

Registered No 04330119 (England)

Unipart Logistics Limited

Annual Report and Financial Statements

For the year ended 31 December 2012

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Company Information

Directors	F W Burns P M Dessain A J Mourgue J M Neill M H Tonks
Secretary	M D Rimmer
Registered office	Unipart House Cowley Oxford Oxfordshire OX4 2PG
Registered number	04330119
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Cornwall Court 19 Cornwall Street Birmingham B3 2DT

Directors' Report

For the year ended 31 December 2012

The directors present their report together with the audited financial statements for the year ended 31 December 2012

Principal activity and review of business

The principal activity of Unipart Logistics Limited ("the Company") is the development, implementation and operation of supply chain solutions in the logistics and distribution market in partnership with its customers. The directors are satisfied with the financial performance and position of the Company and anticipate similar levels of activity in the coming financial year.

The Company is a subsidiary of the Unipart Group of Companies ("the Group"). Further details on the performance of the Group, including key performance indicators can be found in the Chairman's Statement and Operating and Financial Review in the annual report of Unipart Group of Companies Limited, which does not form part of this report.

Results for the year

The results for the year are set out in the profit and loss account on page 6. The directors do not propose the payment of a dividend (2011 - £5,000,000) to the Company's sole shareholder, Unipart Group Limited.

Principal risks and uncertainties facing the business

From the perspective of the Company, the principal risks and uncertainties are integrated within the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which includes those of the Company, are discussed in the Directors' Report in the annual report of Unipart Group of Companies Limited, which does not form part of this report.

Financial risk management

The financial risks of the Company are managed centrally by the Group's treasury department. Given the size of the Company and the level of its activities, its operations are not significantly exposed to risks such as price risk, credit risk, liquidity risk and interest rate risk.

Directors

The current directors are shown on page 2 and served throughout the year and up to the date of signing the financial statements. There was no contract subsisting during or at the end of the financial year in which any director of the Company had a material interest, however, during the year an indemnity from the Company was available to the directors against liabilities incurred by them in defending proceedings against them in relation to the affairs of the Company. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association.

Going concern

The Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements, which are shown on pages 6 to 13.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

Statement of directors' responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

Directors' Report (continued)
For the year ended 31 December 2012

Statement of directors' responsibilities (continued)

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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,
- 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.

Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved, under section 418 (1) to (4) of the Companies Act 2006 the following applies

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

By order of the Board



M D Rimmer
Company Secretary
Oxford, 18 March 2013
Registered No 04330119 (England)

Independent Auditors' Report to the Members of Unipart Logistics Limited

We have audited the financial statements of Unipart Logistics Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its profit 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.

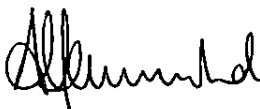
Opinion on other matters prescribed by the Companies Act 2006

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.



Andrew Hammond (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham, 18 March 2013

Financial Statements

Profit and Loss Account

For the year ended 31 December 2012

	Note	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
Turnover	2	280,398	288,388
Operating profit	3	2,354	2,631
Net interest payable	6	(410)	(344)
Profit on ordinary activities before taxation		1,944	2,287
Tax on profit on ordinary activities	7	(476)	(677)
Profit for the financial year	15	1,468	1,610

The results for the year relate to continuing operations

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year shown above and their historical cost equivalents

The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 8 to 13 form part of these financial statements

Unipart Logistics Limited

Financial Statements (continued)**Balance Sheet***As at 31 December 2012*

	Note	2012 £'000	2011 £'000
Fixed assets			
Investments	9	379	379
Current assets			
Stocks	10	1,387	1,899
Debtors - amounts falling due within one year	11	41,417	38,481
Debtors - amounts falling due after more than one year	11	2,453	3,079
Cash at bank and in hand		2,139	1,128
		47,396	44,587
Creditors - amounts falling due within one year	12	(26,525)	(28,153)
Net current assets		20,871	16,434
Total assets less current liabilities		21,250	16,813
Creditors - amounts falling due after more than one year	13	(6,231)	(3,262)
Net assets		15,019	13,551
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	15,019	13,551
Total shareholder's funds	16	15,019	13,551

The financial statements on pages 6 to 13 were approved by the Board of Directors on 18 March 2013 and were signed on its behalf by



F W BURNS - Director

Unipart Logistics Limited
Registered No 04330119

Unipart Logistics Limited

1 Accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The policies are consistent with the previous year. The principal accounting policies are set out below.

Consolidated Financial Statements

Consolidated financial statements have not been prepared by the Company as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Unipart Group of Companies Limited, a company registered in England and Wales.

