

UNIPART NORTH AMERICA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

COMPANY NUMBER

3588027



DIRECTORS: A J MOURGUE (Chairman)

P M DESSAIN

M R HOPPER

SECRETARY: M D RIMMER

REGISTERED OFFICE: UNIPART HOUSE
COWLEY
OXFORD
OX4 2PG

AUDITORS: PRICEWATERHOUSECOOPERS

REPORT OF THE DIRECTORS

The directors present their annual report together with the financial statements for the year to 31 December 2000.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company is engaged in the export of automotive parts, components, and accessories and this activity is expected to continue.

DIRECTORS

The current directors are shown above and all have served throughout the financial year.

DIRECTORS' INTERESTS

None of the directors hold or have held shares in Unipart North America Limited. Mr A J Mourgue is a director of UGC Limited, the ultimate parent company, and his interests in the shares of that company are disclosed in the UGC Limited annual report and financial statements.

REPORT OF THE DIRECTORS (CONTINUED)

The beneficial interests of the other directors and their families in the share capital of UGC Limited are shown below:

	‘A’ Ordinary shares of 0.5p each		‘E’ Ordinary shares of 0.5p each	
	2000 Number	1999 Number	2000 Number	1999 Number
<u>Beneficial Holdings</u>				
M R Hopper	41,143	41,143	282,900	282,900
P M Dessain	68,796	68,796	180,000	180,000

	At 31 December 2000 Number	At 31 December 1999 Number
<u>Ordinary shares under option</u>		
M R Hopper	136,900	136,900
P M Dessain	115,900	115,900

As employees of the Unipart Group of Companies each of the above directors is deemed by Section 324 of the Companies Act 1985 to be interested in the shares held by the Group Share Trust for the benefit of Group employees.

The interest of the Group Share Trust in the shares of UGC Limited was as follows;

	2000 Number	1999 Number
‘A’ Ordinary Shares of 0.5p each	14,001,839	13,818,564

There was no contract subsisting during or at the end of the financial period in which any director of the Company had a material interest.

EMPLOYEES

Unipart North America Limited does not have any employees. Its immediate parent company, Unipart Group Limited, provides all necessary service functions for Unipart North America Limited.

PROFIT AND LOSS ACCOUNT

The results for the period are set out in the profit and loss account on page 4.

REPORT OF THE DIRECTORS (CONTINUED)

DIVIDENDS

The directors recommend that a dividend should not be paid in respect of the year ended 31 December 2000 (1999: £nil).

GOING CONCERN

The directors of UGC Limited, the ultimate parent undertaking, have indicated their willingness to continue providing financial support to the company for the foreseeable future, at least one year from the date of approval of these accounts, sufficient for the company to meet its obligations as they fall due. As a result the directors have prepared the accounts on a going concern basis.

AUDITORS

A resolution to reappoint PricewaterhouseCoopers as the Company's auditors will be proposed at the next general meeting at which the accounts are presented.

On behalf of the Board.



M D RIMMER
Secretary
Oxford

30 April 2001

UNIPART NORTH AMERICA LIMITED

PROFIT & LOSS ACCOUNT

4

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £000	1999 £000
TURNOVER	2	<u>78,558</u>	<u>46,770</u>
OPERATING PROFIT/(LOSS)	3	167	(1,529)
INTEREST	6	0	0
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>167</u>	<u>(1,529)</u>
Taxation on profit on ordinary activities	7	(50)	463
PROFIT FOR THE FINANCIAL YEAR	12	<u><u>117</u></u>	<u><u>(1,066)</u></u>

The profit and loss account relates entirely to continuing operations.

The Company does not have any gains or losses other than the profit/(loss) above and there was no difference between this profit/(loss) and the profit/(loss) on a historical cost basis. Accordingly no separate statement of total recognised gains and losses or note of historical cost profits and losses have been presented.

UNIPART NORTH AMERICA LIMITED

BALANCE SHEET

5

AT 31 DECEMBER 2000

	Note	2000 £000	1999 £000
CURRENT ASSETS			
Stocks	8	18,537	13,471
Debtors	9	4,413	3,881
Cash at bank and in hand		1,603	1,174
		24,553	18,526
CREDITORS - amounts falling due within one year	10	(26,372)	(20,462)
NET CURRENT LIABILITIES		<u>(1,819)</u>	<u>(1,936)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,819)</u>	<u>(1,936)</u>
TOTAL NET LIABILITIES		<u><u>(1,819)</u></u>	<u><u>(1,936)</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	0	0
Profit and loss account	12	(1,819)	(1,936)
TOTAL EQUITY SHAREHOLDERS' FUNDS	13	<u><u>(1,819)</u></u>	<u><u>(1,936)</u></u>

The financial statements on pages 4 to 18 were approved by the board of directors on 30 April 2001 and were agreed on its behalf by

P. M. Dessain

P M DESSAIN - Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

CASHFLOW STATEMENT

The Company is a wholly owned subsidiary of a group whose ultimate parent company is UGC Limited. The financial statements of UGC Limited include a consolidated cash flow statement. Accordingly, the Company has taken advantage of the exemption not to publish its own cashflow statement.

DEFERRED TAXATION

Deferred taxation is accounted for to take account of timing differences between the treatment of certain items for accounting purposes and their treatment for tax purposes. An asset is held or a provision is made only to the extent that these timing differences will reverse in the foreseeable future.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

TURNOVER

Turnover excludes VAT and other sales taxes.

