

SIGNED

Registration number 3805401

Bibby Distribution Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2010



Bibby Distribution Limited
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Bibby Distribution Limited
Company Information

Directors	P A Cullingford
	I A Speak
	Sir Michael Bibby, bt
	J Haymer
	A J Paterson
	P A Byrne
Company secretary	Bibby Bros & Co (Management) Limited
Registered office	105 Duke Street Liverpool L1 5JQ
Auditor	Deloitte LLP Chartered Accountants and Statutory Auditor Liverpool United Kingdom

Bibby Distribution Limited

Directors' Report for the Year Ended 31 December 2010

The directors present their report and the audited financial statements for the year ended 31 December 2010

Business review and principal activities

Bibby Distribution Limited ("the Company") is a wholly-owned subsidiary of Bibby Distribution Services (Holdings) Limited

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

The Company 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. During the year Taygroup (UK) Holdings Limited was acquired for £4,442,000 and Taylors of Martley (Holdings) Limited (T M Logistics Group) was acquired for £6,349,000. The business, assets and liabilities of Taygroup (UK) Holdings Limited were transferred into the company on 1 May 2010. See note 11 for further information on the acquisition.

As shown in the profit and loss account on page 8, the Company's turnover has increased by 20% from the prior year primarily as a result of acquisitions and the profit on ordinary activities before taxation has increased due to efficiency measures introduced during the year. Return on Capital Employed (ROCE) as measured by Profit before Tax divided by Opening Shareholders' Funds is 78.9% (2009 - 58.6%). Employee numbers increased from 2,266 to 2,418.

The balance sheet on page 9 of the financial statements shows that the net assets of the Company increased by 42.2% at the year end due to improvements in profit after tax in the year noted above.

Post balance sheet events

On the 1 January 2011 the business, assets and liabilities of Taylors of Martley (Holdings) Limited were transferred into the company at their net book value of £3,178,000.

Principal risks and uncertainties

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

The Company is financed principally by an overdraft facility from its bankers and is therefore exposed to interest rate movement. The Company monitors its exposure to interest rate risk. The Company does not hold or issue derivatives or other financial instruments for speculative purposes.

The Company 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 a fuel price regulator agreement with its customers to pass on any changes in fuel prices.

Bibby Distribution Limited
Directors' Report for the Year Ended 31 December 2010

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Employment policies

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

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

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

Corporate Governance

The Company 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 cover the activities of the Company.

Environment

The Company recognises the importance of its environmental responsibilities. The Company 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.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 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 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 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.

Bibby Distribution Limited
Directors' Report for the Year Ended 31 December 2010

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Disclosure of information to the auditor

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

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

Going concern

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

At 31 December 2010, the Company had an overdraft position of £1,602,000

The Company meets its day to day working capital requirements by managing its debtors and creditors and through an overdraft facility which expired in March 2011, but is currently rolling forward on a monthly basis. At the date of signing these financial statements the Company has no additional external debt facilities, but the Company has reached an advanced stage of negotiations for a new facility to fund management's growth plans

The Company's forecasts and projections, taking into account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current overdraft facility

Prior to these accounts being approved, the Company has not yet finalised the new facility but full credit approval has been granted on a new credit facility by Lloyds Bank Credit Committee, which will provide significant headroom compared to the business' future requirements, and the Directors have also received confirmation from the Company's banks that the current overdraft facility will remain available pending the finalisation of the new facility. Therefore management have a valid expectation based on confirmation from the bankers that sufficient facilities covering the Company's cash requirements over the next 12 months will be available

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual accounts

Dividends

During the course of the year an interim dividend in respect of 2010 of £1,783,000 (2009 - £4,674,000) was paid with £891,500 per ordinary share (2009 - £2,337,000 per ordinary share)

Bibby Distribution Limited
Directors' Report for the Year Ended 31 December 2010

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Directors of the company

The directors who held office during the year were as follows

P A Cullingford

I A Speak

Sir Michael Bibby, bt

J Haymer

A J Paterson

S Potter (resigned 1 February 2010)


A J Mohan (resigned 21 January 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

Approved by the Board on 26 May 2011 and signed on its behalf by



Bibby Bros & Co (Management) Limited
Company secretary

Independent Auditor's Report to the Members of Bibby Distribution Limited

We have audited the financial statements of Bibby Distribution Limited for the year ended 31 December 2010, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 26. 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 audit 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities statement (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and to express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**Independent Auditor's Report to the Members of
Bibby Distribution Limited**

