIONS

All results relate to continuing operations.

The notes on pages 8 to 12 form part of these financial statements.

JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

**Balance sheet
as at 31 December 2017**

	Note	2017 £	2016 £
CURRENT ASSETS			
Debtors	8	<u>100</u>	<u>10,787,340</u>
NET CURRENT ASSETS		<u>100</u>	<u>10,787,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>10,787,340</u>
CAPITAL AND RESERVES			
Called up share capital	9	<u>100</u>	<u>2,432,291</u>
Retained earnings		<u>-</u>	<u>8,355,049</u>
SHAREHOLDERS' FUNDS		<u>100</u>	<u>10,787,340</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements on pages 5 to 12 were approved by the Board of Directors on 25 June 2018 and signed on its behalf by:



.....
J Li - Director

The notes on pages 8 to 12 form part of these financial statements.

JOINT RETAIL LOGISTICS LIMITED (REGISTERED NUMBER: 01838882)

**Statement of Changes in Equity
for the Year Ended 31 December 2017**

	Note	Called up share capital	Retained earnings	Total £
Balance at 1 January 2016		2,432,291	8,344,793	10,777,084
Changes in equity				
Profit for the financial year		-	10,256	10,256
Balance at 31 December 2016		2,432,291	8,355,049	10,787,340
Changes in equity				
Loss for the financial year		-	(100)	(100)
Capital reduction	9	(2,432,191)	2,432,191	-
Dividends	10	-	(10,787,140)	(10,787,140)
Balance at 31 December 2017		100	-	100

Retained earnings represents accumulated comprehensive income for the year and prior periods.

During the year there was a capital reduction and as a consequence the issued share capital of the company was reduced by £2,432,191. As a result, the distributable reserves of the company were increased by £2,432,191.

The notes on pages 8 to 12 form part of these financial statements.

**Notes to the Financial Statements
for the Year Ended 31 December 2017**

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

General information

Joint Retail Logistics Limited is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Ocean House, The Ring, Bracknell, Berkshire, RG12 1AN.

Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and in accordance with the Companies Act 2006.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention.

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

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1.12:

- the requirements of Section 7 statement of Cash Flows and paragraph 3.17(d) of FRS 102
- the requirements of Section 4.12(a)(iv) Statement of Financial Position FRS 102 paragraph for providing a reconciliation of the number of shares outstanding at the beginning and end of the period
- the requirements of Section 33.7 regarding the disclosure of key management personnel compensation in total
- the requirements of Section 11 paragraphs 11.39 to 11.48A regarding the disclosure of financial instruments

The company has also taken advantage of the exemption granted under Section 33.1A of FRS 102 from the disclosure of related party transactions with other wholly owned members of the group.

Taxation

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Taxation - continued

(ii) Deferred tax

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 resulted 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 years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively 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 statement of comprehensive income.

As a result of the above agreement with Exel Limited, the company will not benefit from the reversal of deferred tax assets and consequently these are not recognised in the financial statements.

Foreign currencies

The company's functional and presentation currency is the pound sterling.

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. The loans are repayable on demand and for the purposes of FRS 102 are regarded as basic financial instruments.

Contingencies

Contingent liabilities arise as a result of past events when

- (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or
- (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control.

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of debtors

The company makes an estimate of the recoverable value of amounts receivable from group undertakings by performing an annual impairment review based on the net assets of those group companies. See note 8 for the net carrying amount of the debtors and the associated impairment provision.

4. STAFF COSTS

There were no staff costs for the year ended 31 December 2017 nor for the year ended 31 December 2016.

The company had no employees (2016: none).

5. OPERATING LOSS

The directors receive no remuneration (2016: £nil) specifically for services provided to the company.

Key management personnel include the directors of fellow group undertakings within the UK and Germany. The key management personnel receive no payment from the company with regard to these services.

There is no audit fee for 2017 (2016: £nil) as the company has taken advantage of the exemption from audit granted under Section 479A of the Companies Act 2006.

6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	£	£
Interest receivable from group undertakings	<u>-</u>	<u>10,341</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES**

A fellow group 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.

	2017 £	2016 £
Current tax	-	-
Deferred tax	-	-
Total tax on (loss)/profit on ordinary activities	<u>-</u>	<u>-</u>

Reconciliation of tax charge

The tax assessed for the year differs from (2016: differs from) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
(Loss)/profit on ordinary activities before taxation	(100)	10,256
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(19)	2,051
Effects of:		
Group relief surrendered to/(claimed from) other group companies	<u>19</u>	<u>(2,051)</u>
Total tax on (loss)/profit on ordinary activities	<u>-</u>	<u>-</u>

Tax rate changes

The main rate of corporation tax reduced from 20% to 19% on 1 April 2017. Finance Act 2016 further reduced the main rate of corporation tax to 17% from 1 April 2020. Therefore, any deferred tax assets and liabilities reflect these rates.

8. DEBTORS

	2017 £	2016 £
Amounts owed by group undertakings	<u>100</u>	<u>10,787,340</u>

Amounts owed by group undertakings are unsecured and repayable on demand.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

9. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Allotted and fully paid		
2,000 (2016: 48,645,820) ordinary shares of 5 pence each	<u>100</u>	<u>2,432,291</u>

There were no allotments during the year.

During the year there was a capital reduction, and as a consequence the issued share capital of the company was reduced by 48,643,820 ordinary shares of 5 pence each leaving 2,000 shares of 5 pence each.

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

10. DIVIDENDS

	2017 £	2016 £
Equity - ordinary		
Interim paid: £0.22 (2016: £nil) per 5 pence share	<u>10,787,140</u>	<u>-</u>

11. CONTINGENT LIABILITIES

For Value Added Tax (VAT) purposes, the company is grouped with other undertakings in a VAT group; under these arrangements the company has a joint and several liability for amounts owed by those undertakings to HM Revenue & Customs. The balance of VAT payable by the VAT group as at 31 December 2017 was £70,294,000 (2016: £66,181,000).

12. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is Exel Holdings 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.