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Registration number 2005619

Bibby Distribution Services (Holdings) Limited

Directors' Report and Consolidated Financial Statements
for the Year Ended 31 December 2009

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Bibby Distribution Services (Holdings) Limited
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Bibby Distribution Services (Holdings) Limited
Company Information

Chairman	Sir Michael Bibby, Bt
Directors	Sir Michael Bibby, Bt P A Cullingford I A Speak J Haymer A J Mohan (resigned 21 January 2010) A J Paterson S Potter (resigned 1 February 2010) P A Byrne
Secretary	Bibby Bros & Co (Management) Limited
Registered office	105 Duke Street Liverpool L1 5JQ
Bank	Bank of Scotland 40 Spring Gardens Manchester M2 1EN
Auditors	Deloitte LLP Chartered Accountants and Statutory Auditors Liverpool United Kingdom

Bibby Distribution Services (Holdings) Limited

Directors' Report for the Year Ended 31 December 2009

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2009

Business review and principal activities

Bibby Distribution Services (Holdings) Ltd is a wholly-owned subsidiary of Bibby Line Group Limited and acts as the holding company for Bibby Line Group's Distribution division ("the Group")

The Group's principal activities continue to be contract distribution, warehousing and distribution, freight forwarding, training and agency recruitment. The directors are not, at the date of this report, aware of any likely major changes in the Group's activities in the next year.

The Group seeks investment opportunities, both organically and through acquisition in existing and new business areas with a view to implementing its policy of expansion and business growth.

As shown in the profit and loss account on page 9, the Group's turnover has reduced by 1.01% compared to the prior year due to the general economic downturn, however profit before taxation has increased by 21.8% because of careful cost control in the current year. Return on Capital Employed (ROCE) as measured by profit after tax over opening shareholders' funds is 15.8% (2008 - 15.9%).

The balance sheet on page 10 of the financial statements shows that the net assets of the Group are £22.9m (2008 - £23.2m) and cash at bank and in hand has increased to £8.1m (2008 - £7.8m). The average number of employees increased from 2,293 to 2,399.

The Group manages its operations on a divisional basis. For this reason, the Group's directors believe that further key performance indicators of the Group are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the respective trading subsidiaries are discussed in the Business Reviews and the Directors' Reports as appropriate in the financial statements of those subsidiaries, which do not form part of this report.

Principal risks and uncertainties

Competitive pressure in the logistics market is a continuing risk for the Group. To manage this risk the Group strives to maintain efficient utilisation of its operating assets and exercise strong cost control at all times.

The Group is a major user of diesel fuel and is therefore exposed to movements in the price of fuel. This risk is mitigated wherever possible by means of fuel price regulator agreements with customers to pass on any changes in fuel prices. The business' principal financial instruments comprise bank balances, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Results and dividend

The results for the group are set out in the financial statements.

During the course of the year interim dividends of £4,674,000 (2008 - £1,204,000) were paid.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Bibby Distribution Services (Holdings) Limited

Directors' Report for the Year Ended 31 December 2009

This statement is given in accordance and should be interpreted in accordance with s418 of the Companies Act 2006

Creditor payment policy

The Group does not follow a specific standard or code for the payment of creditors. It agrees payment terms with its suppliers when it enters into purchase contracts. It then seeks to adhere to these arrangements providing it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

The amounts owed to the Group's trade creditors at the year end represented 41 days (2008: 49 days) as a proportion of the total amounts invoiced by suppliers during the year.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business review.

The Group has considerable financial resources together with long-term contracts with a number of customers and suppliers across different industries. The Group meets its day to day working capital requirements by managing its debtors and creditors. As a consequence, the directors believe the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Group's forecasts and projections, taking into account possible changes in trading performance, show the Group should be able to operate within its current facilities.

Post year end the Group have secured a new bank loan facility of £10M to facilitate its investment opportunities in the forthcoming year.