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



William Smith MA ACA
Senior Statutory Auditor

For and on behalf of
Deloitte LLP
Chartered Accountants and Statutory Auditor

Liverpool
United Kingdom

10 June 2011

Bibby Distribution Limited
Profit and Loss Account for the Year Ended 31 December 2010

	Note	2010 £ 000	2009 £ 000
Turnover	2	207,187	172,879
Cost of sales		<u>(164,605)</u>	<u>(135,415)</u>
Gross profit		42,582	37,464
Administrative expenses		<u>(33,372)</u>	<u>(30,780)</u>
Operating profit		9,210	6,684
Other interest receivable and similar income	6	13	13
Interest payable and similar charges	7	<u>(99)</u>	<u>(17)</u>
Profit on ordinary activities before taxation	3	9,124	6,680
Tax on profit on ordinary activities	8	<u>(2,457)</u>	<u>(1,825)</u>
Profit for the financial year	20	<u><u>6,667</u></u>	<u><u>4,855</u></u>

All results derive wholly from continuing operations. Results derived from acquisitions in the year are disclosed in note 2.

The company has no recognised gains or losses for the current or prior year other than the results above and accordingly no statement of total recognised gains and losses has been prepared.

The notes on pages 10 to 24 form an integral part of these financial statements

Bibby Distribution Limited
(Registration number: 3805401)
Balance Sheet at 31 December 2010

	Note	2010 £ 000	2009 £ 000
Fixed assets			
Intangible fixed assets	9	4,789	456
Tangible fixed assets	10	11,544	9,277
Investments	11	<u>6,351</u>	<u>-</u>
		<u>22,684</u>	<u>9,733</u>
Current assets			
Stocks	12	634	353
Debtors	13	64,571	51,776
Cash at bank and in hand		<u>-</u>	<u>7,577</u>
		65,205	59,706
Creditors Amounts falling due within one year	14	<u>(46,022)</u>	<u>(36,251)</u>
Net current assets		<u>19,183</u>	<u>23,455</u>
Total assets less current liabilities		41,867	33,188
Creditors Amounts falling due after more than one year	15	(22,852)	(20,218)
Provisions for liabilities	16	<u>(2,559)</u>	<u>(1,398)</u>
Net assets		<u><u>16,456</u></u>	<u><u>11,572</u></u>
Capital and reserves			
Share capital	17	-	-
Profit and loss account	21	<u>16,456</u>	<u>11,572</u>
Shareholders funds	20	<u><u>16,456</u></u>	<u><u>11,572</u></u>

The financial statements of Bibby Distribution Limited, registered number 3805401, were approved by the Board on 26 May 2011 and signed on its behalf by


P A Cullingford
Director

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. They have all been applied consistently throughout the year and proceeding year.

(a) 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 annual instalments over the estimated useful life of the assets, on the original cost of the asset less the estimated residual value of the asset.

Asset class	Depreciation method and rate
Freehold land	Nil
Freehold buildings	2% on the straight-line basis
Short leasehold land & buildings	The life of the lease
Vehicles & equipment	Varying rates from 5% to 25%

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

(b) Investments

Fixed asset investments are shown at cost less provision for impairment.

(c) Intangible fixed assets

Goodwill arising on the purchase of a business is considered separately for each acquisition. In the case where goodwill is considered to have continuing value it is amortised on a straight line basis over its useful economic life through the profit and loss account at rates varying between 5 and 10 years.

(d) Assets held under operating leases

Payments made under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

(e) Deferred tax

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 or substantively enacted at the balance sheet date.

(f) Stocks

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

(g) 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 its customer.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

(h) Pension costs

Bibby Distribution Limited is a member of the Bibby Line Group 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 FRS 17 "Retirement Benefits", Bibby Distribution Limited continues to account for the scheme as if it were a defined contribution scheme. 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 to the profit and loss account and payments made to the pension scheme are treated as assets or liabilities. The disclosure required by FRS 17 has been incorporated in note 22.

(i) Cash flows

A statement of Group cash flows has been included in the consolidated accounts presented by the parent undertaking. No statement is therefore presented in these accounts, in accordance with the exemption contained in FRS 1 (revised).

