

Fedex Supply Chain Services UK Limited

Registered number: 03400358

Fedex Supply Chain Services UK Limited

Report and Financial Statements

For the year ended 31 May 2019

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Fedex Supply Chain Services UK Limited

Company information

Directors	R J C Staes H Jansson L T Hoyle
Company secretary	J Hawkins
Company number	03400358
Registered office	100 New Bridge Street London EC4V 6JA
Auditors	Ernst & Young LLP No.1 Colmore Square Birmingham B4 6HQ
Bankers	Bank of America 1 Abbe Street London EC1 8DE

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Director's Report
For the year ended 31 May 2019

The directors present their report and the financial statements for the year ended 31 May 2019.

Results and dividends

The profit for the year, after taxation, amounted to \$nil (2018: loss of \$9,000)

The directors do not recommend the payment of a dividend (2018: \$nil).

Principal activities and review of business

The company remains non-trading in the current period. The only transactions passing through these accounts are some administration expenses and the revaluation of foreign currency balances.

Directors

The directors who served during the year were:

R J C Staes
H Jansson
L T Hoyle

Going concern

The company does not trade and is financed through intercompany balances from fellow subsidiaries of the group headed by FedEx Corporation ("FedEx Group"). FedEx Express UK Limited, an indirect subsidiary of FedEx Corporation, has confirmed that it is its present intention to continue to provide support to the company to enable it to meet its debts as they fall due.

Accordingly, the directors consider it appropriate to prepare the financial statements on a going concern basis.

Director's Report (continued)
For the year ended 31 May 2019

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

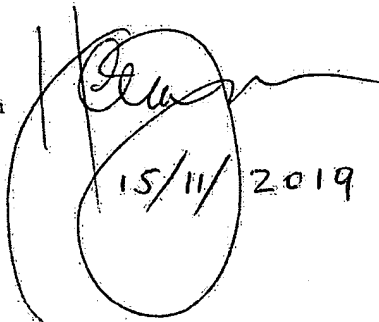
The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The directors have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006, in preparing the Directors report and not to provide a Strategic Report.

This report was approved by the board and signed on its behalf by

H Jansson
Director

Date:



15/11/2019

**Directors' Responsibilities Statement
for the year ended 31 May 2019**

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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments 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; 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. 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.

Independent Auditors' report to the members of Fedex Supply Chain Services UK Limited

Opinion

We have audited the financial statements of FedEx Supply Chain Services UK Limited for the year ended 31 May 2019 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 May 2019 and of its result 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' report to the members of Fedex Supply Chain Services UK Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemption in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the Directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditors' report to the members of Fedex Supply Chain Services UK Limited (continued)

Use of our report

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



Lorna McNeil (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
Birmingham

Date: 18 November 2019

Statement of Comprehensive Income
for the year ended 31 May 2019

	<i>Notes</i>	<i>2019</i> <i>\$'000</i>	<i>2018</i> <i>\$'000</i>
Administrative expenses		—	(9)
Profit / (loss) on ordinary activities before taxation	2	—	(9)
Tax on ordinary activities	4	—	—
Profit / (loss) for the financial year	8	—	(9)
Other comprehensive income for the year			
Other comprehensive income		—	—
Total comprehensive profit / (loss) for the financial year		—	(9)

The notes on pages 10 to 14 form part of these financial statements.

Statement of Financial Position
as at 31 May 2019

	Notes	2019 \$ '000	2018 \$ '000
Current assets			
Debtors	5	-	-
Creditors: amounts falling due within one year			
Amounts owed to group undertaking	6	(2,065)	(2,065)
Net current liabilities		(2,065)	(2,065)
Net liabilities		(2,065)	(2,065)
Capital and reserves			
Called up share/capital	7	17	17
Profit and loss account		(2,082)	(2,082)
Shareholders' deficit		(2,065)	(2,065)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/11/2019

H Jansson
Director

The notes on pages 10 to 14 form part of these financial statements.

**Statement of changes in equity
for the year ended 31 May 2019**

	<i>Share capital</i> \$'000	<i>Retained earnings</i> \$'000	<i>Total equity</i> \$'000
At 1 June 2018	17	(2,082)	(2,065)
<i>Comprehensive profit for the year</i>			
Profit for the year	-	-	-
<i>Total comprehensive profit for the year</i>	-	-	-
At 31 May 2019	17	(2,082)	(2,065)

**Statement of changes in equity
for the year ended 31 May 2018**

	<i>Share capital</i> \$	<i>Retained earnings</i> \$	<i>Total equity</i> \$
At 1 June 2017	17	(2,073)	(2,056)
<i>Comprehensive loss for the year</i>			
Loss for the year	-	(9)	(9)
<i>Total comprehensive loss for the year</i>	-	(9)	(9)
At 31 May 2018	17	(2,082)	(2,065)

Notes to the financial statements

For the year ended 31 May 2019

1. Accounting policies

1.1 Basis of preparation of financial statements

FedEx Supply Chain Services UK Limited is a limited company by shares incorporated in England. The registered office is 100 New Bridge Street, London, EC4V 6JA.