The Group meets its day to day working capital requirements by managing its debtors and creditors.

After making enquiries, the directors have a reasonable expectation that the company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual accounts.

Corporate governance

The Group strives to maintain the highest standards in corporate governance and bases its actions on the principles of openness, integrity and accountability. Audit and Remuneration committees exist within Bibby Line Group Limited which also covers the activities of the Group. Where relevant and practical for a privately-owned group of its size, the Board seeks to implement the Combined Code on Corporate Governance prescribed for publicly quoted companies.

Environment

The Group recognises the importance of its environmental responsibilities. The Group consumes resources and it produces waste, both of which have an effect on the environment. During the year we have looked at ways of reducing the impact of both activities through recycling and reducing energy consumption.

Employees

The Group is committed to the continuing development of effective employee communication, consultation and involvement, including the regular publication of employee magazines.

The policy of the Group is to give full and fair consideration to applications for employment made by disabled persons. If an employee becomes disabled whilst employed by a Group company, every effort is made to find suitable continuing employment, with retraining as necessary. Disabled persons share equally in the opportunities available for training, career development and promotion.

The Group participates in a defined benefit pension scheme and a money purchase pension scheme operated by Bibby Line Group Limited. The Group also made contributions to a number of private money purchase schemes.

Bibby Distribution Services (Holdings) Limited
Directors' Report for the Year Ended 31 December 2009

Post-balance sheet events

Post balance sheets events are disclosed in note 25 to the financial statements

Directors

The directors who held office during the year were as follows

- Sir Michael Bibby, Bt
- P A Cullingford
- I A Speak
- J Haymer
- A J Mohan (resigned 21 January 2010)
- A J Paterson
- S Potter (resigned 1 February 2010)
- P A Byrne

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report

Auditors

The auditors, Deloitte LLP, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006

Directors' responsibilities statement

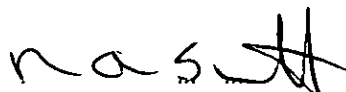
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

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). 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 at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing these financial statements, directors are required to

- select suitable accounting policies and 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper 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 the financial statements comply with the Companies Act 2006. They have also been responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of general responsibility for taking such steps as are reasonably open to fraud and other irregularities.

Approved by the Board on 29 April 2010 and signed on its behalf by



Bibby Bros & Co (Management) Limited
Company Secretary

Independent Auditors' Report to the Members of Bibby Distribution Services (Holdings) Limited

We have audited the financial statements of Bibby Distribution Services (Holdings) Limited for the year ended 31 December 2009, which comprise the Consolidated Profit and Loss Account, the Consolidated Parent Company Balance Sheets, the Consolidated Statement of Total Recognised Gains and losses and the related notes 8 to 32. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB's) Ethical Standards for Auditors.

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 group's and the parent 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 group's and the parent company's affairs as at 31 December 2009 and of the group's 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.

Independent Auditors' Report to the Members of Bibby Distribution Services (Holdings) Limited

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



William Smith
Senior Statutory Auditor
for and on behalf of
Deloitte LLP, Statutory Auditor
Liverpool
United Kingdom
29 April 2010

Bibby Distribution Services (Holdings) Limited
Consolidated Profit and Loss Account for the Year Ended 31 December 2009

	Note	2009 £ 000	2008 £ 000
Turnover	3	185,111	187,001
Cost of sales		(143,814)	(150,426)
Gross profit		<u>41,297</u>	<u>36,575</u>
Administrative expenses		(35,454)	(32,009)
Other operating income	4	31	-
Operating profit		<u>5,874</u>	<u>4,566</u>
Share of operating profit in associate		-	292
Other interest receivable and similar income		20	92
Interest payable and similar charges	8	(76)	(173)
Profit on ordinary activities before taxation	5	<u>5,818</u>	<u>4,777</u>
Tax on profit on ordinary activities	9		
Group		(2,153)	(1,347)
Associate		<u>-</u>	<u>(82)</u>
Profit on ordinary activities after taxation		3,665	3,348
Minority interests	22	(100)	-
Profit for the financial year	21	<u><u>3,565</u></u>	<u><u>3,348</u></u>