(j) Related party transactions

Under FRS 8, the Company has taken advantage of the exemption not to disclose inter Group related party transactions, with subsidiaries where 100% of the voting rights are controlled by the ultimate parent undertaking, Bibby Line Group Limited. Transactions with companies that are not 100% subsidiaries of the ultimate parent undertakings are disclosed in note 25.

(k) Current tax

Current tax including corporation 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.

(l) Going concern basis

The company's business activities, together with the factors likely to affect its future performance are set out in the business review.

(m) Hive up of businesses

On the hive up of a business of a subsidiary into the parent company the cost of the business to the parent company ceases to be the cost of the shares in the subsidiary and is transferred to the cost of an unincorporated business. To the extent that the cost exceeds the fair value of the relevant net assets, the excess becomes purchased goodwill and is accounted for as an intangible fixed asset, see note (c).

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

2 Turnover

Turnover represents amounts receivable for services provided in the normal course of business, net of VAT Revenue is recognised at the point the service is delivered to the customer

The Directors are of the opinion that there is only one business, that of contract distribution, warehousing and transport and freight forwarding All turnover is derived in the United Kingdom

Results for the current year can be analysed between acquisitions and existing operations are as follows

	Acquisitions	2010 Existing operations	Total	2009 Total
	£'000	£'000	£'000	£'000
Turnover	24,008	183,179	207,187	172,879
Cost of sales	(19,976)	(144,629)	(164,605)	(135,415)
Gross Profit	4,032	38,550	42,582	37,464
Administrative Expenses	(2,629)	(30,743)	(33,372)	(30,780)
Operating profit	1,403	7,807	9,210	6,684

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/ (crediting)

	2010 £ 000	2009 £ 000
Operating leases - plant and machinery	4,420	4,135
Operating leases - other assets	5,397	5,713
Loss/ (Profit) on sale of tangible fixed assets	55	(6)
Depreciation of owned assets	2,996	2,330
Amortisation of goodwill	109	94
Fees payable to the Company's auditors for the audit of the Company's financial statements	37	37

There are no non audit fees in the current year (2009 - £nil)

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

4 Particulars of employees

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

	2010	2009
	No.	No.
Warehouse staff	897	849
Drivers and distribution staff	907	827
Managerial and administrative staff	614	590
	<u>2,418</u>	<u>2,266</u>

The aggregate payroll costs were as follows

	2010	2009
	£ 000	£ 000
Wages and salaries	60,872	55,023
Social security costs	5,813	5,263
Staff pensions	662	629
	<u>67,347</u>	<u>60,915</u>

5 Directors' remuneration

The directors' remuneration for the year was £nil (2009-£nil) in respect of their services to the Company

6 Other interest receivable and similar income

	2010	2009
	£ 000	£ 000
Bank interest receivable	<u>13</u>	<u>13</u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

7 Interest payable and similar charges

	2010 £ 000	2009 £ 000
Interest on bank borrowings	89	17
Interest on other loans	<u>10</u>	<u>-</u>
	<u>99</u>	<u>17</u>

8 Taxation

Tax on profit on ordinary activities

	2010 £ 000	2009 £ 000
Current tax		
Corporation tax charge	1,782	1,177
Adjustments in respect of previous years	<u>-</u>	<u>(30)</u>
UK Corporation tax	<u>1,782</u>	<u>1,147</u>
Deferred tax		
Deferred tax - current year	668	637
Deferred tax adjustment in respect of previous years	<u>7</u>	<u>41</u>
Total deferred tax	<u>675</u>	<u>678</u>
Total tax on profit on ordinary activities	<u>2,457</u>	<u>1,825</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2009 - lower than) the standard rate of corporation tax in the UK of 28% (2009 - 28%)

The differences are reconciled below

	2010 £ 000	2009 £ 000
Profit on ordinary activities before taxation	<u>9,124</u>	<u>6,680</u>
Corporation tax at standard rate of 28%	2,555	1,870
Differences between capital allowances and depreciation	(535)	(637)
(Income)/expenses not qualifying for tax purposes	(222)	32
Adjustment in respect of previous year	-	(30)
Group relief received	<u>(16)</u>	<u>(88)</u>
Total current tax	<u>1,782</u>	<u>1,147</u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

The Government announced in June 2010 that it intended to reduce the rate of corporation tax from 28% to 24% over four years, and Finance Act 2010, which was substantively enacted in July 2010, included provisions to reduce the rate of corporation tax to 27% with effect from 1 April 2011. Accordingly, deferred tax balances have been revalued to the lower rate of 27% in these accounts.

