

Registration number: 3805401

Bibby Distribution Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019



Bibby Distribution Limited

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Bibby Distribution Limited

Company Information

| | |
|--------------------------|---|
| Directors | Richard James Morson John Harold Cresswell Jacqueline Barker Peter James Clarkson Jonathan Gareth Lewis |
| Company secretary | Bibby Bros. & Co. (Management) Limited |
| Registered office | 3rd Floor Walker House Exchange Flags Liverpool L2 3YL United Kingdom |
| Auditors | Deloitte LLP Statutory Auditor Manchester United Kingdom |

Bibby Distribution Limited

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

Principal activity

The principal activity of the company 'BDL' is a provider of logistics and warehousing services covering the entire supply chain from delivering raw materials into manufacturing plants to working alongside customers to manage their finished product storage and distribution.

The business operates from over 60 locations with more than 1,400 staff and over 1,800 trucks and trailers. The business transports products within the food ingredients, consumer and industrial sectors.

Fair review of the business

2019 was a year of turnaround for the business, which saw the business reduce in size, but reduce operating losses significantly.

The company's turnover reduced by 10% from 2018 to 2019 following the exit from transactional milk collection operations, but the trading performance of the company improved from an operating loss of £5.5m to an operating loss of £0.5m excluding restructure costs.

The operating loss included the £0.2m impact of bad debts in the year.

The £1.0m of funding from Bibby Line Group received in December 2018 was fully repaid during the year.

The business turnaround has been achieved by the following:

- Significant overhead savings as a result of an aggressive rightsizing process
- The strengthening of the operational management team with a number of new appointments in H2 2018 with vast industry (and company) experience giving significant service improvements in 2019
- The move from a regional operating model to a service based offering with focus on core competencies
- Reducing the fixed cost base of the business operations driven by greater interaction between operating sites
- Exit from milk operations

The balance sheet on page 15 of the financial statements shows that the net assets of the company decreased by 10.7% at the year-end from £21.4m to £19.1m.

The key performance indicators (KPIs) for the company are aligned with those of its parent company Bibby Supply Chain Services Limited. For more details of these KPIs please refer to the strategic report in the annual report and accounts for Bibby Supply Chain Services Limited. The directors have not used any additional KPIs for the company.

Bibby Distribution Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

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 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 company has a receivables finance agreement which is in place until 31st December 2021 and will then convert to a three month rolling evergreen facility. The directors are confident that this facility will continue until the end of the contract and have obtained confirmation from the bank that this is the case.

The company meets its day to day working capital requirements by managing its debtors, creditors and bank facilities.

Trade debtors are managed in respect of credit and cash flow risk 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 company manages the liquidity risk by ensuring that there are sufficient funds to meet payments by managing its debtors and through a loan facility which is currently in place.

The company has assessed the effect of Brexit and concluded that as BDL is predominantly a UK only logistics business there is minimal activity outside of the UK. The main two potential impacts of Brexit on BDL are lower customer volumes mitigated by the flexing of own assets and ensuring a variable cost base, and reduced access to drivers mitigated by the outsourced agency solution (GRI), the owned driver academy which started April 2018 and access to a large agency network.

Bibby Distribution Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

Principal risks and uncertainties (continued)

This report was prepared at a time of unprecedented uncertainty due to the global COVID-19 pandemic, which was declared a pandemic by the World Health Organisation on 11 March 2020 and only after that date did major governments, such as the UK, start taking significant mitigating steps. As such the company considers this to be a non-adjusting post balance sheet event. The full impact of the COVID-19 pandemic on medium- and long-term economic activity is not yet known. Whilst this did not affect the financial performance for the year ended 31 December 2019 it is clearly important to explain to users of the financial statements how we have responded as a business.

The company plays an essential role in ensuring that staple products such as food and fuel reach people, especially those that are in particular need at this time.