All activity arose from continuing operations

The Group has no recognised gains or losses for the year other than those included in the results above and accordingly a separate statement of total recognised gains and losses has not been prepared

Bibby Distribution Services (Holdings) Limited
Consolidated Balance Sheet as at 31 December 2009

		2009 £ 000	2008 £ 000
	Note		
Fixed assets			
Intangible assets	13	5,396	5,085
Tangible assets	14	<u>10,756</u>	<u>11,639</u>
		16,152	16,724
Current assets			
Stocks	10	364	626
Debtors	11	23,608	22,848
Deferred tax	11	2,876	3,559
Cash at bank and in hand		<u>8,072</u>	<u>7,009</u>
		34,920	34,042
Creditors: Amounts falling due within one year	16	<u>(26,397)</u>	<u>(26,223)</u>
Net current assets		8,523	7,819
Total assets less current liabilities		24,675	24,543
Creditors: Amounts falling due after more than one year	17	(409)	(616)
Provisions for liabilities	18	<u>(1,398)</u>	<u>(1,633)</u>
Net assets		<u>22,868</u>	<u>22,294</u>
Capital and reserves			
Called up share capital	20	4,288	4,288
Profit and loss reserve	21	<u>17,833</u>	<u>18,944</u>
Shareholders funds		22,121	23,232
Minority interests	23	<u>747</u>	-
		<u>22,868</u>	<u>23,232</u>

The consolidated financial statements of Bibby Distribution Services (Holdings) Limited, registered number 2005619, were approved by the board of directors and authorised for issue on 29 April 2010


P A Cullingford
Director

Bibby Distribution Services (Holdings) Limited
Balance Sheet as at 31 December 2009

		2009 £ 000	2008 £ 000
	Note		
Fixed assets			
Investments	15	35,180	34,107
Creditors: Amounts falling due within one year	16	<u>(29,760)</u>	<u>(29,092)</u>
Net current liabilities		<u>(29,760)</u>	<u>(29,092)</u>
Total assets less current liabilities		5,420	5,015
Creditors: Amounts falling due after more than one year	17	<u>(409)</u>	<u>(341)</u>
Net assets		<u>5,011</u>	<u>4,674</u>
 Capital and reserves			
Called up share capital	20	4,288	4,288
Profit and loss reserve	21	<u>723</u>	<u>386</u>
Shareholders fund	23	<u>5,011</u>	<u>4,674</u>

The financial statements of Bibby Distribution Services (Holding) Limited, registered number 2005619, were approved by the board of directors and authorised for issue on 29 April 2010


P A Cullingford
Director

Bibby Distribution Services (Holdings) Limited
Consolidated Cash Flow Statement for the Year Ended 31 December 2009

	Note	2009 £ 000	2008 £ 000
Net cash inflow from operating activities	24	11,672	9,746
Returns on investments and servicing of finance			
Bank interest paid	(76)	(173)	
Bank interest received	20	92	
		(56)	(81)
Taxation			
Group relief paid	(1,174)	(593)	
Corporation tax paid	(1,073)	-	
		(2,247)	(593)
Capital expenditure			
Purchase of tangible fixed assets	(1,646)	(2,200)	
Proceeds from sale of fixed assets	446	291	
		(1,200)	(1,909)
Acquisitions and disposals			
Payments to acquire net assets of a business	(474)	-	
Purchase of subsidiaries	(1,005)	-	
Cash acquired with subsidiaries	823	-	
		(656)	-
Equity dividends paid		(4,674)	(1,204)
Net cash inflow before financing		2,839	5,959
Financing			
Bank loan repayments		(1,777)	(912)
Increase in cash	25	1,062	5,047

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

(a) Accounting convention and basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 December 2009. The acquisitions method of accounting has been adopted. Under this method, the results of the subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account. Its profit for the financial year was £5,011,000 (2008 - £1,204,000).

