

REGISTRAR OF COMPANIES

The DHL UK Foundation

Annual Report and Financial Statements

31 March 2013

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

Charity Registration Number
327880

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Legal and administrative information

Trustees	J Allan (Chairman) CBE S Davies R Durrwang P Grant N Morecroft T Slater R Stringer R Turner OBE
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
Investment manager	Sarasin Investment Management Limited Juxon House 100 St Paul's Churchyard London EC4M 8BU

Legal and administrative information

Solicitor	Farrer and Co 66 Lincoln's Inn Fields London WC2A 3LH
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Trustees' report Year to 31 March 2013

The trustees present their annual report together with the financial statements of The DHL UK Foundation for the year ended 31 March 2013

The report has been prepared in accordance with Part VIII 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 22 and 23 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 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 education establishments, and
- ◆ To make contributions to other charities, which fall within the approved categories

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

Trustees' report Year to 31 March 2013

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, 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 17 July 2013, and served throughout the year, except where shown

Trustees	Appointed/Resigned
John Allan (Chairman) CBE	
Sharon Davies	
Ralf Durrwang	Appointed 17 April 2013
Peter Grant	
Susanne Meier	Resigned 23 January 2013
Nigel Morecroft	Appointed 25 April 2012
Tim Slater	
Robert Stringer	
Richard Turner OBE	

Organisational Structure

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

- 1 to set the strategic aims of the Foundation, to ensure sound financial management (including investment management),
- 11 to ensure compliance with charity and company law, and
- 111 to ensure the bodies to which responsibility has been delegated are performing their duties in a proper manner

The Chairmanship of the Operations Committee is undertaken by Tim Slater (DHL business representative and trustee)

Structure, Governance and Management (continued)

Organisational Structure (continued)

The Operations Committee consists of Helen Parker (DHL UK Foundation Manager), Tim Slater and other Foundation / DHL representatives and normally meets a minimum of seven times each year. The Operations Committee is responsible for

- ◆ approving requests in respect of the Helping Hands programme,
- ◆ reviewing financial statements and agreeing any necessary actions, and
- ◆ identification and resolution of any operational issues

The Chairmanship of the Investment Committee is undertaken by Nigel Morecroft (Trustee). The Investment Committee consists of Helen Parker, Duncan Butler (DHL Representative), Tim Gardener, Nigel Morecroft (Trustee) and Richard Turner OBE (Trustee) 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 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 Representative), Peter Grant, Anna Howe (Groundwork UK Representative), Helen Parker and Suzanne Westlake (DHL 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 then ratified by the trustee board

Helen Parker, as DHL UK Foundation Manager is responsible for the day to day management of the Foundation. In particular, approval of requests in respect of Match It! are delegated to Helen Parker.

Trustees

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

Trustees' report Year to 31 March 2013

Structure, Governance and Management (continued)

Trustees (continued)

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 (2012 - none) Out of pocket travelling expenses totalling £2,206 (2012 - £937) were reimbursed to four (2012 - three) 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 Under company law the trustees 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 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 adequate 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 auditors are 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 auditors are 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 £379,544 has been received from DHL. Funding for the next year has been secured at a level of £375,000.

Activities and achievements

In the period to 31 March 2013, 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 the chosen charities.

Activities and achievements (continued)

Match It! (continued)

839 applicants received funding for their chosen charity or community organisation as a result of taking part in volunteering (131 applications) or fundraising (708 applications) activities, an increase of 6% (54 applications) over the prior year

Match It! expenditure decreased from £322,764 in the year ended 31 March 2012, to £296,827 for the year ended 31 March 2013

41,692 volunteer hours were given by DHL UK employees claiming through Match It! during the year (2012 – 46,231 hours), and £448,484 was raised by DHL UK employees and pensioners claiming through Match It! (2012 – £494,879)

Supporting Future Generations

Supporting Future Generations is a grant making programme, providing support to partner charities in the UK. The key objectives of this programme are to make a significant positive impact on the education of children and young people in the UK and to enable employees to volunteer in their local communities, using personal or work specific skills

Outward Bound

The Outward Bound programme provides bursary support to a group of children and for DHL employees to be trained and provide mentor support for children taking part in outdoor activity and personal development courses with Outward Bound. Funding of £139,747 was provided which enabled 280 students to receive a bursary to enable them to attend an introduction day and one week residential course at Outward Bound's residential centre in Aberdovey, Wales, raising their self-esteem and improving confidence, communication and team working skills. 30 DHL volunteers were trained and CRB checked and provided mentoring support to the children during the week long residential course and contributed a further £16,520 to the bursary fund. During 2012/13 pre and post materials, which allow schools to work with children before and after the programme, have been trialled on some Outward Bound programmes including the DHL programme, training of Outward Bound staff has also taken place in order that these materials may be rolled out across the organisation nationally.

