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Registration number: 03530463

# Bibby Trade Services Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2008

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## **Bibby Trade Services Limited**

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**Bibby Trade Services Limited**  
**Company Information**

<b>Chairman</b>	Edward John Rimmer
<b>Directors</b>	David Albert Robertson Andrew Charles Dixon Ian Downing Karen Jacqueline Rawlinson Edward John Rimmer
<b>Secretary</b>	Bibby Bros. & Co. (Management) Limited
<b>Registered office</b>	105 Duke Street Liverpool L1 5JQ
<b>Auditors</b>	Deloitte LLP Chartered Accountants and Registered Auditors Liverpool United Kingdom

**Bibby Trade Services Limited**  
**Directors' Report for the Year Ended 31 December 2008**

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

**Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

**Auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

KPMG LLP resigned as auditors on 21 October 2008. The Directors appointed Deloitte & Touche LLP to fill the casual vacancy.

On 1 December 2008 the company's auditors subsequently changed their name from Deloitte & Touche LLP to Deloitte LLP.

Deloitte LLP have expressed their willingness to continue in office as auditors and a members' written resolution to reappoint them until the end of the next period for appointing auditors in accordance with the provisions of Part 16 of the Companies Act 2006 will be proposed to the members by the directors.

**Bibby Trade Services Limited**  
**Directors' Report for the Year Ended 31 December 2008**

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**Principal activity and business review**

The principal activity of the company is the provision of transaction based trade finance.

The directors consider that the results for the year and the financial position at the end of the year were satisfactory. The directors do not expect any significant change to the activities of the company.

**Results and dividend**

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

The directors do not recommend the payment of a dividend (2007 - £nil).

**Directors**


The directors who held office during the year were as follows:

- David Albert Robertson
- Andrew Charles Dixon
- Ian Downing
- Karen Jacqueline Rawlinson
- Edward John Rimmer

**Election to dispense laying accounts**

In accordance with section 252, Companies Act 1985, the company has elected to dispense with laying accounts before the members in general meeting. Members, however, may by notice in writing to the company at its registered office require that accounts are laid before the members in general meeting.

Approved by the Board on 21 May 2009 and signed on its behalf by:

  
.....  
Duly Authorised Signatory  
For and on behalf of Bibby Bros & Co  
(Management) Limited, SECRETARY

Bibby Bros. & Co. (Management) Limited  
Company Secretary

## **Independent Auditors' Report to the Member of Bibby Trade Services Limited**

We have audited the financial statements of Bibby Trade Services Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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**

The Directors' responsibilities for preparing the directors' report and 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).

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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **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 an 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.

**Independent Auditors' Report to the Member of  
Bibby Trade Services Limited**

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**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.

**Deloitte LLP**

Deloitte LLP

Chartered Accountants and Registered Auditors

Liverpool, UK

21 May 2009

**Bibby Trade Services Limited**  
**Profit and Loss Account for the Year Ended 31 December 2008**

	Note	2008 £	2007 £
Turnover	2	1,016,491	780,842
Cost of sales		(418,019)	(194,352)
<b>Operating profit</b>	3	<u>598,472</u>	<u>586,490</u>
Other interest receivable and similar income	5	87,656	-
Interest payable and similar charges	6	(77,089)	(2,043)
<b>Profit on ordinary activities before taxation</b>		<u>609,039</u>	<u>584,447</u>
Tax on profit on ordinary activities	7	(173,866)	(177,069)
<b>Profit for the financial year</b>	14	<u><u>435,173</u></u>	<u><u>407,378</u></u>

Turnover and operating profit in both periods derive wholly from continuing operations.

The notes on pages 9 to 18 form an integral part of these financial statements.



**Bibby Trade Services Limited**

**Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2008**

	2008	2007
	£	£
Net profit for the year	435,173	407,378
Foreign currency translation differences	-	(101)
Total recognised gains for the year	<u>435,173</u>	<u>407,277</u>

The notes on pages 9 to 18 form an integral part of these financial statements.

**Bibby Trade Services Limited**  
**Balance Sheet as at 31 December 2008**

		2008	2007
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	8	57	400
Investments	9	706,701	706,701
		<u>706,758</u>	<u>707,101</u>
<b>Current assets</b>			
Debtors	10	8,601,986	1,446,856
Cash at bank and in hand		242,274	1,804,371
		<u>8,844,260</u>	<u>3,251,227</u>
<b>Creditors: Amounts falling due within one year</b>	11	(2,930,276)	(639,940)
<b>Net current assets</b>		<u>5,913,984</u>	<u>2,611,287</u>
<b>Total assets less current liabilities</b>		6,620,742	3,318,388
<b>Creditors: Amounts falling due after more than one year</b>	12	(2,867,181)	-
<b>Net assets</b>		<u><u>3,753,561</u></u>	<u><u>3,318,388</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	3,200,000	3,200,000
Profit and loss reserve	14	553,561	118,388
<b>Shareholders' funds</b>	15	<u><u>3,753,561</u></u>	<u><u>3,318,388</u></u>

Approved by the Board on 21 May 2009 and signed on its behalf by:



.....  
 Ian Downing  
 Director

The notes on pages 9 to 18 form an integral part of these financial statements.