(b) Going concern

The Group's business activities, together with the factors likely to affect its future performance are set out in the business review. After making enquiries as set out on page 4 of the Directors Report, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

(c) Turnover

Turnover represents the total amount receivable in the ordinary course of business for services provided excluding value added tax. Income is recognised at the time the relevant services are provided by the business to the customer.

(d) Tangible fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less depreciation provided to date. Depreciation is provided in equal instalments over the estimated useful life of the asset, based on the original cost of the asset less of estimated residual value of the asset. The rates of depreciation are as follows:

Freehold land	Nil
Freehold buildings	2% on straight line basis
Short leasehold land & buildings	The life of the lease
Vehicles & Equipment	Varying rates from 5% - 25%

Property disposals are recognised on legal completion or on exchange of an unconditional contract if earlier. Residual value is based on values prevailing at the date of acquisition.

(f) Intangible fixed assets

Goodwill arising on consolidation is considered separately for each acquisition. In the case where goodwill is considered to have continuing value it is amortised to nil by equal annual instalments between 5 and 10 years. In those cases where the goodwill is considered to have no continuing value it is accounted for immediately on acquisition by write off through the profit and loss account.

(g) Stocks

Stocks comprise fuel and are stated at the lower of weighted average cost and net realisable value.

(h) Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS 19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

(i) Current tax

Current tax, including corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

(j) Investments

Investments held as fixed assets are stated at cost less any provision for impairment. Investments in subsidiary undertakings are stated at cost less amounts written off.

(k) Associates

Associates are accounted for using the equity method. The consolidated profit and loss account includes the Group's share of associates' profit less losses while the Group's share of the net assets of the associates is shown in the consolidated balance sheet. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out in note e. Any unamortised balance of goodwill is included in the carrying value of the investment in associate.

(l) Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

(m) Pensions

Bibby Distribution Services (Holdings) Limited is a member of the Bibby Line Group Limited Pension Scheme, a defined benefit scheme, but is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis therefore, as required by FRS17 'Retirement Benefits', Bibby Distribution Services (Holdings) Limited continues to account for the Scheme as if it were a defined contribution. As a result, the amount charged to the profit and loss account represents the contributions payable to the Scheme in respect of the accounting period. Differences between the amounts charged in the profit and loss account and the payments made to the scheme are treated as assets or liabilities. The disclosures required by FRS 17 have been incorporated in Note 27.

(n) Related party transactions

Under FRS 8, the Company is exempt from disclosing intra group related party transactions with subsidiaries where 100% of the voting rights are controlled by the ultimate parent undertaking, Bibby Line Group Limited.

(o) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

3 Turnover

An analysis of turnover by geographical market is given below.

	2009 £ 000	2008 £ 000
Sales - UK	184,304	185,196
Sales - Europe	807	1,805
	<u>185,111</u>	<u>187,001</u>

All turnover is derived from the groups principal activity.

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

4 Other operating income

	2009 £ 000	2008 £ 000
Rental income	<u>31</u>	<u>-</u>

5 Profit on ordinary activities before taxation

Operating profit on is stated after charging/(crediting)

	2009 £ 000	2008 £ 000
Hire of plant and machinery (Operating leases)	4,178	6,429
Hire of other assets (Operating leases)	3,943	4,936
Auditors' remuneration		
The audit of the company's annual accounts	3	3
The audit of the company's subsidiaries' annual accounts	42	36
	<u>45</u>	<u>39</u>
Profit on sale of fixed assets	(8)	(92)
Depreciation of owned tangible fixed assets	2,492	2,595
Amortisation of intangible fixed assets - goodwill	1,476	1,169
Amortisation of goodwill in associates	-	153
	<u></u>	<u></u>