The Prince's Trust

The Prince's Trust programme provides funding to the Prince's Trust and leverages significant resources from DHL.

A donation of £117,485 was made to The Prince's Trust which included £78,885 to fund five 'Get into Logistics' courses, £10,000 to fund a Team programme, £25,000 to fund development of a new model of 'Get into Logistics' and to seek engagement from other Logistics companies and £3,600 to fund 'Get into' materials development and printing across the national programme.

Activities and achievements (continued)

The Prince's Trust (continued)

The 'Get into Logistics' courses include a Taster Day delivered jointly by DHL and The Prince's Trust which provides an insight into the course and the opportunities that it would bring to participants. The courses then include two to four weeks of on the job training, work experience and a DHL 'buddy' to support each young person. The training also includes CV writing, interview skills training and the course culminates with a job interview.

Six courses were delivered during the year at DHL sites in Coventry, East Kilbride, Lutterworth, Maidstone, Runcorn and Stoke. 78 young people took part in these courses with 69% moving into employment, education or training after the course. 59% of the young people graduating from these programmes were employed by DHL immediately after the programme. 20% more young people from these programmes moved in to employment than The Prince's Trust national average for the 'Get into' programme.

The team programme was delivered by the Prince's Trust in Scotland and hosted by DHL Express Glasgow in association with Clydebank College. Run over a 12 week period, (July 2012- October 2012) the site worked with 9 young people assisting them in gaining skills for work, as well as undertaking a community project.

The Foundation provided funding of £25,000 to enable the Prince's Trust to develop a new model for 'Get into Logistics' with the intention of allowing a broader range of logistics providers to take part and give young people opportunities in the industry. An advisory group has been formed and members include representatives from DHL, the Foundation, the Chartered Institute of Logistics and Transport (CILT) and the Freight Transport Association (FTA). This work also aims to increase positive outcome rates.

Transform It!

The Transform It! programme was launched in March 2012, offering grants of £5,000 to £15,000 to DHL employees who want to work with a charity or community organisation to transform their surroundings and make a physical improvement in their local community with the aim of changing the lives of children and young people. In the first year of the programme, we were pleased to see a high level of interest with 41 full applications being received. These were considered by the Transform It! steering group, who met four times during the year and approved total grant funding of £220,037, to 17 applicants. These projects are listed below.

Organisation	Funding	Brief Description
Stanton Vale School for the profoundly disabled	£14,830	Creation of a sensory geodesic dome
Ixworth Play & Learn Centre	£9,623	Building outdoor play area
Childer Thornton Primary School Association	£14,960	Improve school environment
Heathrow Special Needs Farm	£13,990	Improving farm facilities
Phoenix Youth Group	£15,000	Kitchen refurbishment

Activities and achievements (continued)

Transform It! (continued)

Organisation	Funding	Brief Description
Peak Railway Association	£5,201	Improvement of green space around railway station
Friends of Manor School	£13,000	Creation of outdoor learning environment
Five Children and Families Trust	£15,000	Extend and improve nursery playground
Sikh Youth 2000	£15,000	Refurbishment of community building
Keresley Newlands PTA & Community Youth	£15,000	Create outdoor 'growing areas' in school grounds
16 th Warrington West Scout Group	£5,850	Improve environment and facilities of scout hall
Millstead Disabled School	£14,111	Creation of play area
Action for Children	£15,000	Redevelop playground area
Leigh Self Defence Studio	£9,066	Refurbishment of community self-defence studio
9th Penwortham Scout Group	£14,469	Improvement to interior and exterior of scout hall
Ashby Fields primary School	£14,938	Development of school allotment and surrounding environment
12 th Rugby Scout Group	£15,000	Superstructure element of new Scout HQ build

At the time of writing, 7 of the 17 projects have been completed at Ashby Fields Primary School, Childer Thornton Primary School, Ixworth Play and Learn Centre, Millstead Disabled School, Peak Railway Association, Phoenix Youth Group, and 16th Warrington West Scout Group