The financial statements have been prepared under the historical cost convention, in accordance with applicable UK applicable accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The financial statements are prepared in US dollars which is the functional currency of the company and all values are rounded to the nearest thousand dollars (£'000) except where otherwise indicated.

On 1 January 2018 the Company adopted IFRS 9 'Financial Instruments' on a retrospective basis. There have been no material impacts on the Company's financial statements from adopting this standard.

1.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgements or key sources of estimation that we need to highlight.

1.3 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 the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7

This information is included in the consolidated financial statements of FedEx Corporation as at 31 May 2019 and these financial statements may be obtained from 942 South Shady Grove Road, Memphis, Tennessee, USA.

1.4 Going concern

The company does not trade and is financed through intercompany balances from fellow subsidiaries of the group headed by FedEx Corporation ('FedEx Group'). FedEx Express UK Limited, an indirect subsidiary of FedEx Corporation, has confirmed that it is its present intention to continue to provide support to the company to enable it to meet its debts as they fall due. Accordingly, the directors consider it appropriate to prepare the financial statements on a going concern basis.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the year ended 31 May 2019

1.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

1.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.8 Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 exceptions:

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 taxation profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax 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.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Notes to the financial statements
For the year ended 31 May 2019

2. Profit / (loss) on ordinary activities before taxation

The profit / (loss) on ordinary activities before taxation is stated after charging:

	2019 \$'000	2018 \$'000
Allocated Audit Fees	-	(1)
	-	(1)

Current year audit fees of 9,000 Euros have been borne by another group entity.

3. Staff costs

The company has no employees other than the directors, who did not receive any remuneration for their services as directors of this company which are incidental to their role elsewhere within the group (2018 - \$nil).

4. Tax

	2019 \$'000	2018 \$'000
UK corporation tax credit on loss for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 – lower than) the standard rate of corporation tax in the UK of 19% (19%). The differences are explained below:

	2019 \$	2018 \$
Loss on ordinary activities before taxation	-	(9)
Loss on ordinary activities before taxation multiplied by: standard rate of corporation tax in the UK of 19% (2018: 19%)	-	2
Effects of		
Unutilised tax losses	-	(2)
Adjustments to tax charge in respect of previous periods	-	-
Taxation on profit on ordinary activities	-	-

The company receives no consideration for tax losses utilised by other group companies.

Notes to the financial statements
For the year ended 31 May 2019

4. Tax (continued)

Factors that may affect future tax charges

From 1 April 2020 the UK corporation tax will be reduced from 19% to 17%.

The 17% rate change was not substantively enacted at the balance sheet date and as such have not been reflected in the financial statements.

The company has an un-provided deferred tax asset of \$ 2,000 (2018: \$ 2,000).

5. Debtors

	2019 \$'000	2018 \$'000
Corporation tax	-	-
Total Debtors	-	-

6. Creditors: amounts falling due within one year

	2019 \$'000	2018 \$'000
Amounts owed to group undertakings	(2,065)	(2,065)
Total Creditors	(2,065)	(2,065)

7. Share capital

	2019 \$'000	2018 \$'000
<i>Allotted, called up and fully paid</i>		
10,000 Ordinary shares of £1 each	17	17

8. Related party transactions

The company has taken advantage of the requirements in Section 33 Related Party Disclosures to disclose related party transactions entered into with other 100% owned undertakings within the FedEx Express Corporation group.

Notes to the financial statements
For the year ended 31 May 2019

9. Ultimate parent undertaking and controlling party

The intermediate parent undertaking is FedEx Supply Chain Services Europe BV.

The ultimate parent undertaking and controlling party is FedEx Corporation. The group financial statements, in which the results of the company are included, are available to the public and may be obtained from 942 South Shady Grove Road, Memphis, Tennessee, USA.

The smallest group of which FedEx Supply Chain Services UK Limited is a member, and for which consolidated financial statements are drawn up, is that headed by FedEx Supply Chain Services Europe BV, whose principal place of business is at De Run 4255, 5503 LM, Veldhoven, Netherlands