6 Particulars of employees

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows

	2009	2008
	No.	No.
Warehouse	851	727
Drivers and distribution	829	922
Managerial and administrative	719	644
	<u>2,399</u>	<u>2,293</u>

The aggregate payroll costs of these persons were as follows

	2009	2008
	£ 000	£ 000
Wages and salaries	57,314	53,877
Social security costs	5,336	5,270
Other pension costs	632	638
	<u>63,282</u>	<u>59,785</u>

7 Directors' remuneration

The directors' remuneration for the year is as follows

	2009	2008
	£ 000	£ 000
Directors' remuneration (including benefits in kind)	<u>1,329</u>	<u>1,065</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £297,000 (2008 -£234,000)

The number of directors to whom retirement benefit was accruing under defined benefit schemes during the year was 3 (2008 - 3) Payments made to this scheme during this year equalled £64,159

8 Interest payable and similar charges

	2009	2008
	£ 000	£ 000
Interest on bank borrowings	28	173
Other interest payable	48	-
	<u>76</u>	<u>173</u>

9 Taxation

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

Analysis of current year tax charge

	2009 £ 000	2008 £ 000
Current tax		
Corporation tax charge	1,494	1
Corporation tax charge - associate	-	82
Adjustment in respect of previous year	-	53
Group relief payable	-	2,298
UK Corporation tax	<u>1,494</u>	<u>2,434</u>
Deferred tax		
Origination and reversal of timing differences	618	(659)
Deferred tax adjustment relating to previous years	41	(346)
Total deferred tax	<u>659</u>	<u>(1,005)</u>
Total tax on profit on ordinary activities	<u>2,153</u>	<u>1,429</u>

Factors affecting current year tax charge

The current tax assessed on the profit on ordinary activities for the year is lower than (2008 - higher than) the standard rate of corporation tax in the UK of 28.00% (2008 - 28.50%)
The differences are reconciled below

	2009 £ 000	2008 £ 000
Profit on ordinary activities before taxation	<u>5,818</u>	<u>4,777</u>
Standard rate corporation tax charge	1,629	1,361
Depreciation for the year in excess of capital allowances	19	668
Expenses not allowable for tax purposes	493	351
Adjustment in respect of prior years	-	54
Capital allowances for the year in excess of depreciation	(646)	-
Group relief claimed	(1)	-
Total current tax for the year	<u>1,494</u>	<u>2,434</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

10 Stocks

	Group		Company	
	2009	2008	2009	2008
	£ 000	£ 000	£ 000	£ 000
Consumables	<u>364</u>	<u>626</u>	<u>-</u>	<u>-</u>

11 Debtors (amounts falling due within one year)

	Group		Company	
	2009	2008	2009	2008
	£ 000	£ 000	£ 000	£ 000
Trade debtors	19,108	19,311	-	-
Other debtors	1,788	575	-	-
Prepayments and accrued income	2,712	2,962	-	-
	<u>23,608</u>	<u>22,848</u>	<u>-</u>	<u>-</u>

The deferred tax asset is made up as follows

	2009	2008
	£ 000	£ 000
Fixed asset timing differences	<u>2,876</u>	<u>3,559</u>

	2009
	£ 000
Balance as at 1 January 2009	3,559
Amount transferred on acquisition	(24)
Amount charged to the profit and loss in the period	(659)
Balance as at 31 December 2009	<u>2,876</u>

A deferred tax asset has been recognised based on the directors' estimate of the taxable profit of the Group between 2010 and 2012, which indicates that the asset can reasonably be expected to be recoverable over that period

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

12 Dividends

	Group		Company	
	2009	2008	2009	2008
	£ 000	£ 000	£ 000	£ 000
Equity dividends paid	<u>4,674</u>	<u>1,204</u>	<u>4,674</u>	<u>1,204</u>
Dividend per share 109 pence (2008 - 28 pence)				

