

Registered Number: 08680755

Royal Mail Limited
Company Balance Sheet
12 September 2013

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Royal Mail Limited

Statement of Directors' responsibilities in respect of the Balance Sheet

The Directors are responsible for preparing the Balance Sheet in accordance with applicable law and regulations. For registration as a plc, company law requires the Directors to prepare the Balance Sheet in accordance with Section 92 (1) (b) and (c) of the Companies Act 2006. The Directors have elected to prepare the Balance Sheet in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). The Balance Sheet is required by law to give a true and fair view of the state of affairs of the Company. In preparing the Balance Sheet, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 Balance Sheet, and
- prepare the Balance Sheet on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the Balance Sheet complies 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.



Matthew Lester
18 September 2013

Royal Mail Limited

Company Balance sheet at 12 September 2013

Company number: 08680755

12 Sept 2013

	Notes	£m
Fixed assets		
Investment in subsidiary	2	1,500
Total fixed assets		1,500
Current assets		
Debtors – amounts falling due in less than one year	3	-
Provisions for liabilities and charges	4	-
Net current assets		-
Net assets		1,500
Capital and reserves		
Called up share capital	5	1,500
Retained earnings		-
Shareholder's funds	6	1,500

The accompanying notes are an integral part of this Balance Sheet.

The Balance Sheet was approved by the Board of Directors on 18 September 2013 and is signed on its behalf by


Matthew Lester

Royal Mail Limited

Notes to the Company Balance Sheet

1. Accounting policies

Basis of preparation

The Balance Sheet of the Company as at 12 September 2013 has been prepared in accordance with applicable UK accounting standards and law, including the requirements of the Companies Act 2006. Unless otherwise stated in the accounting policies below, the Balance Sheet has been prepared under the historic cost accounting convention.

Going concern

The directors have reviewed the financial projections of the Company. These show that the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the date of signing this Balance Sheet. Accordingly, the directors are satisfied that the going concern basis is appropriate for the preparation of the Balance Sheet.

Investment in subsidiary

The investment in subsidiary is stated at cost less any accumulated impairment losses.

Debtors

Debtors are recognised with an allowance for any non-collectable amounts, including where collection is no longer probable.

2. Investment in subsidiary

	Cost £m
At 12 September 2013	1,500

The investment in subsidiary relates to the transfer of Royal Mail Group Limited ('RMG') (see note 5).

3. Debtors – amounts falling due in less than one year

This balance relates to the share capital issued at incorporation (see note 5).

4. Provisions for liabilities and charges

In connection with the transfer of RMG (see note 5) a provision for liabilities and charges of less than £1m has been recognised.

5. Called up share capital

	At 12 September 2013 £
Authorised	
Ordinary shares of £1.50 each	1,500,000,000
Total	1,500,000,000
Allotted and issued	
Ordinary shares of £1.50 each	1,500,000,000
Total	1,500,000,000

The Company was incorporated on 6 September 2013 with share capital of 100 ordinary shares of £1.50 each (£150) issued to Royal Mail Holdings plc. Royal Mail Holdings plc was renamed Postal Services Holding Company plc ('PSH') on 11 September 2013. Subsequently on 12 September 2013 share capital of 999,999,900 ordinary shares of £1.50 each (£1,499,999,850) was issued by the Company to PSH in consideration for the transfer from PSH of the entire issued share capital of Royal Mail Group Limited. Following this transfer, and therefore as at 12 September 2013, the issued share capital of the Company comprised of 1,000,000,000 ordinary shares of £1.50 each (£1,500,000,000). In connection with the transfer a provision for liabilities and charges has been recognised (see note 4 above). This is included in the cost of investment.

Royal Mail Limited

6. Shareholder's funds

	Called up share capital £	Retained Earnings £	Total £
At 6 September 2013 (incorporation)	150	-	150
Issue of shares in consideration for the transfer of Royal Mail Group Limited	1,499,999,850	-	1,499,999,850
At 12 September 2013	1,500,000,000	-	1,500,000,000

7 Related party information

	Country of incorporation	% Holding	Principal activities
Parent company			
Postal Services Holding Company plc	UK	n/a	Holding company
Subsidiary			
Royal Mail Group Limited	UK	100	Postal services

As at 12 September 2013 the entire issued share capital of the Company is held by PSH and accordingly the directors regarded PSH (Postal Services Holding Company plc) as the immediate and ultimate parent company

Royal Mail Group Limited was transferred to the Company on 12 September 2013 (see note 5)

8. Events after the Balance Sheet date

On 17 September the Company approved a reduction of capital by way of solvency statement pursuant to which £1.49 is to be cancelled from each issued ordinary share of £1.50. This will reduce the called up share capital from £1,500m to £10m and increase retained earnings by £1.490m.