

GRETTY ROAD 2005 HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

COMPANY NUMBER

3227242



GRESTY ROAD 2005 HOLDINGS LIMITED

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DIRECTORS AND ADVISORS

DIRECTORS:

P M DESSAIN

T G JOHNSTONE

A J MOURGUE

SECRETARY:

M D RIMMER

REGISTERED OFFICE:

**UNIPART HOUSE
COWLEY
OXFORD
OX4 2PG**

AUDITORS:

**PRICEWATERHOUSECOOPERS LLP
CORNWALL COURT
19 CORNWALL STREET
BIRMINGHAM
B3 2DT**

REPORT OF THE DIRECTORS**For the year ended 31 December 2008**

The directors present their annual report and the audited financial statements for the year ended 31 December 2008.

Principal activity and review of business

During the year the Company purchased freehold land and buildings at a site in Southport (Note 6). The site was subsequently leased during the year to Unipart Rail Limited, a fellow subsidiary within the Unipart Group of Companies.

Gresty Road 2005 Holdings Limited, (the "Company") acts as the immediate holding company of Gresty Road 2005 Limited and Hazefamous Limited, both non-trading companies. Gresty Road 2005 Limited is the immediate holding company of Gresty Road Supplies Limited, a non-trading subsidiary. Hazefamous Limited is the immediate holding company of Dorman Traffic Products Limited, a non-trading subsidiary.

The Company is a subsidiary of the Unipart Group of Companies Limited. Further details on the performance of the Group, including key performance indicators can be found in the annual report of the Unipart Group of Companies Limited, which does not form part of this report.

Principal risks and uncertainties facing the business

From the perspective of the Company, the principal risks and uncertainties are the potential decline in the inherent values of its subsidiaries along with the principal risks of the Group. The principal risks and uncertainties of Unipart Group of Companies Limited, 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.

Dividends

The Company has not paid nor is it proposing to pay any dividends in respect of the financial year ended 31 December 2008 (2007 - £Nil).

Financial risk management

The operations of the company's subsidiaries and of its fellow group companies expose it to a variety of financial risks that include the effect of price risk, credit risk and cashflow risk. Significant contracts are approved by the Board. Liquidity and interest risk is managed by Unipart Rail Holdings Limited, Gresty Road 2005 Holdings Limited's immediate parent company.

Directors and directors' interests

The current directors are shown on page 1 and served throughout the year with the exception of Mr G M Jackson who resigned on 9 September 2008. 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.

Donations

The Company made no charitable or political donations during the year ended 31 December 2008 (2007 - £Nil).

Going concern

After making enquiries, the board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements, which are shown on pages 5 to 11.

REPORT OF THE DIRECTORS (continued)
For the year ended 31 December 2008**Statement of directors' responsibilities in respect of the Annual Report and the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

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 234 ZA of the Companies Act 1985 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.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the annual general meeting.

By order of the Board



M D Rimmer
Company Secretary
Oxford

8 April 2009

Independent Auditors' Report to the Members of Gresty Road 2005 Holdings Limited

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We have audited the financial statements of Gresty Road 2005 Holdings Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers UK

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

Birmingham **17** April 2009

PROFIT AND LOSS ACCOUNT**For the year ended 31 December 2008**

	Note	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Turnover	2	177	-
Other operating costs	3	(6)	-
Profit on ordinary activities before taxation		<u>171</u>	<u>-</u>
Tax on profit on ordinary activities	5	413	32
Profit for the financial year	11	<u>584</u>	<u>32</u>

The profits are derived from continuing operations.

The Company does not have any gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

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

The notes on pages 7 to 11 form part of the financial statements.

BALANCE SHEET

For the year ended 31 December 2008

	Note	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Fixed assets			
Tangible assets	6	3,083	-
Investments	7	174	174
Total fixed assets		3,257	174
Current assets			
Debtors	8	66,543	69,042
		66,543	69,042
Creditors: Amounts falling due within one year	9	(68,684)	(68,684)
Net current (liabilities)/assets		(2,141)	358
Total assets less current liabilities		1,116	532
Net assets		1,116	532
Capital and reserves			
Called-up share capital	10	500	500
Profit and loss account	11	616	32
Total shareholders' funds	12	1,116	532

Approved by the Board on 8 April 2009 and signed on its behalf by:


T G Johnstone
Director

The notes on pages 7 to 11 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2008****1 Accounting policies**

The financial statements have been prepared on the going concern basis in accordance with applicable United Kingdom law and accounting standards. The policies are consistent with the previous year. A summary of the principal accounting policies is given in the following paragraphs.

Accounting convention

The financial statements are prepared on a going concern basis and under the historical cost convention.

Basis of consolidation

Consolidated financial statements have not been prepared by the Company in accordance with section 228 of the Companies Act 1985 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 & 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'.

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 disclosures 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.

Tangible fixed assets

All tangible fixed assets are carried at cost less depreciation with provision for impairment. With the exception of freehold land, which is not depreciated, depreciation on the cost of tangible fixed assets is provided over the following periods on a straight-line basis, to write off the assets over their estimated useful lives from the date they are brought into use.

<u>Asset</u>	<u>Estimated Useful Life</u>
Freehold buildings	40 years

Impairment of fixed assets and investments

Impairment provisions are calculated by comparing the net book value of fixed assets with the higher of the post-tax net realisable value and the value in use. The value in use is calculated using forecast discounted cash flows over the economic life of the related fixed asset.

Investments

Fixed asset investments in subsidiaries are stated at cost less provision for any impairment in value.

