

Company Registration Number 01372780

UNITRANS LIMITED

Report and Financial Statements

30 June 2010

SATURDAY



A77 *AOBDQSRV* 208
26/03/2011
COMPANIES HOUSE

UNITRANS LIMITED

REPORT AND FINANCIAL STATEMENTS 2010

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	5
Independent auditors' report	6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11

UNITRANS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A J Caple
J D Martin

SECRETARY

J H Robins

REGISTERED OFFICE

Formal Industrial Business Park
Northway Lane
Ashchurch
Tewkesbury
Gloucestershire
GL20 8GY

AUDITORS

Deloitte LLP
Bristol

UNITRANS LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditors' report, for the year ended 30 June 2010

PRINCIPAL ACTIVITIES

The company's principal activity is logistics, which includes

- specialist logistics, incorporating storage, fulfilment, technical services, specialised distribution and installation of high value equipment,
- service logistics, including reverse logistics solutions,
- project logistics, and
- home and store furniture delivery

The company has retained the trading names of Concorde Logistics and TechXpress

The company is a wholly owned subsidiary of Unitrans Logistics (UK) Limited. The ultimate parent company is Steinhoff International Holdings Limited

RESULTS AND DIVIDENDS

As shown in the company's statement of comprehensive income the company's sales have reduced by 14% from £26,920,382 to £23,262,997, generating a loss before tax of £279,212 (2009 loss of £759,690)

No dividend has been paid (2009 £nil)

The statement of financial position shows that the company's financial position at the year-end has declined in terms of net assets/(liabilities) compared with the prior year following the loss for the year

ENHANCED BUSINESS REVIEW

The key performance indicators for the company are sales, gross profit margin and profit or loss before tax

The decline in year-on-year sales is mainly attributable to the decision to conclude trading with large loss-making customers and project work undertaken in 2009 coming to a close. Adverse economic conditions in the UK impaired further project work being undertaken, while the decision to leave loss-contributing customers is reflected in the improved results in 2010. A substantial amount of business from within the Steinhoff UK Group helped offset the reduction in sales and this will continue to grow to become a significant part of Unitrans' business in the future.

The appointment of a new Managing Director in 2010 saw the company focus on tighter cost controls, removal of loss-making accounts, and better utilisation of Steinhoff Group resources. The impact of this is seen in the cost of sales reducing by 13% and operating loss reducing from £347,430 to £138,206 in 2010. Continued cost control efficiencies saw administrative expenses fall for the second consecutive year, 20% from 2009 to 2010.

Finance costs significantly reduced from 2009 from £412,260 to £141,006 as a result of borrowings from the parent company being repaid.

An extensive review of the structure and market positioning of Unitrans took place in 2010. The directors feel that the extensive changes made at the end of 2010 will lead Unitrans Limited to become a profit-making enterprise by the end of the 2011 financial year. The reduced cost base and focus in continuing efficiencies established in 2010 will remain a key focus area for 2011. Unitrans will continue to seek new opportunities from companies within the Steinhoff Group where they can offer a logistics solution, and also seek a new customer base where any new business won will make a profitable contribution.

UNITRANS LIMITED

DIRECTORS' REPORT (continued)

ENHANCED BUSINESS REVIEW (continued)

The company's business activities, together with the factors likely to affect future development performance and position, are set out above. The financial position of the company, its cash flows and liquidity position are described in the financial statements. In addition, note 19 to the financial statements includes the company's objectives, policies and processes for managing its financial risk, details of its financial instruments and hedging activities, and its exposure to credit risk and liquidity risk.

The Steinhoff UK Group has undertaken to provide financial support for at least a year from the date of the signing of the financial statements to enable the company to continue business operations as a going concern. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS

The directors of the company during the year were

S W Cahill (resigned 29 June 2010)
A J Caple
C G Davies (resigned 31 December 2009)
B J Dearman (resigned 8 September 2009)
S B Littley (resigned 18 February 2011)
C A Stander (appointed 22 October 2009, resigned 1 June 2010)
J D Martin (appointed 22 October 2009)
A M Elmes (resigned 18 February 2011)

DIRECTORS' INDEMNITIES

The Steinhoff International group has made qualifying third party indemnity provisions for the benefit of the directors of the company which were in place throughout the year and remain in force at the date of this report.