## **Bibby Trade Services Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2008**

#### **1 Accounting policies**

The following accounting policies have been applied consistently in both the current and preceeding year.

##### **Basis of preparation**

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

##### **Cash flow statement**

The cashflows of the company are included in the consolidated group cashflows of its parent company, Bibby Financial Services Limited. Consequently the company is exempt from the requirement to publish a cash flow statement under the provisions of Financial Reporting Standard 1 (Revised).

##### **Going concern**

These financial statements have been prepared on a going concern basis.

As set out in the Statement of Directors' Responsibilities, in preparing these financial statements the Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors of the parent Company have considered in detail the Group's forecast performance, as well as its capital and liquidity resources. On this basis the Directors have a reasonable expectation that, despite uncertain market conditions, the Group has sufficient funding and liquidity facilities to ensure that the Company will continue in operational existence for the foreseeable future. Accordingly the Directors of the company have adopted the going concern basis in preparing these financial statements.

##### **Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

##### **Revenue recognition**

The factoring administration fee is recognised in the profit and loss account at the time the debts are factored. Other fees are normally recognised in the profit and loss account at the time the charge is made. However, where fees are charged in respect of non-performing debt, the proportion credited to the profit and loss account is limited to the extent that total recoveries will exceed the debt outstanding.

##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Office equipment	20% to 33.33%
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##### **Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

## **Bibby Trade Services Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2008**

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#### **Taxation**

Tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years or which are never taxable or deductible. Current tax is calculated using rates enacted, or substantially enacted, at the balance sheet date.

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 FRS19.

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.

#### **Operating leases**

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

#### **Pensions**

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

#### **Letters of credit**

Unpresented letters of credit at the balance sheet date are shown as a contingent liability.

#### **Bad debts**

Bad debts are written off when there is no realistic prospect of recovery. Specific provisions are made to reduce all impaired balances to their expected realisable values. General provisions are made for losses not specifically identified based on past experience, knowledge of the Group's exposure and other relevant factors. The charge for the year for bad debts is included in cost of sales.

#### **Debtors and creditors**

Trade debtors represent the debts assigned under factoring agreements, net of the bad debt provision. The full value of the assigned debt is recognised on the balance sheet as it represents rights or other access to future economic benefits. The corresponding trade creditor recognised represents the difference between the assigned debt and cash advanced to clients net of appropriate factoring fees.

## **2 Turnover**

Turnover, which is derived from within the United Kingdom, comprises amounts receivable as a result of providing transaction-based finance. Income is earned on the provision of short term credit finance for customers. The company purchases goods on behalf of, and/or sells them to its customers. The value of new transactions financed during the year was £20,516,000 (2007 - £14,555,000).

**Bibby Trade Services Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2008**

..... continued

**3 Operating profit**

Operating profit is stated after charging:

	2008	2007
	£	£
Hire of plant and machinery (Operating Leases)	-	641
Fees payable to the company's auditors for the audit of the company's annual accounts	6,000	7,600
Depreciation of owned tangible fixed assets	343	524
Property Rental	19,933	18,000
	<u>19,933</u>	<u>18,000</u>

Auditors' remuneration in 2007 relates solely to payments made to the company's previous auditors, KPMG LLP.

# **Bibby Trade Services Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2008**

..... continued

### **4 Particulars of employees**

The average number of persons employed by the company (including directors) during the year was as follows:

	<b>2008 No.</b>	<b>2007 No.</b>
Administration	<u>9</u>	<u>9</u>

The aggregate payroll costs of these persons were as follows:

	<b>2008 £</b>	<b>2007 £</b>
Wages and salaries	268,463	240,346
Social security	28,180	21,062
Other pension costs	6,150	8,663
	<u>302,793</u>	<u>270,071</u>

### **5 Interest receivable and similar income**

	<b>2008 £</b>	<b>2007 £</b>
Interest receivable from Group undertakings	<u>87,656</u>	<u>-</u>

### **6 Interest payable and similar charges**

	<b>2008 £</b>	<b>2007 £</b>
Bank interest payable	<u>77,089</u>	<u>2,043</u>

# **Bibby Trade Services Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2008**

..... continued

### **7 Taxation**

#### **Analysis of current period tax charge**

	2008 £	2007 £
<b>Current tax</b>		
Corporation tax charge	<u>175,966</u>	<u>108,469</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(2,100)</u>	<u>68,600</u>
<b>Total tax on profit on ordinary activities</b>	<u><u>173,866</u></u>	<u><u>177,069</u></u>

#### **Factors affecting current period tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than (2007 - lower than) the standard rate of corporation tax in the UK of 28.50% (2007 - 30.00%).