13 Intangible fixed assets

Group

Goodwill
£ 000

Cost

As at 1 January 2009	10,653
Additions (see note 19)	1,133
Transfer from associate (see note 19)	588
Increase in estimate of deferred consideration	<u>66</u>
As at 31 December 2009	<u>12,440</u>

Amortisation

As at 1 January 2009	5,568
Charge for the year	<u>1,476</u>
As at 31 December 2009	<u>7,044</u>

Net book value

As at 31 December 2009	<u>5,396</u>
As at 31 December 2008	<u>5,085</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

14 Tangible fixed assets

Group

	Freehold freehold land & buildings £ 000	Short leasehold land & buildings £ 000	Leased vehicles & equipment £ 000	Total £ 000
Cost				
As at 1 January 2009	5,155	3,081	16,530	24,766
Additions (see note 19)	-	137	1,509	1,646
Acquired with subsidiary	-	50	849	899
Disposals	-	(60)	(2,122)	(2,182)
As at 31 December 2009	<u>5,155</u>	<u>3,208</u>	<u>16,766</u>	<u>25,129</u>
Depreciation				
As at 1 January 2009	168	2,888	10,071	13,127
Eliminated on disposals	-	(60)	(1,683)	(1,743)
Charge for the year	80	239	2,173	2,492
Acquired with subsidiary	-	6	491	497
As at 31 December 2009	<u>248</u>	<u>3,073</u>	<u>11,052</u>	<u>14,373</u>
Net book value				
As at 31 December 2009	<u>4,907</u>	<u>135</u>	<u>5,714</u>	<u>10,756</u>
As at 31 December 2008	<u>4,987</u>	<u>193</u>	<u>6,459</u>	<u>11,639</u>
The net book value of freehold land and buildings which is not depreciated is £537,000 (2008 - £537,000)				

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

15 Investments held as fixed assets

Group

£'000

Share of net assets

At 1 January 2009	112
Transferred to a subsidiary undertaking, see note 13	(112)
At 31 December 2009	<u>-</u>

Goodwill arising on acquisition less amortisation

At 1 January 2009	588
Transferred to a subsidiary undertaking, see note 13	(588)
	<u>-</u>

Share of post acquisition reserves

At 1 January 2009 and 31 December 2009	238
Transferred to a subsidiary undertaking, see note 13	(238)
	<u>-</u>

Net book value

At 31 December 2009	<u>-</u>
At 31 December 2008	<u>938</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

Company

	Subsidiary undertaking	Associated undertaking	Total
	£'000	£'000	£'000
At 1 January 2009	33,214	893	34,107
Additions	1,005	-	1,005
Transfer	893	(893)	
Adjustment to deferred consideration	68	-	68
At 31 December 2009	<u>35,180</u>	<u>-</u>	<u>35,180</u>

The group holds more than 20% of the share capital of the following companies

	Country of incorporation	Principal activity	Class	%	Year end
Subsidiary undertaking					
Bibby Distribution Limited	United Kingdom	Contract distribution, warehousing and transport	Ordinary	100	31 December
Bibby International Logistics Limited	United Kingdom	Warehouse rental	Ordinary	100	31 December
Direct Workforce Limited	United Kingdom	Recruitment, and temporary worker agency	Ordinary	100	31 December
Hammond Logistics Group Limited	United Kingdom	Dormant from 31 December 2007	Ordinary	100	31 December
Archfield (Shipping) Limited	United Kingdom	Dormant from 31 December 2007	Ordinary	100	31 December
System Group Limited	United Kingdom	Training Services	Ordinary	52	30 September

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

16 Creditors: Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£ 000	Restated	£ 000	£ 000
		£ 000		
Bank loans and overdrafts	426	1,928	-	-
Trade creditors	1,425	2,971	-	-
Amounts owed to group undertakings	1,487	1,579	29,760	29,092
Corporation tax	1,379	1,759	-	-
Social security and other taxes	3,022	2,367	-	-
Other creditors	3,237	536	-	-
Accruals and deferred income	15,421	15,083	-	-
	<u>26,397</u>	<u>26,223</u>	<u>29,760</u>	<u>29,092</u>