SUPPLIER PAYMENT POLICY

The company's policy is to agree terms of payment with suppliers when entering into a transaction and abide by them.

UNITRANS LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

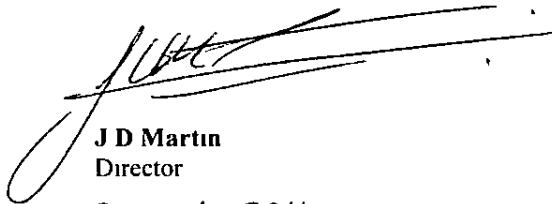
Each of the directors at the date of approval of this annual report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- The director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company'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

A resolution to reappoint Deloitte LLP as auditors will be proposed at the forthcoming Annual General Meeting

On behalf of the board



J D Martin
Director
3 March 2011

UNITRANS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern

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 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 UNITRANS LIMITED

We have audited the financial statements of Unitrans Limited for the year ended 30 June 2010 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

David Hedditch

David Hedditch (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Bristol, United Kingdom

4 March 2011

UNITRANS LIMITED**STATEMENT OF COMPREHENSIVE INCOME**
Year ended 30 June 2010

	Note	2010 £	2009 £
REVENUE		23,262,997	26,920,382
Cost of sales		(20,977,594)	(24,223,195)
GROSS PROFIT		<u>2,285,403</u>	<u>2,697,187</u>
Administrative expenses		(2,423,609)	(3,044,617)
OPERATING LOSS		<u>(138,206)</u>	<u>(347,430)</u>
Finance costs	4	(141,006)	(412,260)
LOSS BEFORE TAXATION	2	<u>(279,212)</u>	<u>(759,690)</u>
Taxation	5	-	-
LOSS FOR THE FINANCIAL YEAR		<u>(279,212)</u>	<u>(759,690)</u>

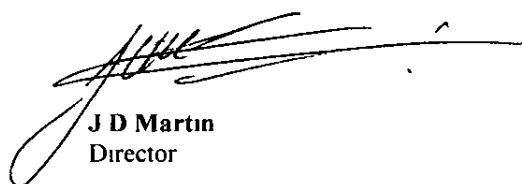
All amounts relate to continuing activities

UNITRANS LIMITED
STATEMENT OF FINANCIAL POSITION
At 30 June 2010

	Note	2010	2009
		£	£
NON-CURRENT ASSETS			
Intangible assets	7	72,083	118,953
Property, plant and equipment	6	344,244	607,845
Investments	8	104,705	104,705
Total non-current assets		521,032	831,503
CURRENT ASSETS			
Trade and other receivables	10	4,095,788	8,343,928
Cash and cash equivalents		664,680	-
Total current assets		4,760,468	8,343,928
CURRENT LIABILITIES			
Bank overdraft	11	-	(1,467,265)
Trade and other payables	12	(3,370,651)	(7,174,942)
Total current liabilities		(3,370,651)	(8,642,207)
Net current assets/(liabilities)		1,389,817	(298,279)
Total assets less current liabilities		1,910,849	533,224
NON-CURRENT LIABILITIES			
Amounts owed to group undertakings		(1,893,000)	-
Provisions	13	(153,680)	(389,843)
		(2,046,680)	(389,843)
NET (LIABILITIES)/ASSETS		(135,831)	143,381
EQUITY			
Share capital	14	199,531	199,531
Retained earnings		(335,362)	(56,150)
SHAREHOLDERS' (DEFICIT)/FUNDS		(135,831)	143,381

The financial statements of Unitrans Limited, registered number 01372780, were approved by the Board of Directors and authorised for issue on *3 March 2011*

Signed on behalf of the Board of Directors


J D Martin
 Director

UNITRANS LIMITED

STATEMENT OF CHANGES IN EQUITY
Year ended 30 June 2010

	Share capital £	Retained earnings £	Total £
At 1 July 2008	199,531	703,540	903,071
Loss for the financial year	-	(759,690)	(759,690)
At 30 June 2009	199,531	(56,150)	143,381
Loss for the financial year	-	(279,212)	(279,212)
At 30 June 2010	199,531	(335,362)	(135,831)