Paramount to our operations are our people and their health and safety. First and foremost we have complied with government guidelines, ensuring that the wide variety of tasks that are undertaken on a daily basis have been modified as required to accord with the guidance. In addition, the business is providing support to all its employees to ensure they can continue to work, with those whose roles permit them to working from home. For colleagues in key operational roles, we have strict safety, hygiene and two metre social distancing measures. We have also taken steps to protect our colleagues who are considered most vulnerable.

The business has also been working closely with customers and suppliers to ensure that where possible service levels and payment practices continue on a 'business as usual' basis. Our teams remain operational and we are grateful to the efforts our whole workforce are making as well as our supply chain partners who support us.

Bibby Distribution Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

Section 172 statement

This section covers how the directors of the company have acted in the way they have considered, in good faith, most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regarded (amongst other matters):

(a) The likely consequences of any decision in the long term

The board has a formal business case sign off process / policy. Any investment decision must be signed off by the BDL executive team or board of directors and the long term future of the business is taken into account within this process. If any of the board of directors rejects the proposal, the business case will not be accepted or progressed.

There is also a monthly performance review process between the board of directors, with any significant decisions discussed, and these are formalised at the quarterly formal board meetings with all directors present and minutes taken.

(b) The interests of the company's employees

The company's 1,400+ employees are at the forefront of any decisions taken by the board of directors. Given the challenging financial performance in 2018, a number of difficult decisions had to have been made with regard to organisational rightsizing. However, the number of employees affected was minimised and these decisions were made to safeguard the employment of the remaining employees. The decisions have been vindicated by the significantly improved financial performance of the business in 2019.

In addition, the board of directors has actively tried to improve engagement with the company employees with a project called 'working together'. The 'working together' project involved a number of senior management visiting each site and listening to any issues regardless of size and scale and fixing as many of the issues as possible. This remains an ongoing project but has been a good start on the journey.

Social media platforms have also been used to further understand any key issues experienced by the company employees and these provide an open forum for constructive feedback.

(c) The need to foster the company's business relationships with suppliers, customers and others

BDL relies heavily on the long terms relationships with suppliers and customers.

The board of BDL has invested in a central procurement team to ensure all major supplier relationships are managed centrally. There are central procurement arrangements with the major cost lines within BDL and these are closely managed to ensure these relationships remain for the mutual benefit of both organisations.

The BDL board of directors has a 'customer service first' policy in operation, focussed on ensuring solid foundations for any customer relationship. Customers are now account managed with operations at the forefront, with the board of directors focussed on given operations the best conditions to succeed. BDL has a number of extremely long term customers and hopes this continues going forward.

Bibby Distribution Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

Section 172 statement (continued)

(d) The impact of the company's operations on the community and the environment

The board of directors of BDL have invested heavily in a dedicated SHEQ (safety, health, environmental and quality) team. The team has a significant industry experience and plays a significant part in the decisions of the business.

In terms of environment, BDL has invested in new fleet and is 95+% compliant with the imminent clean air zone introductions in the UK, minimising environmental impact.

The board of directors also actively promote the 'giving something back' charitable programme, where charitable fundraising organised by employees is matched up to £500 per event.

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The board of directors of the business employs suitably qualified and trained employees within each department as well as investing in the necessary IT systems. Despite the challenging financial performance in 2018, the board has continued to invest in new fleet, properties and systems to ensure high standards of business conduct are achieved. The Bibby Line Group Internal Audit team also provides further assistance in ensuring the company maintains high standards of business conduct.

(f) The need to act fairly between members of the company

The board of directors understands the need to act fairly between members of the company. The board continues to invest in a whistleblowing hotline for any activity deemed unfair, unprofessional or illegal behaviour, with any incidents fully investigated.

There is also a formal grievance policy in operation, with any allegations again formally investigated.