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. 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 future, and it is considered reasonable to forecast that there will be future profits against which the deferred tax assets can be recovered. Deferred tax balances are not discounted.

Turnover

Turnover is recognised on the invoiced value of services supplied during the year representing amounts received and receivable on property rental income.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2008

2 Turnover

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Rents Received	177	-

3 Operating profit

Operating profit is stated after charging)/(crediting):

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Depreciation and amounts written off tangible fixed assets (note 6) - owned assets	6	-

Auditors' remuneration is borne by Unipart Rail Limited, a fellow group subsidiary undertaking. The remuneration amounted to £1,000 in respect of audit fees (2007 – £2,000) and £1,000 in respect of other services relating to taxation (2007 – £3,000) on behalf of the Company.

4 Employees

The Company has no employees (31 December 2007 - Nil). The contracts of the directors are with other group companies and the directors did not receive any emoluments in respect of services provided to the Company (31 December 2007 - £Nil).

5 Tax on profit on ordinary activities

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Current tax:		
UK corporation tax on profits for the year	-	-
Adjustment in respect of prior years	-	(32)
Total current tax credit	-	(32)
Deferred tax:		
Origination and reversal of timing differences (note 8)	(413)	-
Tax credit on profit on ordinary activities	(413)	(32)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2008

5 Tax on profit on ordinary activities (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 28.5% (2007 – 30%). The actual charge for the current year is less than the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
The taxation charge comprises:		
Profit on ordinary activities before taxation	171	-
UK corporation tax at standard rate of 28.5% on profits for the year	48	-
Effects of:		
Timing differences	(49)	
Timing differences on tax rates	1	
Total tax charge	-	-

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Deferred tax balances are not discounted.

6 Tangible Assets

	Freehold Land and buildings £000
Cost	
Additions during the year	3,089
As at 31 December 2008	3,089
Depreciation	
Charge for the year	6
As at 31 December 2008	6
Net book value	
As at 31 December 2008	3,083

7 Investments

	Gresty Road 2005 Limited £'000	Hazefamous Limited £'000	Total £'000
Cost			
As at 1 January 2008 and as at 31 December 2008	5,783	2,516	8,299
Provisions for impairments			
As at 1 January 2008 and as at 31 December 2008	(5,773)	(2,352)	(8,125)
Net book value			
As at 1 January 2008 and as at 31 December 2008	10	164	174

The investment in Gresty Road 2005 Limited, a subsidiary undertaking, represents the Company's interest in 100% of the share capital of that company. Gresty Road 2005 Limited acts as the holding company of Gresty Road Supplies Limited, a non-trading subsidiary.

The investment in Hazefamous Limited, a subsidiary undertaking, represents the Company's interest in 100% of the share capital of that company. Hazefamous Limited acts as the holding company of Dorman Traffic Products Limited, a non-trading subsidiary.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2008

8 Debtors

	31 December 2008 £'000	31 December 2007 £'000
Debtors due within one year		
Amounts owed by group undertakings	66,130	69,010
Corporation tax recoverable	-	32
Deferred taxation (see below)	413	-
	<u>66,543</u>	<u>69,042</u>

Deferred Taxation**£'000**

As at 1 January 2008

-

Credit to the profit and loss account in the year

413

As at 31 December 2008

413

The deferred tax asset consists of future tax relief available on brought forward tax losses. There is a reasonable expectation that the company will in future generate sufficient taxable profits against which these losses can be offset. The deferred tax asset has not been discounted.

9 Creditors: Amounts falling due within one year

	31 December 2008 £'000	31 December 2007 £'000
Amounts owed to group undertakings	<u>68,684</u>	<u>68,684</u>

10 Called-up share capital

	31 December 2008 £'000	31 December 2007 £'000
Authorised		
475,000 ordinary 'M' shares of £1 each	475	475
25,000 ordinary 'A' shares of £1 each	25	25
	<u>500</u>	<u>500</u>
	31 December 2008 £'000	31 December 2007 £'000
Allotted, called-up and fully paid		
475,000 ordinary 'M' shares of £1 each	475	475
25,000 ordinary 'A' shares of £1 each	25	25
	<u>500</u>	<u>500</u>

The ordinary 'M' shares rank pari passu with the ordinary 'A' shares in all respects and carry equal voting rights.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2008

11 Reserves

	Profit and loss account £'000
As at 1 January 2008	32
Profit retained for the financial year	584
As at 31 December 2008	<u>616</u>

12 Reconciliation of movements in total shareholders' funds

	31 December 2008 £'000	31 December 2007 £'000
Profit for the financial year	584	32
Net addition to total shareholders' funds	<u>584</u>	<u>32</u>
Opening total shareholders' funds	532	500
Closing total shareholders' funds	<u>1,116</u>	<u>532</u>

13 Guarantees and other financial commitments

The Company has given security by way of fixed and floating charges over certain of the Company's assets to guarantee bank loans provided to its immediate parent company. The amount outstanding under such arrangements at 31 December 2008 was £20 million (31 December 2007 - £10.5 million).

14 Related party transactions

The Company has taken advantage of the exemption provided by FRS 8 not to disclose transactions with other group companies, which are at least 90% owned by Unipart Group of Companies Limited, on the grounds that 100% of its voting rights are controlled within the group. There were no other related party transactions requiring disclosure.

15 Ultimate parent and controlling party

The ultimate parent company and controlling party is Unipart Group of Companies Limited, a company registered in England and Wales. 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 Rail Holdings Limited, a company registered in England and Wales.