UNITRANS LIMITED

STATEMENT OF CASH FLOWS
Year ended 30 June 2010

	2010		2009	
	£	£	£	£
Cash flows from operating activities				
Operating loss	(138,206)		(347,430)	
Adjustments for				
Depreciation	344,249		385,346	
Amortisation	53,926		67,570	
Loss/(profit) on sale of property, plant and equipment	9,090		(1,901)	
Decrease in provisions	(236,163)		(324,384)	
Operating cash flows before changes in working capital	32,896		(220,799)	
Decrease/(increase) in trade and other receivables	4,248,140		(1,476,016)	
(Decrease)/increase in trade and other payables	(1,911,291)		1,651,405	
Cash inflow/(outflow) from operations	2,369,745		(45,410)	
Cash inflow/(outflow) from operating activities	2,369,745		(45,410)	
Investing activities				
Purchases of property, plant and equipment	(95,538)		(138,533)	
Proceeds on sale of property, plant and equipment	5,800		126,297	
Purchase of intangible assets	(7,056)		(48,406)	
Cash outflow from investing activities	(96,794)		(60,642)	
Financing activities				
Interest paid	(141,006)		(412,261)	
Increase/(decrease) in cash and cash equivalents	2,131,945		(518,313)	
Cash and cash equivalents at the beginning of the year	(1,467,265)		(948,952)	
Cash and cash equivalents at the end of the year	664,680		(1,467,265)	

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements of the company are presented as required by the Companies Act 2006. As permitted by that Act, they have been prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Adoption of new and revised Standards

In the current year, the following new and revised Standards and Interpretations have been adopted and have affected the amounts reported in these financial statements:

- IAS 1 Presentation of Financial Statements (revised 2007) requires the presentation of a Statement of Changes in Equity as a primary statement, separate from the Statement of Comprehensive income. As a result, a Statement of Changes in Equity has been included within the primary statements, showing changes in each component of equity for each period presented.

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective. The directors anticipate that the adoption of these standards and interpretations will have no material impact on the company's financial statements:

- IFRS 1 First-time Adoption of International Financial Reporting Standards (revised November 2008)
- IFRS 9 Financial Instruments
- IAS 24 Related Party Disclosures (revised November 2009)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- Amendment to IFRS 1 (Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters)
- Amendment to IAS 32 (Classification of Rights Issues)
- Amendments to IFRS 1 (Additional Exemptions for First-time Adopters)
- Amendments to IFRS 2 (Group Cash-settled Share-based Payment Transactions)
- Amendments to IAS 27 (Consolidated and Separate Financial Statements)
- Amendment to IAS 39 (Eligible Hedged Items)
- Amendments to IFRIC 14 (Prepayments of a Minimum Funding Requirement)
- Improvements to IFRSs 2009 (Improvements to IFRSs 2009)

Going concern

The Steinhoff UK Group has undertaken to provide financial support for at least a year from the date of the signing of the financial statements to enable the company to continue business operations as a going concern. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Revenue recognition

Revenue is attributable to the company's principal activity. Revenue represents sales to customers at invoiced amounts less value added tax or local taxes on sales. Revenue from the sale of services is recognised on delivery of the service to the customer.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 30 June 2010**

1 ACCOUNTING POLICIES (continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. Expenses are recorded at the rate expected to be realised when the transaction is paid for based on the exchange rate provided by Steinhoff International, the current exchange rate on the date of the transaction and the forward contract rate provided by Steinhoff UK group treasury. At each Statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Statement of financial position date.

Non monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Operating loss

Operating loss is stated before investment revenue and finance costs.

Retirement benefit costs

The company operates defined contribution schemes for certain employees. The assets of these schemes are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2010

1. ACCOUNTING POLICIES (continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity in which case the deferred tax is also dealt with in equity

Intangible assets

Software development costs are measured initially at cost then amortised on a straight-line basis over their estimated useful economic lives of 5 years. Other intangible assets are capitalised and amortised through the statement of comprehensive income over the directors' estimate of their useful economic life of 2 years

Impairment tests on the carrying value of intangible assets are undertaken

- At the end of the first full financial year following acquisitions,
- In other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation. Depreciation is calculated to write down the cost less estimated residual value of these assets by equal annual instalments over their estimated useful economic lives. The periods/rates generally applicable are

Leasehold improvements	over the lease term
Plant, equipment and motor vehicles	10% to 33% per annum
Fixtures and fittings	20% per annum

These assets are reviewed for impairment in accordance with IAS 6 'Impairment of Assets' when there are indications that the carrying value may not be recoverable

Impairment of non-financial assets

At each statement of financial position date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

1. ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Derivative financial instruments

The company does not enter into derivative financial instruments including forward foreign exchange contracts.