Approved by the Board on 2 July 2020 and signed on its behalf by:



.....
Jeanette Hampson
Bibby Bros. & Co. (Management) Limited
Company secretary

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

Bibby Distribution Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

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

Richard James Morson

John Harold Cresswell

Jonathan Osborne (resigned 31 March 2019)

Nigel Leonard Douglas Tullett (resigned 20 June 2019)

Jacqueline Barker

Mark Joseph Lyons (resigned 1 September 2019)

Peter James Clarkson (appointed 3 January 2019)

David John Haworth (appointed 3 January 2019 and resigned 1 July 2020)

Jonathan Gareth Lewis (appointed 1 September 2019)

Financial instruments

Objectives and policies

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.

Price risk, credit risk, liquidity risk and cash flow risk

The company has implemented policies that require appropriate credit checks on potential customers before new accounts are accepted. Where debt finance is utilised, this is subject to pre-approval by the board of directors.

The company actively maintains a mixture of long-term and short-term debt and lease finance that is designed to ensure that it has sufficient available funds for operations and planned expansions.

Employment of disabled persons

The company is an equal opportunity employer which recognises and values the strength and contribution of a diverse workforce. The policy of the company is to give full and fair consideration to applications for employment made by all people including 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.

Bibby Distribution Limited

Directors' Report for the Year Ended 31 December 2019 (continued)

Employee involvement

The company is committed to attracting, motivating and retaining high quality personnel. It is the company's policy to train and develop each individual to maximise their contribution to the group's performance, whilst providing satisfying and fulfilling career opportunities. It is the company's policy to promote the understanding and involvement of all employees in its business aims and performance. To do this, the company continually develops effective employee communication, consultation and involvement, including the regular publication of company magazines, company updates by e-mail and the use of a company intranet.

Future developments

The business is now on a stable financial and operational footing ready to move from the turnaround phase to growth.

The progress made in 2019 is expected to be both consolidated and continued, focussing on being a lean and agile business ready to react to customer needs whilst offering excellent customer service.

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 Fair review of the business.

The £1.0m of funding from Bibby Line Group received in December 2018 was fully repaid during the year and it is not anticipated that BDL will require any further financial assistance from Bibby Line Group going forward.

At 31 December 2019, the company had net current assets of £28.1m (2018 - £28.3m), borrowings of £20.6m (2018 - £19.5m) and net assets of £19.1m (2018 - £21.4m).

The company's main funding facility provided by its principal banker being a receivables finance arrangement secured on its trade debtors. The borrowings under the receivables finance arrangement facility had a value of £16.1m at year end (2018 - £16.1m). This facility is in place until 31st December 2021 and will then convert to a three month rolling evergreen facility. The directors are confident that this facility will continue until the end of the contract and have obtained confirmation from the bank that this is the case.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities and meet its covenant tests. After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. While there remains significant uncertainty as to the future impact of the COVID-19 pandemic, the company and its ultimate parent entity Bibby Line Group continues to conduct ongoing risk assessments of the potential impact of the pandemic on its business operations and liquidity. To date, given the company is c85% food supply chain related or operates cost plus contracts in the impacted industrial sector, there has not been a material financial impact of the pandemic. However, reduced warehouse occupancy has been offset by higher full load transport volumes. Having undertaken these assessments, the directors consider that the company will be able to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Directors' liabilities

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

Bibby Distribution Limited

Directors' Report for the Year Ended 31 December 2019 (continued)

Disclosure of information to the auditors

Each director has taken 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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 2 July 2020 and signed on its behalf by:



.....
Jeanette Hampson
Bibby Bros. & Co. (Management) Limited
Company secretary

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

Bibby Distribution Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Bibby Distribution Limited

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bibby Distribution Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Bibby Distribution Limited

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Bibby Distribution Limited

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.