FOREIGN CURRENCIES

Exchange differences arising in the normal course of trading and on the translation of monetary assets and liabilities are dealt with in the profit and loss account.

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2000

7

2 SEGMENTAL INFORMATION

The Group operates in a single business segment, principally from the United Kingdom.

The geographical analysis of turnover by location of customer is:

	2000 £000	1999 £000
United Kingdom	9,007	4,678
North America	69,551	42,092
	<u>78,558</u>	<u>46,770</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8

FOR THE YEAR ENDED 31 DECEMBER 2000

3 OPERATING PROFIT

Operating profit is calculated as follows:

	2000 £000	1999 £000
Turnover	78,558	46,770
Cost of sales	(69,040)	(41,715)
Gross Profit	<u>9,518</u>	<u>5,055</u>
Distribution costs	(9,231)	(6,464)
Administrative expenses	(120)	(120)
Operating loss	<u><u>167</u></u>	<u><u>(1,529)</u></u>

All administration expenses, including auditor's remuneration, are borne by the immediate parent company, Unipart Group Limited, which levies a management charge for this service.

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10

FOR THE YEAR ENDED 31 DECEMBER 2000

6 INTEREST

Net interest on bank balances and overdrafts is borne by Unipart Group Limited, the immediate parent company of Unipart North America Limited.

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9

FOR THE YEAR ENDED 31 DECEMBER 2000

4 STAFF NUMBERS AND COSTS

Unipart North America Limited does not have any employees in its own right. Employees are all employed and paid through Unipart Group Limited and all applicable disclosures are made in those accounts.

5 DIRECTORS' EMOLUMENTS

The directors receive no emoluments (1999:£nil) in respect of their services to Unipart North America Limited. Mr A J Mourgue received his remuneration in respect of services to the Unipart Group of Companies as a whole, and such information as is required is disclosed in the accounts of UGC Limited.

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11

FOR THE YEAR ENDED 31 DECEMBER 2000

7 TAXATION ON LOSS ON ORDINARY ACTIVITIES

	2000 £000	1999 £000
UK Corporation Tax credit at 30.00% (1999:30.25%) in respect of the current financial year.	(50)	463
	<u>(50)</u>	<u>463</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12

FOR THE YEAR ENDED 31 DECEMBER 2000

8 STOCKS

	2000 £000	1999 £000
Finished goods and goods for resale	18,537	13,471
	<u>18,537</u>	<u>13,471</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13

FOR THE YEAR ENDED 31 DECEMBER 2000

9 DEBTORS

	2000 £000	1999 £000
Amounts falling due within one year:		
Trade debtors and bills receivable	4,413	3,371
Corporation tax	0	463
Other debtors	0	47
	<u>4,413</u>	<u>3,881</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14

FOR THE YEAR ENDED 31 DECEMBER 2000

10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £000	1999 £000
Trade creditors	767	739
Amounts owing to parent undertaking and fellow subsidiaries	23,536	18,989
Corporation Tax	50	0
Other taxation and social security	25	0
Accruals and deferred income	1,994	734
	<u>26,372</u>	<u>20,462</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15

FOR THE YEAR ENDED 31 DECEMBER 2000

11 SHARE CAPITAL

	2000 Number	2000 £	1999 Number	1999 £
Ordinary shares of £1 each:				
Issued and fully paid	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Authorised	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16

FOR THE YEAR ENDED 31 DECEMBER 2000

12 PROFIT AND LOSS RESERVE

	2000 £000	1999 £000
As at 1 January \ (1998:1 July)	(1,936)	(870)
Retained profit/(loss) for the financial year	117	(1,066)
As at 31 December	<u>(1,819)</u>	<u>(1,936)</u>

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £000	1999 £000
As at 1 January	(1,936)	(870)
Retained profit/(loss) for the financial year	117	(1,066)
As at 31 December	<u>(1,819)</u>	<u>(1,936)</u>

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17

FOR THE YEAR ENDED 31 DECEMBER 2000

14 COMMITMENTS

There were no capital or operating lease commitments at 31 December 2000 (1999:£nil)

15 RELATED PARTY TRANSACTIONS

The company is controlled by UGC Limited. The company has taken advantage of the exemption afforded by FRS 8 (Related party disclosure), paragraph 3, and as such, the financial statements do not disclose transactions with other group companies.

UNIPART NORTH AMERICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2000

18

16 CONTINGENT LIABILITIES

Under the Group bank arrangements the Company, together with fellow subsidiaries of the Unipart Group of Companies, has given security and guaranteed bank loans and overdrafts provided to the Group. The amount outstanding for the Group at 31 December 2000 was £231 million, (1999: £201.3 million).

17 ULTIMATE PARENT COMPANY

At the end of the financial year UGC Limited, a company registered in England and Wales, was the ultimate parent company and controlling party. Copies of UGC Limited consolidated financial statements can be obtained from the Company Secretary at Unipart House, Cowley, Oxford OX4 2PG.

DIRECTORS' STATEMENT OF RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year that 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.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2000 and that applicable accounting standards have been followed and that the going concern basis is appropriate.

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 1985. 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.

On behalf of the Board



M D Rimmer
Secretary
Oxford

30 April 2001

Auditors' report to the members of Unipart North America Limited

We have audited the financial statements on pages 4 to 18 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 19, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

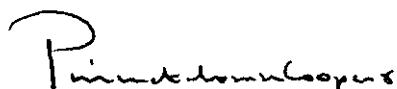
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors

30 April
2001