Financial assets

The financial assets are loans and receivables.

Financial assets - Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For loans and receivables the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Financial instruments issued by the company

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

1 ACCOUNTING POLICIES (continued)

Financial instruments issued by the company (continued)

Other financial liabilities

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost

Investments

Fixed asset investments are shown at cost less provision for impairment

2. LOSS BEFORE TAXATION

	2010	2009
	£	£
Loss before taxation is stated after charging/(crediting)		
Depreciation of property, plant and equipment	344 249	385,346
Amortisation of intangible assets	53,926	67 570
Hire of plant and equipment - operating leases	2 761,690	2 995,106
Hire of other assets - operating leases	198,857	244 747
Auditors' remuneration		
- audit services	37,000	67,296
- tax advisory	-	3,102
Foreign exchange loss/(gain)	150,123	(157,949)
Loss/(profit) on disposal of fixed assets	9 090	(1,901)
	<u> </u>	<u> </u>

3. STAFF COSTS

	2010	2009
	£	£
Wages and salaries	6,831 326	8,778,682
Social security costs	676 648	864,369
Other pension costs	82 525	105 859
	<u>7,590,499</u>	<u>9,748 910</u>

The average number of employees (including directors) during the year was as follows

	Number	Number
Warehouse and transport	150	195
Technology and projects	6	12
Operations and administration	63	94
	<u>219</u>	<u>301</u>

UNITRANS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
Year ended 30 June 2010**3. STAFF COSTS (continued)****Key management personnel**

The remuneration of executive directors, who are the key management of the company is set out in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'

	2010	2009
	£	£
Directors' emoluments	437,187	575,282
Company contributions to money purchase pension schemes	19,948	28,197
	<u>457,135</u>	<u>603,479</u>

There were five directors in the company's defined contribution pension scheme during the year (2009 three)

The total amount payable to the highest paid director in respect of emoluments was £94,465 (2009 £180,000)
No company pension contributions were made to a money purchase scheme on his behalf (2009 same)

4. FINANCE COSTS

	2010	2009
	£	£
Bank interest payable	15,014	60,304
Interest on loan from parent company	93,756	298,180
Other interest payable	32,236	53,776
	<u>141,006</u>	<u>412,260</u>

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 June 2010

5	TAXATION	2010 £	2009 £
	Total tax charge	-	-
The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the UK applied to losses for the year are as follows			
		£	£
	Loss before tax	(279,212)	(759,690)
		£	£
	Expected tax credit based on the standard rate of corporation tax in the UK of 28% (2009 28%)	(78,179)	(212,713)
	Expenses not deductible for tax purposes	20,819	(3,615)
	Difference between capital allowances and depreciation	105,323	71,743
	Tax losses carried forward	31,009	126,873
	Other timing differences	(78,972)	17,712
	Total tax charge	-	-

The company is not aware of any factors that will materially affect the future tax charge apart from the proposed phased reduction in corporation tax rates to 24% by 2015 which has not yet been enacted

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 June 2010

6. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £	Plant, equipment and motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 July 2008	1,545,076	798,902	196,979	2,540,957
Additions	-	111,763	26,770	138,533
Disposals	(263,396)	(73,959)	(6,657)	(344,012)
Reclassifications	-	42,218	(42,218)	-
At 30 June 2009	1,281,680	878,924	174,874	2,335,478
Additions	1,700	31,980	61,858	95,538
Disposals	-	(64,770)	(5,185)	(69,955)
At 30 June 2010	1,283,380	846,134	231,547	2,361,061
Depreciation				
At 1 July 2008	958,805	446,859	156,239	1,561,903
Provided in the year	211,763	157,104	16,479	385,346
Disposals	(153,819)	(59,720)	(6,077)	(219,616)
Reclassifications	-	30,121	(30,121)	-
At 30 June 2009	1,016,749	574,364	136,520	1,727,633
Provided in the year	173,390	134,164	36,695	344,249
Disposals	-	(50,280)	(4,785)	(55,065)
At 30 June 2010	1,190,139	658,248	168,430	2,016,817
Net book value				
At 30 June 2010	93,241	187,886	63,117	344,244
At 30 June 2009	264,931	304,560	38,354	607,845
At 30 June 2008	586,271	352,043	40,740	979,054

