

Company Registration Number 5963809

BFIM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
30 JUNE 2011

FRIDAY



AJLWQZJI

A03

25/11/2011

28

COMPANIES HOUSE

BFIM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS **For the year ended 30 June 2011**

CONTENTS

	Page
Directors' report	1 and 2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 to 13

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of BFIM Limited ("**the Company**") for the year ended 30 June 2011

Principal activities and review of the business

The principal activities of the Company are, and will continue to be, the holding of investments and to provide finance to the Brambles Group

The Company borrows from and makes loans to businesses within the Brambles Group. The Company is expected to continue this activity for the foreseeable future

On 7 May 2011, the majority of intercompany loan relationships were transferred from the Company to Brambles Finance Plc

The Company is a wholly owned subsidiary of the Brambles Group. The Brambles Group is a global group comprising Brambles Limited, a company incorporated in Australia and listed on the Australian Securities Exchange, and all its subsidiary undertakings

Key performance indicators

The Company is an investment holding company and all financing activities are with fellow group undertakings within the Brambles Group. The directors consider that key performance indicators for the Company are neither relevant nor appropriate for an understanding of the development, performance or position of the business of the Company, or Brambles

Results and dividends

The results for the year are set out in the profit and loss account on page 5

The Company has not paid an interim dividend during the year (2010: nil). The directors do not recommend payment of a final dividend (2010: nil)

Financial risk management

The Company is exposed to a variety of financial and market based risks, including exposure to fluctuating interest and exchange rates. Standard financial derivatives are used to manage financial exposures in the normal course of business in accordance with Brambles Group policies. Dealings in financial derivatives are restricted by Group approved delegated authorities. No derivatives are used for speculative purposes. Derivatives are transacted predominantly with relationship banks, with individual credit limits assigned to those banks thereby limiting exposure to credit-related losses in the event of non-performance by a counterparty

Funding and liquidity

The Company's role within the Group is to provide funds for operations, primarily from internal borrowings within the Brambles Group. Borrowings and lending are primarily in US dollar and euro. To minimise foreign exchange risks borrowings are arranged in the currency of the relevant operating asset to be funded

Interest rate risk

The Group's interest rate risk policy is designed to reduce volatility in funding costs through prudent selection of hedging instruments. This policy comprises maintaining a mix of fixed and floating rate instruments within a target band over a certain time horizon

Foreign exchange risk

The Group's foreign exchange exposures are managed from the perspective of protecting shareholder value. Under the Group foreign exchange policy, foreign exchange hedging is mainly confined to hedging transaction exposures where they exceed a certain threshold, and as soon as a defined exposure arises. New exposures may arise with external parties or by way of cross-border inter-company transactions. Forward foreign exchange contracts are primarily used for these purposes

DIRECTORS' REPORT (continued)

Other risks and uncertainties

The principal risks and uncertainties facing the Company and the Brambles Group are described in the Brambles Limited Annual Report 2011 page 13

Directors

The following served as directors throughout the year

P Bruford
P Huat
R A Warren

Approved by the Board of directors
Signed on behalf of the Board



R A Warren
Director

17 November 2011

Unit 2 Weybridge Business Park
Addlestone Road
Addlestone, Surrey
KT15 2UP

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. 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

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware and each director 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.

Approved by the Board of directors
Signed on behalf of the Board



R A Warren
Director

17 November 2011

Unit 2 Weybridge Business Park
Addlestone Road
Addlestone, Surrey
KT15 2UP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BFIM LIMITED

We have audited the financial statements of BFIM Limited for the year ended 30 June 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, 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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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). Those 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.

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 2011 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 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.



K Turner (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

17 November 2011

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2011

	Note	2011 €	2010 €
Administrative expenses		(10,732)	(346)
OPERATING LOSS	2	(10,732)	(346)
Foreign exchange gains		542,064	45,444
Income from shares in group undertakings	3	73,295,183	-
Interest receivable and similar income		907	-
- external deposits		19,566,191	17,185,712
- from fellow group undertakings			
Interest payable and similar charges		(35,566)	(45,017)
- bank loans and overdrafts		(15,117,912)	(9,165,360)
- to fellow group undertakings			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78,240,135	8,020,433
Tax on profit on ordinary activities	4	(1,366,553)	(2,276,356)
PROFIT FOR THE FINANCIAL YEAR	7	76,873,582	5,744,077

All amounts in 2011 and 2010 derive from continuing operations

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

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 30 June 2011

	Note	2011 €	2010 €
Profit for the financial year		76,873,582	5,744,077
Foreign currency translation differences			
- on fixed asset investments	5	(104,618,624)	90,427,219
- on related loans		73,640,479	(67,185,496)
	7, 8	(30,978,145)	23,241,723
TOTAL RECOGNISED GAINS AND LOSSES FOR THE FINANCIAL YEAR		45,895,437	28,985,800