In the first quarter of 2013/14 the following grants were approved

Organisation	Funding	Brief Description
South Rushden Junior Football Club	£3,557	Refurbishment of changing facilities
River Bourne Community Farm	£15,000	Creating an area to educate children on farming and agriculture
Kilsyth Academy	£12,881	Creation of an eco-garden within school grounds
Bicester 1st Intrepid Scout Group	£15,000	Scout HQ building refurbishment

Groundwork UK is working in partnership with the DHL UK Foundation to develop and deliver Transform It!, including answering DHL employee queries, assessing applications prior to consideration by the Transform It! steering group, and allocating a facilitator to successful projects to provide technical support where needed

Activities and achievements (continued)

Career Academies UK

During 2012 The DHL UK Foundation continued its work with Career Academies UK, raising the aspirations of young people. The Career Academy model provides middle achieving young people aged 16-19 with a rigorous industry validated business studies curriculum equivalent to three A levels, whilst at the same time providing them with a mentor from a business and a six week paid internship to practise what they have learned and to develop business competencies, receive lectures from senior business leaders and participate in visits to companies. Volunteering activity was focussed in three Career Academy locations: Luton, Feltham and Nuneaton.

Trucks and Child Safety (TACS)

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

330 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 23,696 children received a TACS demonstration and an additional 26 demonstrators were trained.

Community Heroes Awards

The Community Heroes Awards aims to recognise the achievements of DHL employees volunteering or fundraising in around the UK and this year the awards were expanded with a number of new categories being introduced to allow recognition of the breadth of employee activities that had taken place in 2012. A steering group was formed including Foundation team members and representatives of the various DHL business divisions to allow close working with DHL. 70 applications were received (2012 – 46), the greatest number to date. More than 110 employees attended the celebration event which was held at The Belfry, Birmingham, on Friday 17th May 2013.

Grant Making

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

Turkey

The CATOM scholarship programme supports girls in continuing their education. The DHL UK Foundation provided support amounting to £13,000, helping 38 students through provision of scholarship to attend full time education.

Activities and achievements (continued)

South Africa

A grant of £7,000 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 employees in African countries and Turkey below a defined income level to attend school. In the year, 159 applicants were supported in South Africa via a grant of £12,654, 95 applicants were supported in the rest of Africa via a grant of £27,789 and 5 applicants were supported in Turkey via a grant of £2,700.

Helping Hands

The Helping Hands programme provides grants to retired or current employees of DHL with welfare needs. During the year to 31 March 2013, 25 applications were approved and grants totalling £13,834 were awarded. Additional expenditure of £1,200 was incurred to cover storage, maintenance, servicing and replacement of Mobility Aids provided under the scheme.

Tsunami Fund

This fund is now almost spent, with more than six years now elapsed since the fund was set up, following the 2004 Asian Tsunami. The purpose of the fund is to help children and young people achieve their full potential through grant making and donations to fund educational projects in India and Sri Lanka. Grants were made during the year totalling £11,010 to enable the following to take place:

- ◆ Skills workshops in IT and Craft,
- ◆ Summer coaching camps, and
- ◆ Provision of English and Maths teaching kits

Big Society Award

We are delighted to have won a Big Society Award from Prime Minister David Cameron in June 2013. This award provides recognition to all DHL employees who donate their time and skills to making a difference to the communities in which they work, we are proud to continue to support them through Foundation programmes.

Activities and achievements (continued)

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 / proof of fundraising or volunteering activity. The DHL UK Foundation Manager 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 Partnership,
- ◆ Match It!,
- ◆ Transform It!, and
- ◆ Trucks and Child Safety

Activities and achievements (continued)

Review of the year

	Strategic Plan 2012-13	Outturn 2012 - 13
Investment Income	945,000	1,067,334
Corporate Donation	390,000	379,544
Other Income	Not defined	242
Total Income	1,335,000	1,447,120
Match It!		
- Expenditure	315,000	296,827
- Applications	925	839
- Vol hours	Undefined	41,692
Other programmes	TACS – 290 volunteers OB – 30 volunteers Prince's Trust- 110 volunteers CAUK- 100 volunteers Transform It! – 50 volunteers	TACS – 330 volunteers OB – 30 volunteers Prince's Trust- 125 volunteers CAUK- 34 volunteers Transform It! - 149 volunteers
TACS	36,000 children	23,696 children