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 June 2010

7 INTANGIBLE FIXED ASSETS

	Software development costs £	Other £	Total £
Cost			
At 1 July 2008	425 144	88.800	513 944
Additions	48 406	-	48,406
Disposals	-	(88.800)	(88 800)
At 30 June 2009	473,550	-	473,550
Additions	7,056	-	7,056
At 30 June 2010	480,606	-	480,606
Amortisation			
At 1 July 2008	287,027	88 800	375,827
Provided in the year	67,570	-	67,570
Disposals	-	(88,800)	(88.800)
At 30 June 2009	354 597	-	354 597
Provided in the year	53,926	-	53 926
At 30 June 2010	408,523	-	408,523
Net book value			
At 30 June 2010	<u>72,083</u>	<u>-</u>	<u>72,083</u>
At 30 June 2009	<u>118,953</u>	<u>-</u>	<u>118,953</u>
At 30 June 2008	<u>138,117</u>	<u>-</u>	<u>138,117</u>

8 INVESTMENTS

	2010 £	2009 £
Investments - Concorde France	<u>104 705</u>	<u>104,705</u>

The investment is in Concorde SAS, a company incorporated in France the principal activity of which is configuration and logistics. The investment represents a 30% holding of the equity of Concorde SAS.

After the year-end the investment was sold for an amount in excess of its carrying value.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 June 2010

9 DEFERRED TAX

There is a potential deferred tax asset of £671,000 in respect of tax losses carried forward to be utilised in future years, £205,000 in respect of accelerated capital allowances and £79,000 in respect of other timing differences. These are not recognised due to uncertainty over the timing of any reversal. In the previous period there was a deferred tax asset unprovided of £578,000 in relation to tax losses carried forward, £116,000 in respect of accelerated capital allowances and £158,000 in respect of other timing differences.

10 TRADE AND OTHER RECEIVABLES	2010 £	2009 £
Trade receivables	2,599,279	4,982,158
Trade receivables - owed by group undertakings	895,751	224,344
Less provision for impairment of receivables	(185,936)	(307,099)
	<u>3,309,094</u>	<u>4,899,403</u>
Other receivables	8,643	117,812
Amounts owed by group undertakings	344,828	-
Prepayments and accrued income	433,223	3,326,713
	<u>4,095,788</u>	<u>8,343,928</u>

The average credit period on sales is 56 days (2009: 66 days). The provision for trade receivables is estimated by the company's management based on prior experience and the current economic environment.

Included in the company's trade receivable balance are receivables with a carrying amount of £493,751 (2009: £837,111) which are past due at the reporting date for which the company has not provided as there has not been a significant change in credit quality and the company believes that the amounts are still considered recoverable. The company does not hold any collateral over these balances. The average age of these receivables is less than three months overdue (2009: same).

Amounts owed by group undertakings are incurred in the normal course of trading and the directors consider there to be no significant credit risk.

Movement in the allowance for doubtful debts

	£	£
At the start of the year	307,099	336,630
Amounts written off in the year	(121,163)	-
Decrease in allowance recognised in the statement of comprehensive income	-	(29,531)
At the end of the year	<u>185,936</u>	<u>307,099</u>

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

10 TRADE AND OTHER RECEIVABLES (continued)

In determining the recoverability of the trade receivable, the company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The ageing of receivables is	2010		2009	
	£	%	£	%
Neither past due nor impaired	3,602,037	88	7,506,817	90
Past due up to 3 months but not impaired - trade debts	337,481	8	659,263	8
Past due by over 3 months but not impaired - trade debts	156,270	4	177,848	2
	<u>4,095,788</u>	<u>100</u>	<u>8,343,928</u>	<u>100</u>

11. OTHER FINANCIAL LIABILITIES

	2010	2009
	£	£
Bank overdraft (secured)	-	1,467,265

The bank overdraft is secured by fixed and floating charges over the assets of the company.