During the year the directors have reclassified certain liabilities from trade creditors to accruals to better reflect the nature of the liabilities of £13,966,000 (2008 - £14,392,832) as a result the prior year comparatives have been restated

17 Creditors: Amounts falling due after more than one year

	Group		Company	
	2009	2008	2009	2008
	£ 000	£ 000	£ 000	£ 000
Bank loans and overdrafts	-	275	-	-
Deferred consideration	409	341	409	341
	<u>409</u>	<u>616</u>	<u>409</u>	<u>341</u>

18 Provisions for liabilities

	Vacant property provisions
	£ 000
As at 1 January 2009	1,633
Utilised during the year	(965)
Provided during the year	730
As at 31 December 2009	<u>1,398</u>
£576,000 (2008 - £1,440,000) of the amount provided is due to be paid during 2010, the remainder by 2017	

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

19 Acquisitions

During the year the following two acquisitions were made. In all instances goodwill is written off over 5 years and there were no material fair value adjustments made to the book values of the acquired entities.

On 2 January 2009 a further 26% of the ordinary share capital of System Group Limited was acquired by the company and the total shareholding in System Group Limited increased to 52%.

The following table sets out the book and fair value of the identifiable assets and liabilities of System Group Limited on acquisition.

	Book and fair value £000
Fixed assets	
Tangible	403
Current assets	
Stock	3
Debtors	1,819
Cash	823
Total assets	<u>3,048</u>
Provision for deferred taxation	24
Other creditors	<u>1,677</u>
Total liabilities	<u>1,701</u>
Net assets	<u>1,347</u>
Net assets for 26% of share capital	347
Consideration satisfied by	
cash	<u>1,005</u>
Goodwill	<u>659</u>

On the 5th of August 2009 the trade and selected assets of Data Driven Logistics was acquired for £474,000. As the fair value of net assets was nil, the value of purchased goodwill was £474,000.

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

£000

Additions to goodwill	659
System Group Limited	474
Total (see note 13)	<u>1,133</u>

20 Share capital

	2009 £ 000	2008 £ 000
Authorised, allotted, called-up and fully paid		
Equity		
4,288,000 Ordinary shares of £1 each	<u>4,288</u>	<u>4,288</u>

21 Reserves

Group

	Profit and loss reserve £ 000
Balance at 1 January 2009	18,942
Profit for the financial year	3,565
Dividends paid	<u>(4,674)</u>
Balance at 31 December 2009	<u>17,833</u>

Company

	Profit and loss reserve £ 000
Balance at 1 January 2009	386
Profit for the financial year	5,011
Dividends paid	<u>(4,674)</u>
Balance at 31 December 2009	<u>723</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

22 Minority interests

	2009 £ 000	2008 £ 000
Equity		
Balance at 1 January	-	-
Upon acquisition of majority stake in associate	647	-
Minority interests - retained profit for the year	100	-
Balance at 31 December	<u>747</u>	<u>-</u>

23 Reconciliation of movements in shareholders' funds

	Group		Company	
	2009 £ 000	2008 £ 000	2009 £ 000	2008 £ 000
Profit attributable to members of the group/company	3,565	3,348	5,011	1,204
Dividends paid	(4,674)	(1,204)	(4,674)	(1,204)
	<u>(1,109)</u>	<u>2,144</u>	<u>337</u>	<u>-</u>
Opening shareholders' funds	23,232	21,088	4,674	4,674
Closing shareholders' funds	<u>22,121</u>	<u>23,232</u>	<u>5,011</u>	<u>4,674</u>