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

- ◆ Continue to increase engagement by DHL employees in the Foundations' activities through programme development and strengthened communications to DHL UK employees,
- ◆ Continue to run Transform It! with a new grant range of £5,000 to £10,000 to allow even more projects to be funded in 2013/14,
- ◆ Run two pilot programmes with The Outward Bound Trust
- ◇ **Look into Logistics** will enable 24 (Year 10/11) students the opportunity to realise their full potential at school, in their wider communities and in the future workplace Through a structured programme of DHL employee mentoring and a challenging Outward Bound residential course, there will be an emphasis on students acquiring the skills, attitudes and behaviours valued by DHL as a future employer

Future plans (continued)

- ◇ **Split week programme** will invest in 100 Year 7 students who will develop communication, leadership and team working skills with the support of 10 DHL mentors through an Outward Bound experience, helping to unlock their potential and raise aspirations for their future career at school and on to employment. The project aims to create a platform for on-going 'in-school' employee mentoring opportunities as follow on to the Outward Bound intervention. The aim is to provide a structure with flexibility in the amount of time that DHL employees are required to commit whilst enabling a deeper impact on a whole school community over time. The project will also allow for further testing and development of The Trust's pre and post course resources funded by DHL.
- ◆ We are working with The Prince's Trust to begin delivering work placements for young people on their Team programme, and also to develop a new delivery model for Get into Logistics with a target of increasing Prince's Trust delivery from 18 Get into Logistics programmes in 2012 to 27, by 2014, and
- ◆ We are also hoping to recruit a young trustee to the board to advise and guide on the current problems that young people face, and help us shape the kind of programmes and activities that would engage younger people through our charity work.

Financial report for the year

Incoming resources for the year were £1,713,861 (2012 - £1,688,122). The Foundation's two main sources of funding during this year were investment income of £1,064,910 and the donation from DHL of £379,544.

Charitable expenditure on activities in furtherance of the Foundation's objectives increased by £29,123 to £1,391,800 of which £1,133,822 relates to charitable grants and donations. The costs of governance of the charity decreased by £5,822 from £106,955 to £101,133. Total expenditure for the year amounted to £1,634,243 (2012 - £1,601,368).

This resulted in an operating surplus of £79,618 (2012 - surplus of £86,754). The charity received £2,356,272 of realised and unrealised investment gains, which contributed to a total increase in funds of £2,435,890.

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

Reserves policy and financial position (continued)

Reserves policy (continued)

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

Financial position

The balance sheet shows total funds of £26,754,830 (2012 - £24,318,940)

These funds include an expendable endowment fund of £26,537,907 (2012 - £24,157,456)

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 £3,138 (2012 - £14,148) 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 2013 total £213,785 (2012 - £147,336) and equate to free reserves. In addition £178,460 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 2013 of £26,537,907 (2012 - £24,157,456)

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.

Trustees' report Year to 31 March 2013

Investment policy (continued)

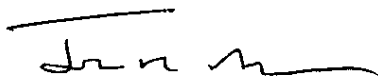
The trustees meet with the investment managers annually to review the performance of the portfolio and the investment strategy

The trustees are satisfied that their investment policy is being achieved

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 (J ALLAN)

Approved by the trustees on 170713

Independent auditor's report 31 March 2013

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 2013 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. 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 2013 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.

Independent auditor's report 31 March 2013

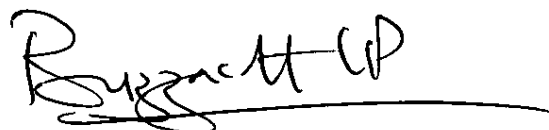
Opinion on other matter prescribed by the Companies Act 2006