.....
Douglas King (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Statutory Auditor

Manchester
United Kingdom

2 July 2020

Bibby Distribution Limited

Profit and Loss Account for the Year Ended 31 December 2019

| | Note | 2019 £ 000 | 2018 £ 000 |
|--|-------------|-----------------------|-----------------------|
| Turnover | 3 | 166,921 | 185,491 |
| Cost of sales | | <u>(141,415)</u> | <u>(162,773)</u> |
| Gross profit | | 25,506 | 22,718 |
| Restructuring costs | | (1,008) | (1,135) |
| Administrative expenses | | <u>(25,970)</u> | <u>(28,171)</u> |
| Operating loss | 4 | <u>(1,472)</u> | <u>(6,588)</u> |
| Other interest receivable and similar income | 5 | - | 38 |
| Interest payable and similar expenses | 6 | <u>(607)</u> | <u>(510)</u> |
| | | <u>(607)</u> | <u>(472)</u> |
| Loss before tax | | (2,079) | (7,060) |
| Taxation | 10 | <u>(203)</u> | <u>1,153</u> |
| Loss for the financial year | | <u><u>(2,282)</u></u> | <u><u>(5,907)</u></u> |

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Bibby Distribution Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

| | 2019 £ 000 | 2018 £ 000 |
|--|-----------------------------|-----------------------------|
| Loss for the year | <u>(2,282)</u> | <u>(5,907)</u> |
| Total comprehensive expense for the year | <u><u>(2,282)</u></u> | <u><u>(5,907)</u></u> |

Bibby Distribution Limited
(Registration number: 3805401)
Balance Sheet as at 31 December 2019

| | Note | 2019 £ 000 | 2018 £ 000 |
|--|------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | 11 | 1,228 | 2,569 |
| Tangible assets | 12 | 9,859 | 10,067 |
| | | <u>11,087</u> | <u>12,636</u> |
| Current assets | | | |
| Stocks | 13 | 523 | 1,108 |
| Debtors | 14 | 56,382 | 61,124 |
| Cash at bank and in hand | | 26 | 6 |
| | | <u>56,931</u> | <u>62,238</u> |
| Creditors: Amounts falling due within one year | 15 | <u>(28,828)</u> | <u>(33,947)</u> |
| Net current assets | | <u>28,103</u> | <u>28,291</u> |
| Total assets less current liabilities | | 39,190 | 40,927 |
| Creditors: Amounts falling due after more than one year | 15 | (19,126) | (18,006) |
| Provisions for liabilities | 16 | <u>(977)</u> | <u>(1,552)</u> |
| Net assets | | <u>19,087</u> | <u>21,369</u> |
| Capital and reserves | | | |
| Profit and loss account | | <u>19,087</u> | <u>21,369</u> |
| Total equity | | <u>19,087</u> | <u>21,369</u> |

Approved and authorised by the Board on 2 July 2020 and signed on its behalf by:



Peter James Clarkson
Director

Bibby Distribution Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

| | Profit and loss account £ 000 |
|-----------------------------|--|
| At 1 January 2019 | 21,369 |
| Loss for the year | <u>(2,282)</u> |
| Total comprehensive expense | <u>(2,282)</u> |
| At 31 December 2019 | <u><u>19,087</u></u> |

| | Profit and loss account £ 000 |
|-----------------------------|--|
| At 1 January 2018 | 34,909 |
| Loss for the year | <u>(5,907)</u> |
| Total comprehensive expense | <u>(5,907)</u> |
| Dividends | <u>(7,633)</u> |
| At 31 December 2018 | <u><u>21,369</u></u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

3rd Floor
Walker House
Exchange Flags
Liverpool
L2 3YL
United Kingdom

These financial statements were authorised for issue by the Board on 2 July 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in pound sterling which is the functional currency of the company and rounded to the nearest thousand.

Departure from requirements of FRS 102

The company has taken advantage of the available exemptions to not disclose:

- A statement of cash flows
- Related party transactions
- Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated
- Key management personnel compensation
- Fixed asset comparatives

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Name of parent of group

These financial statements are consolidated in the financial statements of Bibby Line Group Limited.

The financial statements of Bibby Line Group Limited may be obtained from 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL (www.bibbylinegroup.co.uk).