24 Capital commitments

Expenditure contracted for but not provided in the financial statements

	2009 £ 000	2008 £ 000
Capital commitments	<u>618</u>	<u>213</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

25 Operating lease commitments

Group

As at 31 December 2009 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Other		Property	
	2009	2008	2009	2008
	£ 000	£ 000	£ 000	£ 000
Within one year	535	522	272	287
Within two and five years	3,552	4,128	3,072	2,924
Over five years	49	49	564	1,154
	<u>4,135</u>	<u>4,699</u>	<u>3,908</u>	<u>4,365</u>

26 Reconciliation of net operating profit to net cash inflow from operating activities

	2009	2008
	£ 000	£ 000
Operating profit on ordinary activities	5,874	4,566
Depreciation	2,492	2,595
Profit on sale of fixed assets	(7)	(92)
Amortisation of goodwill	1,476	1,322
Movement in vacant property provision	(235)	(1,090)
Working capital movements		
Decrease in stocks	259	85
Decrease in debtors	1,059	3,883
Increase/(decrease) in creditors	754	(1,523)
	<u>2,072</u>	<u>2,445</u>
Net cash inflow from operating activities	<u>11,672</u>	<u>9,746</u>

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

27 Reconciliation of net cash flow to movement in net funds (debt)

	2009	2008
	£ 000	£ 000
Movement in cash in the year	239	5,047
Movement in bank loan	1,777	912
Net funds acquired	823	-
Change in net debt resulting from cash flows	2,839	5,959
Movement in net debt in the period	2,839	5,959
Net funds/ (debt) at 1 January	4,806	(1,152)
Net funds as 31 December	7,645	4,807

28 Analysis of net funds

	1 January 2009	Cash Flows	31 December 2009
	£'000	£' 000	£'000
Cash at bank and in hand	7,009	1,062	8,071
Bank loans	(2,203)	1,777	(426)
Total	4,807	2,839	7,645

29 Pension costs

The Company participates in the Bibby Line Group Pension Scheme (the "Scheme"), a defined benefit pension scheme. The assets of the Scheme are held separately from those of the sponsoring and participating employers and are invested with an insurance company. The company is unable to identify its share of the underlying assets and liabilities of the Scheme as a significant number of members who are deferred or pensioners within the Scheme relate to businesses that are no longer part of the group. The contributions made by the Company over the financial year to the Scheme have been £388,649 (2008 - £382,060), equivalent to 18.1% of pensionable pay.

The Company also participates in various defined contribution schemes for their employees. The contributions made by the Company over the financial year to such schemes have been £132,080 (2008 - £251,050).

FRS 17 Disclosures

As noted above and under accounting policies (note 1) the Company participates in the Scheme. As part of the information disclosed under FRS 17 in the ultimate holding company's accounts, a net deficit of £12,806,000 (2008 - £7,931,000) is noted. Further information can be found in the financial statements of the ultimate holding company.

30 Related Party Transactions

During the year Direct Workforce Limited made sales to System Group Limited to the value of £11,526 (2008 £Nil). At the balance sheet date the amount owed by System Group Limited to Direct Workforce was £Nil. Bibby Distribution Limited made sales to System Group Limited to the value of £261,876 (2008 - £210,382). At the balance sheet date the amount owed to System Group Limited to Bibby Distribution Limited was £16,876 (2008 - £20,023).

Bibby Distribution Services (Holdings) Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

31 Post balance sheet events

On the 4th of January 2010 the Group paid £833,750 for a further 16% of the shares of System Group Limited. This took the total shareholding to 68%.

32 Ultimate controlling party

The Company is a wholly owned subsidiary undertaking of Bibby Line Group Limited, the ultimate parent undertaking, a company incorporated in the United Kingdom. Group accounts may be obtained from 105 Duke Street, Liverpool, L1 5JQ.

Bibby Line Group Limited is the ultimate parent undertaking of the largest and smallest group which consolidates these accounts, and of which the Company is a member.