Cash flow statement

The Company is a wholly owned subsidiary of a group whose ultimate parent company is Unipart Group of Companies Limited. The financial statements of Unipart Group of Companies Limited, which are publicly available, include a consolidated cash flow statement. Accordingly, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996), 'Cash flow statements'.

Stock

Stocks are stated at the lower of average cost and estimated net realisable value. Net realisable value is calculated as the actual selling price, net of trade discounts, less costs to completion and all related selling and distribution costs. Provision is made for obsolete, slow-moving or defective items where appropriate.

Lease accounting

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.

Assets held under finance leases where the Company acts as the lessor are presented as a receivable at an amount equal to the net investment in the lease. Rental payments received by the Company under the finance leases are apportioned between the finance charge and the reduction of the outstanding obligation. The recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the finance lease. The finance charge from the lease is recognised within interest receivable in each accounting period. Rentals relating to the reduction of the outstanding obligation are recognised through revenue over the term of the lease. Normal selling losses are recognised through costs of sales on inception of the lease.

Where the Company acts as lessee of assets for the purposes of onward leasing as a lessor, the tangible fixed asset is not recognised and as such no depreciation charge is required. The liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against finance income.

Costs in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Foreign currencies

The profit and loss accounts of overseas activities are translated into sterling at average rates of exchange. Balance sheets are translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising in the normal course of trading and on the translation of monetary assets and liabilities are taken through the profit and loss account.

Significant estimation techniques

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure in the reporting period. Actual results could differ from those estimates. Estimates are used in certain instances in revenue recognition.

For the year ended 31 December 2012

1 Accounting policies (continued)**Investments**

Investments are stated at cost less provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Related party transactions

The Company is controlled by Unipart Group of Companies Limited. The Company has taken advantage of the exemption afforded by FRS 8, 'Related party disclosures' and as such, the financial statements do not disclose transactions with other wholly owned group companies.

Turnover

Turnover is recognised on the invoiced and accrued value of goods and services supplied during the year, including amounts received and receivable on management fee contracts. The sale of goods are recognised at the point at which the goods are dispatched. The sales of services are recognised in the accounting period in which the services are rendered, by reference to the agreed contractual arrangements. Turnover is reported net of conditional discounts, VAT and other sales taxes.

2 Turnover

The directors consider that the Company operates in one business segment, the provision of logistics and distribution services principally from the United Kingdom, where all operations and net assets are controlled and thus where turnover originates and profit arises.

3 Operating profit

	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
Turnover	280,398	288,388
Cost of sales	(278,044)	(285,757)
Operating profit	2,354	2,631

	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
Operating profit is stated after charging:		
Operating lease charges - other	2,283	2,212
Hire of plant and other machinery	104	-

Auditors' remuneration is borne by the parent company, Unipart Group Limited, a subsidiary of the Unipart Group of Companies. The remuneration amounted to £8,000 in respect of audit fees (2011 - £8,000) and £13,000 in respect of other services relating to taxation (2011 - £10,000) on behalf of the Company.

4 Staff numbers and costs

The Company does not have any employees in its own right. Employees are all employed and paid through Unipart Group Limited, the parent company, and all applicable disclosures are made in those financial statements. Recharges for employees are made by Unipart Group Limited to the Company and these are included in cost of sales.

5 Directors' emoluments

The directors received their remuneration in respect of services to the Unipart Group of Companies as a whole and received no remuneration in respect of services provided to the Company (2011 - £nil).

For the year ended 31 December 2012

6 Net interest payable	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
<i>Receivable in respect of</i>		
Finance lease interest received	18	21
Interest receivable and similar income	18	21
<i>Payable in respect of</i>		
Amounts payable to fellow subsidiaries	-	(261)
Bank loans and overdrafts	(377)	-
Finance lease interest paid	(51)	(104)
Interest payable and similar charges	(428)	(365)
Net interest payable	(410)	(344)

7 Tax on profit on ordinary activities	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
<i>Current Tax</i>		
UK corporation tax on profits of the year	476	606
UK corporation tax in respect of prior years	-	71
Tax charge on profit on ordinary activities	476	677

The standard effective rate of tax for the year, based on the UK standard rate of corporation tax, is 24.5% (2011 - 26.5%). The actual tax charge for the year was equal to (2011 - higher than) the standard rate. The principal reconciling items are illustrated below.