The differences are reconciled below:

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>609,039</u>	<u>584,447</u>
Standard rate corporation tax charge	173,576	175,334
Expenses not deductible for tax purposes	2,301	1,550
Accelerated capital allowances	89	(1,200)
Other timing differences	-	(67,215)
<b>Total current tax for the year</b>	<u><u>175,966</u></u>	<u><u>108,469</u></u>

**Bibby Trade Services Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2008**

..... *continued*

**8 Tangible fixed assets**

	<b>Office equipment £</b>
<b>Cost</b>	
As at 1 January 2008 and 31 December 2008	<u>62,267</u>
<b>Depreciation</b>	
As at 1 January 2008	61,867
Charge for the year	<u>343</u>
As at 31 December 2008	<u>62,210</u>
<b>Net book value</b>	
As at 31 December 2008	<u>57</u>
As at 31 December 2007	<u>400</u>



**Bibby Trade Services Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2008**

..... *continued*

**9 Investments held as fixed assets**

	<b>Group shares £</b>
<b>Cost</b>	
As at 1 January 2008 and 31 December 2008	<u>706,701</u>
<b>Net book value</b>	
As at 31 December 2008	<u>706,701</u>
As at 31 December 2007	<u><u>706,701</u></u>

The company holds more than 20% of the share capital of the following company:

	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class</b>	<b>%</b>
<b>Subsidiary undertakings</b>				
Bibby Connexions S.A.S.	France	Trade Services	Ordinary	100
		<b>Capital &amp; reserves £</b>		<b>Profit/(loss) for the period £</b>
<b>Subsidiary undertakings</b>				
Bibby Connexions S.A.S.		712,334		105,489

# **Bibby Trade Services Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2008**

..... continued

### **10 Debtors**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	4,211,245	1,371,886
Amounts owed by group undertakings	4,346,663	-
Other debtors	-	483
Deferred tax	5,700	3,600
Prepayments and accrued income	38,378	70,887
	<u>8,601,986</u>	<u>1,446,856</u>

#### **Deferred tax**

Deferred tax is provided at 28.00% (2007 - 28.00%).

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>5,700</u>	<u>3,600</u>

#### **Deferred tax asset**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
As at 1 January	3,600	72,200
Deferred tax credit/(charge)	2,100	(68,600)
As at 31 December	<u>5,700</u>	<u>3,600</u>

### **11 Creditors: Amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	830	830
Trade creditors	63,014	292,095
Amounts owed to group undertakings	2,565,200	16,723
Corporation tax	179,666	225,469
Social security and other taxes	39,900	447
Accruals and deferred income	81,666	104,376
	<u>2,930,276</u>	<u>639,940</u>

**Bibby Trade Services Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2008**

..... continued

**12 Creditors: Amounts falling due after more than one year**

	2008 £	2007 £
Bank loans and overdrafts	<u>2,867,181</u>	<u>-</u>

**13 Share capital**

	2008 £	2007 £
<b>Authorised</b>		
<b>Equity</b>		
4,000,000 Ordinary shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
3,200,000 Ordinary shares of £1 each	<u>3,200,000</u>	<u>3,200,000</u>

**14 Reserves**

	Profit and loss reserve £
Balance at 1 January 2008	118,388
Transfer from profit and loss account for the year	<u>435,173</u>
Balance at 31 December 2008	<u>553,561</u>

**15 Reconciliation of movements in equity shareholder's funds**

	2008 £	2007 £
Profit attributable to members of the company	435,173	407,378
Other recognised losses for the year	<u>-</u>	<u>(101)</u>
Net addition to shareholder's funds	435,173	407,277
Opening equity shareholder's funds	<u>3,318,388</u>	<u>2,911,111</u>
Closing equity shareholder's funds	<u>3,753,561</u>	<u>3,318,388</u>

## **Bibby Trade Services Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2008**

..... *continued*

#### **16 Contingent liabilities**

Letters of credit issued to overseas suppliers of the company's customers are shown as contingent liabilities until the terms of those letters of credit are fulfilled. As at 31 December 2008 the amount of this contingent liability was £1,079,500.

#### **17 Pension schemes**

##### **Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £6,150 (2007 - £4,569).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

#### **18 Controlling entity**

The company is a wholly owned subsidiary undertaking of *Bibby Financial Services Limited*, whose ultimate parent undertaking is *Bibby Line Group Limited*.

The largest group in which the results of the company are consolidated is that headed by *Bibby Line Group Limited*. The smallest group in which they are consolidated is that headed by *Bibby Financial Services Limited*.

Copies of the Group financial statements may be obtained from *Bibby Line Group Limited*, 105 Duke Street, Liverpool L1 5JQ.

Group website address: [www.bibbygroup.co.uk](http://www.bibbygroup.co.uk)