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



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

24 July 2013

Statement of financial activities Year to 31 March 2013

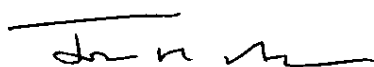
	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2013 Total funds £	2012 Total funds £
Income and expenditure						
Incoming resources						
Incoming resources from generated funds						
Voluntary income	1	646,527	—	—	646,527	638,508
Investment income	2	1,067,334	—	—	1,067,334	1,049,614
Total incoming resources		1,713,861	—	—	1,713,861	1,688,122
Resources expended						
Cost of generating funds						
Costs of generating voluntary income	5	16,653	—	—	16,653	15,356
Investment manager costs		—	—	124,657	124,657	116,380
Charitable expenditure						
Grants and donations payable	3	1,122,812	11,010	—	1,133,822	1,056,838
Other charitable activities	4	257,978	—	—	257,978	305,839
Governance costs	6	101,133	—	—	101,133	106,955
Total resources expended		1,498,576	11,010	124,657	1,634,243	1,601,368
Net incoming (outgoing) resources before transfers and investment asset disposals						
	7	215,285	(11,010)	(124,657)	79,618	86,754
Transfers between funds	14	(148,836)	—	148,836	—	—
Realised gains (losses) on investments	11	—	—	71,281	71,281	(736,911)
Statement of total recognised gains and losses						
Net income (expenditure) for the period		66,449	(11,010)	95,460	150,899	(650,157)
Unrealised gains (losses) on investments		—	—	2,284,991	2,284,991	(286,800)
Net movement in funds		66,449	(11,010)	2,380,451	2,435,890	(936,957)
Fund balances brought forward at 1 April 2012						
		147,336	14,148	24,157,456	24,318,940	25,255,897
Fund balances carried forward at 31 March 2013						
		213,785	3,138	26,537,907	26,754,830	24,318,940

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

Balance sheet 31 March 2013

	Notes	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Investments	11		26,537,907		24,157,456
Current assets					
Debtors	12	85,446		123,044	
Cash at bank and in hand		632,519		456,584	
		<u>717,965</u>		<u>579,628</u>	
Creditors amounts falling due within one year	13	(501,042)		(418,144)	
Net current assets			216,923		161,484
Total net assets			<u>26,754,830</u>		<u>24,318,940</u>
Represented by.					
Funds and reserves					
Capital funds					
Endowment funds	14		26,537,907		24,157,456
Income funds					
Restricted funds	15		3,138		14,148
Unrestricted funds			213,785		147,336
			<u>26,754,830</u>		<u>24,318,940</u>

Signed on behalf of the trustees by



Trustee

(J ALLAN)

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

Approved by the trustees on 170713

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 valued 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

Principal accounting policies 31 March 2013

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.

Notes to the financial statements 31 March 2013

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Donation from DHL	379,544	—	379,544	379,544
Gift in kind from DHL	266,741	—	266,741	258,674
General donations	242	—	242	290
	646,527	—	646,527	638,508

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

2 Investment income

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Income from listed investments	1,064,910	—	1,064,910	1,047,868
Interest receivable	2,424	—	2,424	1,746
	1,067,334	—	1,067,334	1,049,614

3 Grants payable

The grants payable during the year were for the following purposes

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Direct costs				
Match it!	296,827	—	296,827	322,764
Transform It!	178,067	—	178,067	96,147
Supporting Future Generations				
Outward Bound Trust	139,747	—	139,747	149,559
The Princes Trust	117,485	—	117,485	88,885
Career Academies UK	—	—	—	25,000
M A D	4,000	—	4,000	—
International Donations				
Tsunami	—	11,010	11,010	12,190
South Africa	19,654	—	19,654	26,670
Turkey	15,700	—	15,700	15,700
Other Europe	5,000	—	5,000	3,419
Other Africa	27,789	—	27,789	27,916
Other Donations				
Helping Hands Scheme	16,047	—	16,047	11,547
Other	—	—	—	5,000
Community Heroes	12,000	—	12,000	8,100
	832,316	11,010	843,326	792,897
Allocation of support costs (note 5)	290,496	—	290,496	263,941
	1,112,812	11,010	1,133,822	1,056,838

Notes to the financial statements 31 March 2013

4 Other charitable activities

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Direct costs				
Trucks and Child Safety	9,745	—	9,745	64,712
Helping Hands – Mobility Services	—	—	—	1,245
Community Heroes	10,003	—	10,003	11,789
Gifts in kind – DHL employee services	227,441	—	227,441	208,949
	<u>247,189</u>	<u>—</u>	<u>247,189</u>	<u>286,695</u>
Allocation of support costs (note 5)	10,789	—	10,789	19,144
	<u>257,978</u>	<u>—</u>	<u>257,978</u>	<u>305,839</u>

5 Support costs

The support costs incurred during the year to 31 March 2013 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	9,184	141,434	5,510	27,552	183,680	Proportion of staff time involved
Premises, administration and travel	4,810	74,069	2,886	14,429	96,194	Proportion of staff time involved
Consultancy	—	34,047	797	—	34,844	Proportion of funds involved
Irrecoverable VAT	2,373	36,546	1,424	7,119	47,462	Proportion of staff time involved
Sundry expenses	286	4,400	172	858	5,716	Proportion of staff time involved
	<u>16,653</u>	<u>290,496</u>	<u>10,789</u>	<u>49,958</u>	<u>367,896</u>	