On 23 March 2011 the government announced that it intends to further reduce the rate of corporation tax to 26% with effect from 1 April 2011 and then by 1% per annum to 23% by 1 April 2014. As this legislation was not substantively enacted by 31 December 2010, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts.

9 Intangible fixed assets

	Goodwill £ 000
Cost	
At 1 January 2010	1,091
Transfer from investments (see note 11)	4,442
At 31 December 2010	<u>5,533</u>
Amortisation	
At 1 January 2010	635
Charge for the year	109
At 31 December 2010	<u>744</u>
Net book value	
At 31 December 2010	<u><u>4,789</u></u>
At 31 December 2009	<u><u>456</u></u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

10 Tangible fixed assets

	Freehold land and buildings £ 000	Vehicles & equipment £ 000	Short leasehold land & buildings £ 000	Total £ 000
Cost or valuation				
At 1 January 2010	3,991	17,616	3,157	24,764
On acquisition	-	1,231	-	1,231
Additions	-	3,985	343	4,328
Disposals	-	(1,299)	-	(1,299)
At 31 December 2010	<u>3,991</u>	<u>21,533</u>	<u>3,500</u>	<u>29,024</u>
Depreciation				
At 1 January 2010	147	12,323	3,017	15,487
Charge for the year	65	2,693	238	2,996
Eliminated on disposals	-	(1,003)	-	(1,003)
At 31 December 2010	<u>212</u>	<u>14,013</u>	<u>3,255</u>	<u>17,480</u>
Net book value				
At 31 December 2010	<u>3,779</u>	<u>7,520</u>	<u>245</u>	<u>11,544</u>
At 31 December 2009	<u>3,844</u>	<u>5,293</u>	<u>140</u>	<u>9,277</u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

11 Investments held as fixed assets

	2010 £ 000	2009 £ 000
Subsidiary undertakings	<u>6,351</u>	<u>-</u>

The investments represent 100% of the issued share capital of Taygroup (UK) Holdings Limited and Taylors of Martley (Holdings) Limited, both of which are incorporated in the United Kingdom

Subsidiary undertakings	£000
Cost	
At 1 January 2010	-
Additions	10,793
Transfer to goodwill	(4,442)
At 31 December 2010	<u>6,351</u>
Net book value	
At 31 December 2010	<u>6,351</u>
At 31 December 2009	<u>-</u>

Following on from the hive up of the business, assets and liabilities of Taygroup (UK) Holdings Limited, on 1 May 2010, to the company the investment has been re-allocated to goodwill

12 Stocks

	2010 £ 000	2009 £ 000
Consumables	<u>634</u>	<u>353</u>

There is no material difference between the balance sheet value of stock and their replacement cost

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

13 Debtors

	2010	2009
	£ 000	£ 000
Trade debtors	26,875	18,133
Amounts owed by group undertakings	32,318	27,785
Other debtors	117	309
Prepayments and accrued income	3,083	2,678
Deferred Tax	2,178	2,871
	<u>64,571</u>	<u>51,776</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows

	£ 000
At 1 January 2010	2,871
Amount transferred on acquisition	(18)
Amount charged to the profit and loss in the year	(675)
At 31 December 2010	<u>2,178</u>

A deferred tax asset has been recognised based on the directors' estimate of the company profitability between 2011 and 2013, which indicates that the asset can reasonably be expected to be recovered over that timeframe

Analysis of deferred tax

	2010	2009
	£ 000	£ 000
Difference between accumulated depreciation and amortisation and capital allowances	<u>2,178</u>	<u>2,871</u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

14 Creditors: Amounts falling due within one year

	2010	2009
	£ 000	£ 000
Bank loans and overdrafts	1,602	-
Trade creditors	6,484	1,308
Amounts owed to group undertakings	11,152	12,954
Obligations under finance lease and hire purchase contracts	60	-
Corporation tax	1,002	1,317
Other taxes and social security	3,990	2,745
Other creditors	828	2,622
Accruals and deferred income	20,904	15,305
	<u>46,022</u>	<u>36,251</u>

The bank overdrafts is repayable within one year or less on demand

15 Creditors: Amounts falling due after more than one year

	2010	2009
	£ 000	£ 000
Amounts owed to group undertakings	20,218	20,218
Deferred consideration	2,634	-
	<u>22,852</u>	<u>20,218</u>