BALANCE SHEET
As at 30 June 2011

	Note	2011 €	2010 €
FIXED ASSETS			
Investments	5	1,366,772,336	1,471,390,960
CURRENT ASSETS			
Amounts owed by fellow group undertakings		107,792,250	567,202,033
Cash at bank and in hand		-	759,592
		<u>107,792,250</u>	<u>567,961,625</u>
CREDITORS. amounts falling due within one year			
Group relief payable		(1,367,484)	(1,427,721)
		<u>(1,367,484)</u>	<u>(1,427,721)</u>
NET CURRENT ASSETS		106,424,766	566,533,904
TOTAL ASSETS LESS CURRENT LIABILITIES		1,473,197,102	2,037,924,864
CREDITORS. amounts falling due after more than one year			
Amounts owed to fellow group undertakings		(307,315,481)	(917,938,680)
NET ASSETS		1,165,881,621	1,119,986,184
CAPITAL AND RESERVES			
Called up share capital	6	110,351	110,351
Share premium account	7	1,103,379,722	1,103,379,722
Foreign currency translation reserve	7	(21,459,047)	9,519,098
Profit and loss account	7	83,850,595	6,977,013
TOTAL SHAREHOLDERS' FUNDS	8	1,165,881,621	1,119,986,184

The financial statements were approved by the Board of directors on 17 November 2011

The notes on pages 8 to 13 are an integral part of these financial statements

Signed on behalf of the Board of directors



P Bruford
Director

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011**1 Accounting policies**

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and the Companies Act 2006. The principal accounting policies which have been adopted are set out below. The functional and presentation currency is euro.

a) Basis of consolidation

The Company has taken advantage of the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare and deliver group accounts as it is a wholly-owned subsidiary of Brambles Limited, a company incorporated in Australia, which prepares group accounts.

b) Income from shares in group undertakings

Income from shares in group undertakings is accounted for on the basis of dividends received. In line with the requirements of Financial Reporting Standard (FRS) 16 'Current Tax', dividends received have been stated excluding the related tax credit.

c) Finance income and expenditure

Finance income is recognised as income in the year in which it is earned. Finance expenditure is recognised as an expense in the year in which it is incurred.

d) Financial Instruments

Derivative instruments used by the Company, which are used solely for hedging purposes (i.e. to offset foreign exchange and interest rate risks), comprise interest rate swaps, caps, collars, forward rate agreements and forward foreign exchange contracts. Such derivative instruments are used to alter the risk profile of the Company's existing underlying exposure.

As such instruments are used solely for hedging purposes, the Company defers the instrument's impact on profit until it recognises the underlying hedged item in the profit and loss account. Interest differentials under interest rate swaps, caps and collars are recognised by adjustment of the underlying interest receivable or payable over the term of the agreement and as such are accrued to the profit and loss account on a time apportioned basis. Currency swap agreements and forward foreign exchange contracts are valued at closing exchange rates. Resulting gains and losses are offset against foreign exchange gains or losses on the related borrowings or, where the instrument is used to hedge a committed future transaction, are deferred until the transaction occurs and shown within debtors or creditors as appropriate.

The Company has derivative financial instruments with fair values at the end of the year of €875,461 (2010 €635,774).

e) Fixed asset investment in group undertakings

The investment in group undertakings is stated at cost less provision for any impairment. An impairment loss is recognised when the recoverable amount of an investment is less than its carrying amount. The Company's investments are wholly owned subsidiaries of the Brambles Group.

f) Foreign currency translation

The Company applies net investment hedge accounting in accordance with SSAP 20 "Foreign currency translation" to its fixed asset investments and related borrowings denominated in US dollars. Exchange differences arising on the retranslation to closing rates are unrealised and are recognised through the statement of total recognised gains and losses and the foreign currency translation reserve.

Profit and loss account transactions in foreign currencies are translated into euro at the exchange rate in operation on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the closing rate. Except as noted above, all revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2011

1 Accounting policies (continued)

g) Distributions

Dividends to the Company's shareholders are recognised as liabilities in the period in which the dividends are paid, in the case of interim dividends, or approved by the Company's shareholders, in the case of final dividends

h) Deferred taxation

In accordance with FRS 19, 'Deferred Taxation', deferred tax is fully provided in respect of timing differences that have originated but not reversed by the balance sheet date. These are based on average tax rates that are expected to apply at the time of the reversal, which will be the rates that have either been enacted, or substantially enacted, by the balance sheet date. No deferred tax is provided on permanent timing differences. Deferred tax assets are recognised to the extent that they are regarded as more likely than not, to be recoverable. Deferred tax on un-remitted earnings of foreign subsidiaries is only provided if dividends have been accrued as receivable or there is a binding agreement to distribute past earnings in the future. Deferred tax balances are not discounted.

i) Cash flow statement

The Company has taken advantage of the exemption permitted by FRS 1 (revised 1996) 'Cash Flow Statements' not to produce a cash flow statement on the basis that the ultimate parent undertaking, having a 100% controlling influence, produces consolidated financial statements which are available to the public.