6 Governance costs

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Direct costs				
Audit fees	9,834	—	9,834	9,360
Trustee and meeting expenses	1,450	—	1,450	737
Trustee recruitment	—	—	—	513
Bank charges	591	—	591	552
Gifts in kind – DHL employee services	39,300	—	39,300	49,725
	<u>51,175</u>	<u>—</u>	<u>51,175</u>	<u>60,887</u>
Allocation of support costs (note 5)	49,958	—	49,958	46,068
	<u>101,133</u>	<u>—</u>	<u>101,133</u>	<u>106,955</u>

Notes to the financial statements 31 March 2013

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

This is stated after charging

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Staff costs (note 8)	178,638	—	178,638	166,211
Auditor's remuneration				
Statutory audit services	9,834	—	9,834	9,360

8 Staff costs

Staff costs during the year were as follows

	2013 £	2012 £
Wages and salaries	145,649	134,462
Social security costs	13,285	10,839
Other pension costs	19,704	20,910
	178,638	166,211

No employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year (2012 - none)

The average number of employees seconded to the Foundation during the year was 6 (2012 - 4). 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 (2012 - none)

During the year out of pocket travelling expenses amounting to £2,206 (2012 - £937) were reimbursed to 4 (2012 - 3) 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 2013

11 Investments

	2013 £	2012 £
Listed investments		
Market value at 1 April 2012	23,944,547	24,594,757
Additions at cost	2,462,394	6,197,689
Disposals at book value (proceeds £2,403,766, gains £71,281)	(2,332,485)	(6,561,099)
Unrealised investment gains (losses)	2,284,991	(286,800)
Market value at 31 March 2013	26,359,447	23,944,547
Cash held by investment managers for re-investment	178,460	212,909
	26,537,907	24,157,456
Cost of listed investments at 31 March 2013	22,635,736	22,402,555

Listed investments held at 31 March 2013 comprised the following

	2013 £	2012 £
UK Equities	8,510,904	7,598,890
Overseas Equities	13,426,537	11,829,545
UK Property	1,416,289	1,348,193
Overseas Property	160,866	195,223
UK Fixed Interest Securities	2,844,851	2,410,397
Overseas Fixed Interest Securities	—	562,299
	26,359,447	23,944,547

At 31 March 2013 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 International Equity Income CLSB Inc	6,019,761	23
Sarasin Global Equity Income (Sterling Hedged) - I Inc	3,686,629	14
Sarasin Sterling Bond CLSA Inc	2,355,909	9
Sarasin IE Equisar Global Thematic Inc	2,134,633	8

12 Debtors

	2013 £	2012 £
Amount due from DHL	50,000	91,000
Accrued Income	1,490	29,318
Sundry debtors	33,956	2,726
	85,446	123,044

Notes to the financial statements 31 March 2013

13 Creditors: amounts falling due within one year

	2013 £	2012 £
Amount due to DHL	63,837	51,255
Other creditors	12,228	31,954
Accruals and deferred income	424,977	334,935
	501,042	418,144

14 Endowment funds

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

	At 1 April 2012 £	Incoming resources £	Gains, losses and transfers £	At 31 March 2013 £
Endowment fund	24,157,456	—	2,380,451	26,537,907

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 2012 £	Incoming resources £	Expenditure, gains, losses and transfers £	At 31 March 2013 £
Tsunami Appeal Fund	14,148	—	(11,010)	3,138

Tsunami Appeal Fund

Following the Asian Tsunami on 26 December 2004, DHL (then Exel plc) employees around the world raised money for those in need due to the Tsunami. Additional funds were allocated by DHL (then Exel plc) and the DHL UK Foundation bringing the total Tsunami fund to just over £350,000. The fund is managed by the Foundation and funds projects which help children and young people affected by the Tsunami achieve their full potential.

Notes to the financial statements 31 March 2013

16 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	Total 2013 £
Fund balances at 31 March 2013 are represented by				
Investments	—	—	26,537,907	26,537,907
Current assets	714,827	3,138	—	717,965
Creditors amounts falling due within one year	(501,042)	—	—	(501,042)
Total net assets	213,785	3,138	26,537,907	26,754,830

17 Capital commitments

The company had no capital commitments as at 31 March 2013 (31 March 2012 – 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.