Going concern

The company's business activities, together with the factors likely to affect the company's development, performance and position are set out in the Fair review of business. The company has financial resources together with long term contracts with a number of customers and suppliers across different industries. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company meets its day to day working capital requirements by managing its debtors and creditors. The directors have considered the company's forecasts, taking into account reasonably possible changes in its trading performance and any uncertainties. These show that the company should be able to operate within its current facilities.

After making enquiries and considering forecasts no less than 12 months from the date of signing the financial statements the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these accounts.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Judgements

In the application of the company's accounting policies, which are described in this note, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the directors there are no critical accounting judgements.

Key sources of estimation uncertainty

Determining whether intangible assets are impaired requires an estimation of their value in use to the company. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the intangible asset and a suitable discount rate in order to calculate present value. The carrying amount is £1,227,059 (2018 - £2,569,000).

Determining whether the carrying value of provisions is sufficient to cover the future obligations of the company is a further area of estimation. The company has in place vacant property provisions and dilapidation provisions for leased buildings where there is a future obligation to bring the property back to its original state, less fair wear and tear, or where the company has a current lease obligation but the property is not being utilised.

The value in use calculation requires the entity to estimate the future cash flows needed to settle these obligations and build up sufficient provisions to cover the liabilities as they fall due. The carrying amount is £977,440 (2018 - £1,551,906).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Turnover 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 2019 (continued)

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|------------------------------------|---|
| Short leasehold land and buildings | Straight line over the life of the lease |
| Vehicles and equipment | Straight line with varying rates from 7% to 33% |

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

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

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Restructuring costs

Restructuring costs are disclosed in these financial statements where the directors consider them to be outside of the normal course of the business and of a nature that would be misleading to the user if not disclosed separately.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that comply with all of the condition of paragraph 11.9 of FRS 102 are classified as 'basic'. For debt instruments that do not meet the conditions of FRS 102.11.9, the company considers whether the debt instrument is consistent with the principle in paragraph 11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are measured subsequently at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

3 Turnover

The analysis of the company's turnover for the year by market is as follows:

| | 2019 £ 000 | 2018 £ 000 |
|--------|----------------|----------------|
| UK | 163,371 | 181,908 |
| Europe | 3,550 | 3,583 |
| | <u>166,921</u> | <u>185,491</u> |

4 Operating loss

Arrived at after charging/(crediting)

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Depreciation expense | 1,987 | 2,839 |
| Amortisation expense | 1,341 | 1,341 |
| Operating lease expense - property | 6,836 | 7,241 |
| Operating lease expense - plant and machinery | 6,804 | 5,337 |
| Profit on disposal of property, plant and equipment | <u>(251)</u> | <u>(36)</u> |

5 Other interest receivable and similar income

| | 2019 £ 000 | 2018 £ 000 |
|----------------------|---------------|---------------|
| Other finance income | <u>-</u> | <u>38</u> |

6 Interest payable and similar expenses

| | 2019 £ 000 | 2018 £ 000 |
|--|---------------|---------------|
| Interest on bank overdrafts and borrowings | - | 4 |
| Interest on obligations under finance leases and hire purchase contracts | 166 | 159 |
| Interest on receivable financing | 333 | 347 |
| Interest payable on loans from group undertakings | <u>108</u> | <u>-</u> |
| | <u>607</u> | <u>510</u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

| | 2019 £ 000 | 2018 £ 000 |
|--|---------------|---------------|
| Wages and salaries | 49,813 | 55,041 |
| Social security costs | 4,857 | 5,391 |
| Pension costs, defined contribution scheme | 1,199 | 1,048 |
| | <u>55,869</u> | <u>61,480</u> |

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

| | 2019 No. | 2018 No. |
|-------------------------------|--------------|--------------|
| Managerial and administrative | 489 | 533 |
| Drivers and distribution | 709 | 849 |
| Warehouse | 353 | 390 |
| | <u>1,551</u> | <u>1,772</u> |

8 Directors' remuneration

The directors' remuneration for the year was as follows:

| | 2019 £ 000 | 2018 £ 000 |
|--|---------------|---------------|
| Remuneration | 588 | 660 |
| Contributions paid to money purchase schemes | 42 | 36 |
| | <u>630</u> | <u>696</u> |

In respect of the highest paid director:

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Remuneration | 218 | 255 |
| Company contributions to money purchase pension schemes | 14 | 15 |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

9 Auditor's remuneration

| | 2019 £ 000 | 2018 £ 000 |
|-----------------------------------|-----------------------------|-----------------------------|
| Audit of the financial statements | <u>102</u> | <u>90</u> |

There have been no non-audit services provided by the auditor during the year or prior year.