2 Operating loss

The audit fees for the Company have been borne by Brambles Holdings (UK) Limited, a fellow group undertaking, during the current and preceding years.

The Company had no employees during the year (2010: none). All administrative duties are performed by employees of Brambles Holdings (UK) Limited and Brambles Limited (an Australian company), at no cost to the Company.

None of the directors received any emoluments or any other benefits as described in Schedule 5 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 from the Company during the year (2010: nil). All of the directors receive remuneration from Brambles Holdings (UK) Limited as employees of that company and, due to the non-executive nature of their services, it is not appropriate to make an apportionment of their emoluments in respect of the Company.

3 Income from fixed asset investments	2011	2010
	€	€

Dividends from group undertakings

73,295,183

-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2011

4 Tax on profit on ordinary activities	2011	2010
	€	€

Current tax

UK current tax charge on income for the year at 27.5% (2010: 28%)

1,359,862 2,245,721

Adjustment in respect of prior years

6,691 30,635

Total tax on profit on ordinary activities

1,366,553 2,276,356

The standard rate of Corporation Tax in the UK changed from 28% to 26% with effect from 1 April 2011. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 27.5% (2010: 28%), and will be taxed at 26% in the twelve months to 31 March 2012 and 25% thereafter. The actual taxation charge for the current year differs from the standard rate for the reasons set out below:

Profit on ordinary activities before tax	78,240,135	8,020,433
Profit on ordinary activities multiplied by the standard rate in UK at 27.5% (2010: 28%)	21,516,037	2,245,721
Effect of:		
- dividends from group undertakings	(20,156,175)	-
- adjustment in respect of prior years	6,691	30,635
Current tax charge for the year	1,366,553	2,276,356

5 Fixed asset investments	2011	2010
	€	€

Shares in group undertakings

Cost

At beginning of financial year

1,509,977,560 1,419,550,341

Foreign exchange differences

(104,618,624) 90,427,219

At end of financial year

1,405,358,936 1,509,977,560

Provisions

At beginning and end of financial year

(38,586,600) (38,586,600)

Net book value

1,366,772,336 1,471,390,960

Brambles U K Limited (BUK) is an investment holding company incorporated in England and Wales. At 30 June 2011, the Company held 100% of the ordinary shares and voting rights of BUK and 100% of the US dollar denominated non-voting preference shares of BUK.

A full listing of group undertakings as at 30 June 2011 is provided in Note 11.

In the opinion of the directors the value of the investments are not less than their cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2011

6	Called up share capital	2011	2010
		€	€
<u>Allotted and fully paid</u>			
	110,351 (2010 110,351) ordinary shares of €1 each	110,351	110,351

7	Movements in reserves	Share premium account	Foreign currency translation reserve	Profit and loss account
		€	€	€
	At beginning of financial year	1,103,379,722	9,519,098	6,977,013
	Foreign currency translation	-	(30,978,145)	-
	Profit for the financial year	-	-	76,873,582
	At end of financial year	1,103,379,722	(21,459,047)	83,850,595

The foreign currency translation reserve arises from the revaluation at balance sheet rates of the Company's investment in the US dollar preference shares of Brambles U K Limited, partially offset by exchange differences arising on the Company's related US dollar borrowings. Net foreign exchange gains/(losses) are recognised through the Statement of Total Recognised Gains and Losses in accordance with SSAP 20 "Foreign currency translation".

8	Reconciliation of movements in shareholders' funds	2011	2010
		€	€
	Foreign currency translation	(30,978,145)	23,241,723
	Profit for the financial year	76,873,582	5,744,077
	Net increase in shareholders' funds	45,895,437	28,985,800
	Opening shareholders' funds	1,119,986,184	1,091,000,384
	Closing shareholders' funds	1,165,881,621	1,119,986,184

9 Related party transactions

In accordance with FRS 8 'Related Party Disclosures', transactions with other group undertakings of Brambles Limited have not been disclosed in these financial statements as the Company is a wholly owned subsidiary of a parent publishing consolidated financial statements. There are no other related party transactions.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2011

10 Ultimate parent undertaking

The parent undertaking of the largest, and smallest, group for which group financial statements are prepared, and the ultimate controlling party, is Brambles Limited, which is incorporated in Australia

