

Registered number: 04330119

Unipart Logistics Limited

Annual Report and Financial Statements
For the Year Ended 31 December 2013

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Unipart Logistics Limited

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Unipart Logistics Limited

Company Information

Directors

F W Burns
P M Dessain
A J Mourgue
J M Neill
M H Tonks

Company secretary

M D Rimmer

Registered number

04330119

Registered office

Unipart House
Cowley
Oxford
Oxfordshire
OX4 2PG

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Unipart Logistics Limited

Strategic Report For the Year Ended 31 December 2013

Business review

Unipart Logistics Limited ("the Company") develops, implements and operates 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 year.

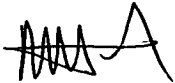
The Company is a subsidiary of the Unipart Group of Companies ("the Group"). The strategic objectives of the Company are aligned with those of the Group. Further details on the strategy and performance of the Group, including key performance indicators, can be found in the Chairman's Statement and the Strategic Report in the Annual Report of Unipart Group of Companies Limited, which does not form part of this report.

Principal risks and uncertainties

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 included those of the Company, are discussed in the Strategic Report in the Annual Report of Unipart Group of Companies Limited, which does not form part of this report.

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 or interest risk.

This report was approved by the Board on 21 March 2014 and signed on its behalf.



M H Tonks
Director

Unipart Logistics Limited

Directors' Report For the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Results for the year

The results for the year are shown on page 7.

A dividend of £10,000,000 (2012 - £nil) was paid to Unipart Group Limited, the Company's sole shareholder, during the year.

Directors

The directors who served during the year were:

F W Burns
P M Dessain
A J Mourgue
J M Neill
M H Tonks

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.

Future developments

A review of the business and an indication of likely future developments are included in the Strategic Report.

Financial risk management

Details of the financial risks of the Company are disclosed in the Strategic Report.

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 7 to 16.

Independent auditors

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

Unipart Logistics Limited

Directors' Report For the Year Ended 31 December 2013

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 judgments 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.

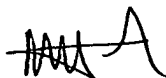
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report was approved by the Board and signed on its behalf.



M H Tonks
Director

Oxford, 21 March 2014

Registered number: 04330119

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements for the year ended 31 December 2013, which are prepared by Unipart Logistics Limited, comprise:

- the Balance Sheet as at 31 December 2013;
- the Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgments, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

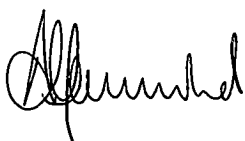
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 ISAs (UK & 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.



Andrew Hammond (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Birmingham, 21 March 2014

Unipart Logistics Limited

Profit and Loss Account For the Year Ended 31 December 2013

	Note	2013 £000	2012 £000
Turnover	2	239,574	280,398
Cost of sales		<u>(219,919)</u>	<u>(260,685)</u>
Gross profit		19,655	19,713
Administrative expenses		<u>(17,266)</u>	<u>(17,359)</u>
Operating profit	3	2,389	2,354
Interest receivable and similar income	6	14	18
Interest payable and similar charges	7	<u>(239)</u>	<u>(428)</u>
Profit on ordinary activities before taxation		2,164	1,944
Tax on profit on ordinary activities	8	<u>(503)</u>	<u>(476)</u>
Profit for the financial year	15	<u>1,661</u>	<u>1,468</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and Loss Account.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial years stated above and their historical cost equivalents.

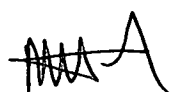
The notes on pages 9 to 16 form part of these financial statements.

Unipart Logistics Limited

Balance Sheet
As at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Investments	9		379		379
Current assets					
Stocks	10	589		1,387	
Debtors: amounts falling due after more than one year	11	1,867		1,387	
Debtors: amounts falling due within one year	11	28,259		42,483	
Cash at bank and in hand		1,236		2,139	
		<u>31,951</u>		<u>47,396</u>	
Creditors: amounts falling due within one year	12	<u>(24,816)</u>		<u>(26,525)</u>	
Net current assets			<u>7,135</u>		<u>20,871</u>
Total assets less current liabilities			<u>7,514</u>		<u>21,250</u>
Creditors: amounts falling due after more than one year	13		<u>(834)</u>		<u>(6,231)</u>
Net assets			<u>6,680</u>		<u>15,019</u>
Capital and reserves					
Called up share capital	14		-		-
Profit and loss account	15		6,680		15,019
Total Shareholder's funds	16		<u>6,680</u>		<u>15,019</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 March 2014.



M H Tonks
Director

The notes on pages 9 to 16 form part of these financial statements.

Registered number: 04330119

1. Accounting Policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The policies are consistent with the previous year. A summary of the principal accounting policies is given in the following paragraphs.

1.1 Consolidated financial statements

Consolidated financial statements have not been prepared by the Company, in accordance with the Companies Act 2006, 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.

1.2 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'.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Impairment reviews are performed by the directors when there has been an indication of potential impairment.

1.4 Stock

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 Deferred tax

Deferred tax is accounted for to recognise timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes in accordance with FRS 19 'Deferred tax'. A deferred tax liability is recognised if transactions or events result in the Company having an obligation to pay more tax in future periods. A deferred tax asset is only recognised where transactions or events that have occurred before the Balance Sheet date give the Company the right to pay less tax in the future and it is considered to be probably that the asset will be recovered. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax balances are not discounted.

1. Accounting Policies (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

1.7 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 a 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 trading 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.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.9 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.

1.10 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.

Unipart Logistics Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

1. Accounting Policies (continued)

1.11 Turnover

Turnover comprises revenue recognised by the Company in respect of the invoiced and accrued value of goods and services supplied during the year, including amounts received and receivable on management fee contracts, exclusive of Value Added Tax and trade discounts.