12. TRADE AND OTHER PAYABLES

	2010	2009
	£	£
Trade payables	1,452,989	2,764,986
Amounts owed to group undertakings	7,165	3,071,295
Taxation and social security	485,186	-
Other payables	417,269	259,731
Accruals and deferred income	1,008,042	1,078,930
	<u>3,370,651</u>	<u>7,174,942</u>

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

13 PROVISIONS

	Dilapidations	Other	Total
	£	£	£
Balance at 1 July 2008	406,185	308,054	714,239
Transfer to group company	(406,185)	-	(406,185)
Charge to the statement of comprehensive income	-	81,789	81,789
Balance at 30 June 2009	-	389,843	389,843
Credit to the statement of comprehensive income	-	(102,323)	(102,323)
Utilisation of provision	-	(133,840)	(133,840)
Balance at 30 June 2010	-	153,680	153,680

Provision for dilapidations was transferred to Steinhoff UK Group Properties Limited in the prior year

Other provisions comprise a holiday pay provision and an onerous lease provision

14. SHARE CAPITAL

	2010	2009
	£	£
Authorised		
500,000 Ordinary shares of £1 each	500,000	500,000
	£	£
Allotted, called up and fully paid		
199,531 Ordinary shares of £1 each	199,531	199,531

15 RETIREMENT BENEFITS

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the company to the funds for the year and amounted to £82,525 (2009 £105,859)

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2010

16. OPERATING LEASE COMMITMENTS

At the statement of financial position date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

	2010		2009	
	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	963,000	138,671	1,145,138	138,460
In two to five years	3,852,000	136,982	3,784,264	225,339
Over five years	2,934,100	-	3,570,961	-
	<u>7,749,100</u>	<u>275,653</u>	<u>8,500,363</u>	<u>363,799</u>

17. ULTIMATE CONTROLLING PARTY AND HOLDING COMPANY

The company is a wholly owned subsidiary of Unitrans Logistics (UK) Limited, a company incorporated in the United Kingdom. The ultimate parent company and controlling party is Steinhoff International Holdings Limited, a company incorporated in The Republic of South Africa.

The smallest group in which the results of the company are consolidated is that headed by Steinhoff UK Holdings Limited. Copies of these consolidated financial statements may be obtained from Formal Industrial Business Park, Northway Lane, Ashchurch, Tewkesbury, Gloucestershire, GL20 8GY.

The largest group in which the results of the company are consolidated is that headed by Steinhoff International Holdings Limited. Copies of these consolidated financial statements may be obtained via the website www.steinhoffinternational.com.

UNITRANS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
Year ended 30 June 2010**18. RELATED PARTY DISCLOSURES**

Transactions between the company and other companies within the group headed by Steinhoff International Holdings Limited are disclosed below

	Sales to related party £	Interest payable on loans £	Purchases from related party £	Net balance owed (to)/from related party £
2010				
Parent company - Unitrans Logistics (UK) Limited	-	93,756	-	(1,893,072)
Other Steinhoff companies	3,398,020	-	1,383,006	1,233,486
	<u>3,398,020</u>	<u>93,756</u>	<u>1,383,006</u>	<u>(659,586)</u>
	£	£	£	£
2009				
Parent company - Unitrans Logistics (UK) Limited	-	298,180	-	(2,068,376)
Other Steinhoff companies	2,112,706	-	121,316	(778,575)
	<u>2,112,706</u>	<u>298,180</u>	<u>121,316</u>	<u>(2,846,951)</u>

Other Steinhoff companies include all subsidiaries and associated companies of Steinhoff International Holdings Limited except for the parent company. All transactions are made on an arm's length basis. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