	Year ended 31 Dec 2012 £'000	Year ended 31 Dec 2011 £'000
Profit on ordinary activities before tax	1,944	2,287
Profit on ordinary activities multiplied by standard effective rate in the UK 24.5% (2011 - 26.5%)	476	606
Adjustments in respect of prior years	-	71
Current tax charge for the year	476	677

During the year there were changes to the UK corporation tax rate to 24%, which was substantively enacted on 26 March 2012 and was effective from 1 April 2012, and to 23%, which was substantively enacted on 3 July 2012 and will be effective from 1 April 2013.

A further reduction to the UK corporation tax rate has been announced. The change proposes to reduce the rate to 21% from 1 April 2014. The change had not been substantively enacted at the balance sheet date and, therefore, is not recognised in these financial statements.

8 Dividends	Year ended 31 Dec 2012 £000	Year ended 31 Dec 2011 £000
Full dividend paid £nil per share (2011 - £5,000,000 per share)	-	5,000

For the year ended 31 December 2012

9 Fixed asset investments**£'000***Cost and net book value***At 1 January 2012 and 31 December 2012****379**

The investment in subsidiary undertaking represents the Company's interest in 100% of the ordinary share capital of Unipart Logistics (Suzhou) Trading Co Limited, a company incorporated in China, and 99% of the ordinary share capital of Unipart Services India Private Limited, a company incorporated in India. Both companies carry out general logistics and consultancy. The directors believe that the carrying value of the investments is supported by their underlying net assets.

10 Stocks**2012****2011****£'000****£'000****Finished goods and goods for resale****1,387****1,899****11 Debtors****2012****2011****£'000****£'000***Amounts falling due within one year*

Trade debtors and bills receivable

12,540**10,128**

Amounts owed by parent company

19,168**13,907**

Amounts receivable under finance leases

665**719**

Prepayments and accrued income

9,044**13,727****41,417****38,481***Amounts falling due after more than one year*

Amounts receivable under finance leases

2,453**3,079****Total debtors****43,870****41,560**

Amounts due from group undertakings are unsecured and have no fixed repayment date. Certain amounts due from group undertakings bear interest.

Amounts receivable under finance leases comprises

2012**2011****£'000****£'000***Total amounts receivable*

Within 1 year

665**719**

Between 2 - 5 years

2,453**3,079****3,118****3,798**

Rentals receivable during the year under finance leases amounted to £737,000 (2011 - £719,000)

12 Creditors - amounts falling due within one year**2012****2011****£'000****£'000**

Trade creditors

811**983**

Corporation tax

476**677**

Other taxation and social security

15,511**16,728**

Amounts payable under finance leases

479**851**

Other creditors

786**-**

Accruals and deferred income

8,462**8,914****26,525****28,153**

For the year ended 31 December 2012

13 Creditors - amounts falling due after more than one year	2012	2011
	£'000	£'000
Bank loans	6,231	2,782
Amounts payable under finance leases	-	480
	6,231	3,262

Finance lease obligations

Future minimum payments under finance leases are as follows

	2012	2011
	£'000	£'000
Within one year	483	902
Between two to five years	-	484
Total gross payments	483	1,386
Less finance charges included above	(4)	(55)
Total due under finance leases	479	1,331

14 Called up share capital	2012	2011	2012	2011
	Number	Number	£'000	£'000
Ordinary shares of £1 each Issued and fully paid	1	1	-	-

15 Profit and loss account

	£'000
At 1 January 2012	13,551
Profit for the financial year	1,468
At 31 December 2012	15,019

16 Reconciliation of movements in shareholder's funds

	2012	2011
	£'000	£'000
Profit for the financial year	1,468	1,610
Dividends paid	-	(5,000)
At 1 January	13,551	16,941
At 31 December	15,019	13,551

17 Contingent liabilities

The Company has given security by way of fixed and floating charges over certain of the Company's assets, to guarantee bank loans and overdrafts provided to certain fellow subsidiary undertakings. The amount outstanding under such arrangements at 31 December 2012 was £16.9 million (2011 - £3.0 million).

For the year ended 31 December 2012

18 Operating lease commitments

At 31 December 2012 the Company had annual commitments under non-cancellable operating leases expiring as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
- within one year	260	10	64	-
- after one year but within five years	2,023	1,414	39	-
- after five years	-	788	-	-
	2,283	2,212	103	-

19 Ultimate and immediate parent and controlling party

Unipart Group of Companies Limited, a company registered in England and Wales, is the ultimate parent company and controlling company. Copies of Unipart Group of Companies Limited's consolidated financial statements can be obtained from the Company Secretary at Unipart House, Cowley, Oxford, OX4 2PG. The Company's immediate parent company is Unipart Group Limited, a company registered in England and Wales.