The sales of goods are recognised at the point at which the risks and rewards of ownership are transferred, in accordance with the individual sales' contracts. The sales of services are recognised in the accounting period in which the services are rendered, by reference to the agreed contractual arrangements.

2. Turnover

The directors consider that the Company operated in one business segment, being 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

The operating profit is stated after charging:

	2013 £000	2012 £000
Operating lease rentals:		
- plant and machinery	114	104
- other operating leases	2,240	2,283
	<u>2,354</u>	<u>2,387</u>

Audit fees relating to the year are borne by the immediate parent company, Unipart Group Limited. The remuneration amounted to £8,000 (2012 - £8,000) for audit fees and £11,000 (2012 - £13,000) for taxation advice from the auditors.

4. Staff costs

The Company does not have any employees in its own right (2012 - nil). 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' remuneration

The directors received their remuneration in respect of services to the Group as a whole and received no remuneration in respect of services provided to the Company (2012 - £nil).

Unipart Logistics Limited

Notes to the Financial Statements
For the Year Ended 31 December 2013

6. Interest receivable and similar income

	2013 £000	2012 £000
Finance lease interest received	14	18

7. Interest payable and similar charges

	2013 £000	2012 £000
Bank loans and overdrafts	235	377
Finance lease interest paid	4	51
	<u>239</u>	<u>428</u>

8. Tax on profit on ordinary activities

	2013 £000	2012 £000
UK corporation tax charge on profit for the year	503	476

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2012 - the same as) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%).

Factors that may affect future tax charges

During the year, there were changes in the UK corporation tax rate to 21% from 1 April 2014 and to 20% from 1 April 2015, which were substantively enacted on 2 July 2013.

9. Fixed asset investments

	£000
Cost and net book value	
At 1 January 2013 and 31 December 2013	<u>379</u>

The investment in subsidiary undertakings represents the Company's interest in 100% of the ordinary share capital of Unipart Logistics (Suzhou) Trading Co. Limited, a company incorporated in China, 100% of the ordinary share capital of Unipart Accelerated Logistics Limited, a company incorporated in England and Wales, and 99% of the ordinary share capital of Unipart Services India Private Limited, a company incorporated in India. All companies carry out general logistics and consultancy.

The carrying values of the investments are supported by their underlying net assets.

Unipart Logistics Limited

Notes to the Financial Statements
For the Year Ended 31 December 2013

10. Stocks

	2013 £000	2012 £000
Finished goods and goods for resale	589	1,387

11. Debtors

	2013 £000	2012 £000
Due after more than one year		
Amounts receivable under finance leases	1,867	1,387
	<u>1,867</u>	<u>1,387</u>
Due within one year		
Trade debtors	13,381	12,540
Amounts owed by Group undertakings	4,288	19,168
Amounts receivable under finance leases	586	665
Other debtors	29	-
Prepayments and accrued income	9,975	10,110
	<u>28,259</u>	<u>42,483</u>

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 comprise:

	2013 £000	2012 £000
Total amounts receivable within 1 year	586	665
Total amounts receivable between 2 and 5 years	1,867	2,453
	<u>2,453</u>	<u>3,118</u>

Rental receivable during the year under finance leases amounted to £680,000 (2012 - £737,000).

Unipart Logistics Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2013**

**12. Creditors:
Amounts falling due within one year**

	2013	2012
	£000	£000
Amounts payable under finance leases	-	479
Trade creditors	1,774	811
Amounts owed to Group undertakings	34	-
Corporation tax	979	476
Other taxation and social security	10,420	15,511
Other creditors	-	786
Accruals and deferred income	11,609	8,462
	<u>24,816</u>	<u>26,525</u>

Amounts owed to Group undertakings are unsecured, non-interest bearing and have no fixed repayment date.

Future minimum payments under finance leases are as follows:

	2013	2012
	£000	£000
Total gross payments due within 1 year	-	483
Less finance charges included above	-	(4)
	<u>-</u>	<u>479</u>

**13. Creditors:
Amounts falling due after more than one year**

	2013	2012
	£000	£000
Bank loans and overdrafts	<u>834</u>	<u>6,231</u>

14. Called up Share capital

	2013	2012
	£000	£000
Allotted, called up and fully paid		
1 (2012:1) Ordinary share of £1	<u>-</u>	<u>-</u>

Unipart Logistics Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2013**

15. Profit and loss account

	£000
At 1 January 2013	15,019
Profit for the financial year	1,661
Dividends paid (Note 17)	(10,000)
	<hr/>
At 31 December 2013	6,680
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16. Reconciliation of movements in shareholder's funds

	2013	2012
	£000	£000
At 1 January	15,019	13,551
Profit for the financial year	1,661	1,468
Dividends (Note 17)	(10,000)	-
	<hr/>	<hr/>
At 31 December	6,680	15,019
	<hr/> <hr/>	<hr/> <hr/>

17. Dividends

	2013	2012
	£000	£000
Full dividend paid of £10,000,000 per share (2012 - £nil per share)	10,000	-
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18. Contingent liabilities

The Company has given, 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 2013 was £nil (£2012 - £16.9 million).

19. Operating lease commitments

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

	Land and buildings		Other	
	2013	2012	2013	2012
	£000	£000	£000	£000
Expiry date:				
Within 1 year	1,134	260	85	64
Between 2 and 5 years	889	2,023	29	39
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Unipart Logistics Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2013**

20. Ultimate parent undertaking and controlling party

Unipart Group of Companies Limited, a company registered in England and Wales, is the ultimate parent undertaking and controlling party. 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 undertaking and controlling party is Unipart Group Limited, a company registered in England and Wales.