16 Provisions

	Vacant property provision £ 000
At 1 January 2010	1,398
Charged to the profit and loss account	1,263
Utilised during the year	<u>(102)</u>
At 31 December 2010	<u>2,559</u>

£540,000 (2009 - £576,000) of the amount provided is due to be paid during 2011, the remainder will be paid by 2013

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

17 Called up share capital

	2010	2009
	£	£
Allotted, called up and fully paid		
Equity		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

18 Dividends on equity shares

	2010	2009
	£ 000	£ 000
Dividends paid		
Current year equity dividends paid of £891,500 per share (2009 - £2,337,000)	<u>1,783</u>	<u>4,674</u>

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

19 Acquisitions

During the year the following two acquisitions were made

i) On 8 October 2010 the entire issued ordinary share capital of Taylors of Martley (Holdings) Limited (T M Logistics Group) was acquired for a consideration of £6,349,000

ii) On 30th April 2010 the entire issued ordinary share capital of Taygroup (UK) Holdings Limited was acquired for a cash consideration of £4,442,000

On 1 May 2010 the business, assets and liabilities of Taygroup (UK) Holdings were hived up into the company

The book value of the assets transferred were

	£ 000
Fixed assets	
Tangible	1,231
Current assets	
Debtors	3,664
Cash	(1,848)
Total assets	<u>3,046</u>
Creditors	
Provisions for deferred taxation	(19)
Other creditors	(2,668)
Loans	<u>(1,757)</u>
Total liabilities	<u>(4,444)</u>
Net liabilities	<u><u>(1,398)</u></u>

20 Reconciliation of movement in shareholders' funds

	2010	2009
	£ 000	£ 000
Profit attributable to the members of the company	6,667	4,855
Dividends	(1,783)	(4,674)
Opening shareholders' funds	<u>11,572</u>	<u>11,391</u>
Closing shareholders' funds	<u><u>16,456</u></u>	<u><u>11,572</u></u>

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

21 Reserves

	Profit and loss account £ 000
At 1 January 2010	11,572
Profit for the year	6,667
Dividends	<u>(1,783)</u>
At 31 December 2010	<u>16,456</u>

22 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 by 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 its members who are deferred or pensioners within the scheme relate to businesses that are no longer part of the group. The Scheme was closed to new entrants from 1 April 2000. The contributions made by the Company over the financial year to this Scheme have been £376,681 (2009 - £388,649).

The Company also participates in various defined contribution schemes for its employees. The contributions made by the Company over the financial year to such schemes have been £254,098 (2009 - £132,080).

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 £10,020,000 (2009 - £12,806,000) is noted. Further information can be found in the financial statements of the ultimate holding company.

23 Commitments

(a) Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £2,879,000 (2009 - £618,000).

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

(b) Operating lease commitments

As at 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2010	2009
	£ 000	£ 000
Land and buildings		
Within one year	407	272
Within two and five years	3,281	3,012
Over five years	1,478	564
	<u>5,166</u>	<u>3,848</u>
Other		
Within one year	677	531
Within two and five years	2,566	3,540
Over five years	49	49
	<u>3,292</u>	<u>4,120</u>

(c) Obligations under finance leases and HP contracts

Amounts repayable:

	2010	2009
	£ 000	£ 000
In one year or less on demand	<u>60</u>	<u>-</u>

24 Post balance sheet events

On the 1 January 2011 the business, assets and liabilities of Taylors of Martley (Holdings) Limited were transferred into the company for consideration of £3,178,000

25 Related party transactions

During the year the company made sales to System Group Limited to the value of £149,631 (2009 £261,876) At the balance sheet date the amount owed by System Group Limited to Bibby Distribution Limited was £1,192,193 (2009 £16,876)

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... continued

26 Ultimate Controlling Party

The Company is a wholly-owned subsidiary undertaking of Bibby Distribution Services (Holdings) Limited, which is a wholly owned subsidiary of Bibby Line Group Limited, both of which are incorporated in the United Kingdom

Bibby Distribution Services (Holdings) Limited is the parent undertaking of the smallest Group which consolidates these accounts, and of which the Company is a member

Bibby Line Group Limited is the ultimate parent undertaking of the largest Group which incorporates these accounts, and of which the Company is a member

Both sets of consolidated accounts may be obtained from 105 Duke Street, Liverpool, L1 5JQ