19 FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the accounting policy note

Categories of financial instruments	2010 £	2009 £
Financial assets at amortised cost		
Cash	664,680	-
Trade receivables	3,309,094	4,899,403
Other receivables	8,643	117,812
Non-trading amounts owed from group undertakings	344,828	-
	<u>4,327,245</u>	<u>5,017,215</u>
	£	£
Financial liabilities at amortised cost		
Bank overdrafts	-	1,467,265
Trade payables	1,452,989	2,764,986
Other payables	417,269	259,731
Amounts owed to group undertakings	1,900,165	3,071,295
	<u>3,770,423</u>	<u>7,563,277</u>

Financial risk management objectives

The executive team is responsible for implementing the risk management strategy to ensure that an appropriate risk management framework is operating effectively, embedding a risk culture throughout the company. The board and the audit and risk management committee are provided with a consolidated view of the risk profile of the company. All major exposures are identified and mitigating controls are identified and implemented.

Regular management reporting and assessment of the effectiveness of controls by internal audit provide a balanced assessment of the effectiveness of key risks and controls.

The company does not speculate with derivatives or other financial instruments. The central finance function communicates with operating divisions and consolidates the company's requirements. It plays a role in the identification and management of the following risks: currency risk, interest rate risk, credit risk and liquidity risk.

Market risk

The company's activities expose it to both interest rate and foreign currency risk. The company manages interest rate risk centrally through its central treasury. Cash resources are matched with the net funding requirements sourced from two sources, namely internally generated funds and the company facilities.

No forward foreign exchange contracts are entered into by this company.

During the course of the year there has been no change to the market risk or manner in which the company manages its exposure.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2010

19. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives (continued)

Foreign currency risk management

The majority of the company's activities are transacted in sterling. The company undertakes certain transactions denominated in Euros, hence exposures to exchange rate fluctuations arise. The company generates revenue and incurs costs in Euros, and uses the Euros generated to pay liabilities denominated in Euros mitigating the currency risk. As such the company's sensitivity to movements in foreign currency exchange rates is insignificant. The carrying amount of the company's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Assets		Liabilities	
	2010 £	2009 £	2010 £	2009 £
Euro	861,870	915,000	556,936	-
Swiss Franc	27,440	49,505	14,741	-

Interest rate risk management

Interest rate risk is managed centrally. All interest bearing assets and liabilities of the company are at variable rates of interest and are structured to achieve a competitive market related cost of funding.

Credit risk management

Potential concentration of credit risk consists principally of short-term cash and cash equivalent investments, trade and other receivables. The company deposits short-term cash surpluses with the same bank granting the overdraft facility. Trade receivables comprise a large and widespread customer base and the company performs ongoing credit evaluations on the financial condition of customers. At 30 June 2010 the company did not consider there to be any other significant concentration of credit risk which had not been adequately provided for. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and the current economic environment.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the entity could be required to pay its liabilities earlier than expected.

The company manages liquidity risk by monitoring forecast cash flows which are provided weekly and by ensuring that adequate borrowing facilities are available. The company generates its own cash to meet obligations and additional cash is obtained from existing lines of credit and from other facilities based on forecast requirements.

UNITRANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2010

19. FINANCIAL INSTRUMENTS (continued)

Liquidity risk management (continued)

The following table details the company's remaining contractual maturity for its non-derivative financial liabilities and has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will accrue to those liabilities except where the company is entitled and intends to repay the liability before its maturity

	0 to 3 months £	3 months to 1 year £	1 to 5 years £	Total £
2010				
Trade payables	1,452,989	-	-	1,452,989
Other payables	417,269	-	-	417,269
Amounts payable to group companies	7,165	-	1,893,000	1,900,165
	<u>1,877,423</u>	<u>-</u>	<u>1,893,000</u>	<u>3,770,423</u>
	£	£	£	£
2009				
Bank overdrafts and interest bearing loans	-	1,467,265	-	1,467,265
Trade payables	2,764,986	-	-	2,764,986
Other payables	259,731	-	-	259,731
Amounts payable to group companies	-	3,071,295	-	3,071,295
	<u>3,024,717</u>	<u>4,538,560</u>	<u>-</u>	<u>7,563,277</u>

The non-current amounts owed to group undertakings are payable on or after 30 September 2011

Fair values

The fair values of the company's financial instruments including trade receivables, cash and cash equivalents, trade payables, short-term provisions and loans and overdrafts with a maturity of less than one year are assumed to approximate to their book value