The Company's immediate parent undertaking is BFIS No 2 Limited, which is incorporated in England and Wales. Copies of all group financial statements are available from Unit 2 Weybridge Business Park, Addlestone Road, Addlestone, Surrey, KT15 2UP

11 Group undertakings

	Place of incorporation	Holding	Class of Shares
<u>Investment Holding Companies</u>			
Brambles U K Limited	England and Wales	100%*	Ordinary
		100%*	Preference
Brambles Europe Ltd	England and Wales	100%	Ordinary
Brambles Holdings (UK) Limited	England and Wales	100%	Ordinary
Brambles Investment Holdings Ltd	England and Wales	100%	Ordinary
Brambles Nominees Ltd	England and Wales	100%	Ordinary
Cyan Logistics Ltd	England and Wales	100%	Ordinary
<u>Miscellaneous activities</u>			
Brambles Enterprises Ltd	England and Wales	100%	Ordinary
Brambles Finance plc	England and Wales	100%	Ordinary
Brambles Investments plc	England and Wales	100%	Ordinary
		100%	Income
CHEP International Inc	USA	100%	Ordinary
Technological and Management Services Ltd	England and Wales	100%	Ordinary
Brambles Services GmbH & Co	Germany	3 72%	Limited partnership
<u>Pallet Pooling</u>			
CHEP UK Ltd	England and Wales	100%	Ordinary
CHEP Ireland (branch)	Eire	100%	Branch
CHEP Maroc Sarl	Morocco	100%	Ordinary
CHEP Magyarorszag kft	Hungary	100%	Ordinary
CHEP do Brasil Ltda	Brazil	100%	Ordinary
CHEP Konteyner Ve Palet Ltd Sirketi	Turkey	100%	Ordinary
CHEP Taiwan Ltd	Taiwan	100%	Ordinary
CHEP Argentina SA	Argentina	100%	Ordinary
CHEP Uruguay SA	Uruguay	100%	Ordinary
CHEP Osterreich GmbH	Austria	100%	Ordinary
CHEP SK S r o	Slovakia	100%	Ordinary
CHEP (Thailand) Ltd	Thailand	100%	Ordinary
CHEP Automotive Logistics (Thailand) Limited	Thailand	100%	Ordinary
CHEP (Shanghai) Logistics Services Company Ltd	China	100%	Ordinary
CHEP Saudi Arabia Ltd	Saudi Arabia	100%	Ordinary
CHEP Canada Inc	Canada	50%	Ordinary
CHEP Chile SA	Chile	50%	Ordinary
CHEP Malaysia Sdn Bhd	Malaysia	50%	Ordinary
CHEP Mexico SA de CV	Mexico	50%	Ordinary
Services Corporativos CHEP SA de CV	Mexico	48%	Ordinary
CHEP Middle East FCZO	UAE	100%	Ordinary

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2011

11 Group undertakings (continued)

	Place of incorporation	Holding	Class of Shares
<u>Airline equipment pooling</u>			
ASH Aviation Service Holdings AG	Switzerland	100%	Ordinary
Unitpool AG	Switzerland	100%	Ordinary
Unitpool Asset Management Alpha Sarl	Luxembourg	100%	Ordinary
<u>Information Management</u>			
Recall Ltd	England and Wales	100%	Ordinary
Recall Total Information Management Ltd	England and Wales	100%	Ordinary
Recall GQ Ltd	England and Wales	100%	Ordinary
Recall London Ltd	England and Wales	100%	Ordinary
Recall Shredding Ltd	England and Wales	100%	Ordinary
Recall Total Information Management (India) Pvt Ltd	India	100%	Ordinary
Recall India Information Management Pvt Ltd	India	9%	Ordinary
Recall Taiwan Ltd	Taiwan	100%	Ordinary
Brambles Holdings Sweden AB	Sweden	100%	Ordinary
Recall Holdings Sweden AB	Sweden	100%	Ordinary
Recall Sweden AB	Sweden	100%	Ordinary
Recall Finland OY	Finland	100%	Ordinary
Recall AS	Norway	100%	Ordinary
Recall A/S	Denmark	100%	Ordinary
Recall Deutschland GmbH	Germany	100%	Ordinary
Darec GmbH	Germany	100%	Ordinary
Recall Becker GmbH & Co KG	Germany	50%	Ordinary
Recall Becker Verwaltungsgesellschaft GmbH	Germany	50%	Ordinary
<u>Inactive</u>			
Polybulk Ltd	England and Wales	100%	Ordinary
Rail Car Services Ltd	England and Wales	100%	Ordinary
TMG Ltd	England and Wales	100%	Ordinary
Brambles Services Verwaltungs GmbH	Germany	100%	Ordinary
Wrekin Roadways Ltd	England and Wales	100%	Ordinary

Holdings marked * are held directly by the Company. All other holdings are held by subsidiary undertakings.