10 Taxation

Tax charged/(credited) to the profit and loss account

| | 2019 £ 000 | 2018 £ 000 |
|--|-----------------------------|-----------------------------|
| Current taxation | | |
| UK corporation tax adjustment to prior periods | (18) | 338 |
| Deferred taxation | | |
| Arising from origination and reversal of timing differences | (293) | (435) |
| Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods | <u>514</u> | <u>(1,056)</u> |
| Total deferred taxation | <u>221</u> | <u>(1,491)</u> |
| Tax expense/(receipt) in the profit and loss account | <u>203</u> | <u>(1,153)</u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

10 Taxation (continued)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

| | 2019 £ 000 | 2018 £ 000 |
|--|----------------|----------------|
| Loss before tax | <u>(2,079)</u> | <u>(7,060)</u> |
| Corporation tax at standard rate | (395) | (1,341) |
| Effect of expense not deductible in determining taxable profit (tax loss) | 333 | 632 |
| Deferred tax expense relating to changes in tax rates or laws | 34 | 51 |
| Increase/(decrease) in UK and foreign current tax from unrecognised temporary difference from a prior period | 496 | (718) |
| Tax (decrease)/increase arising from group relief | <u>(265)</u> | <u>223</u> |
| Total tax charge/(credit) | <u>203</u> | <u>(1,153)</u> |

Finance Act 2016, which was substantively enacted on 6 September 2016, included provisions to reduce the rate of corporation tax to 17% from 1 April 2020. Accordingly, deferred tax balances have been revalued to the lower rate of 17% in these accounts. To the extent that the deferred tax reverses before 1 April 2020 then the impact on the net deferred tax asset will be reduced.

Deferred tax

Deferred tax asset

| 2019 | Asset £ 000 |
|--------------------------------|----------------|
| Accelerated capital allowances | 1,887 |
| Other timing differences | <u>28</u> |
| | <u>1,915</u> |
| | |
| 2018 | Asset £ 000 |
| Accelerated capital allowances | 2,118 |
| Other timing differences | <u>18</u> |
| | <u>2,136</u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

11 Intangible assets

| | Goodwill £ 000 |
|--------------------------|-------------------|
| Cost or valuation | |
| At 1 January 2019 | 14,505 |
| At 31 December 2019 | 14,505 |
| Amortisation | |
| At 1 January 2019 | 11,936 |
| Amortisation charge | 1,341 |
| At 31 December 2019 | 13,277 |
| Carrying amount | |
| At 31 December 2019 | 1,228 |
| At 31 December 2018 | 2,569 |

12 Tangible assets

| | Land and buildings £ 000 | Vehicles and equipment £ 000 | Total £ 000 |
|--------------------------|--------------------------------|------------------------------------|----------------|
| Cost or valuation | | | |
| At 1 January 2019 | 3,235 | 11,197 | 14,432 |
| Additions | 31 | 2,943 | 2,974 |
| Disposals | (252) | (6,490) | (6,742) |
| Transfers | - | 7,370 | 7,370 |
| At 31 December 2019 | 3,014 | 15,020 | 18,034 |
| Depreciation | | | |
| At 1 January 2019 | 1,490 | 2,875 | 4,365 |
| Charge for the year | 283 | 1,704 | 1,987 |
| Eliminated on disposal | (150) | (5,397) | (5,547) |
| Transfers | - | 7,370 | 7,370 |
| At 31 December 2019 | 1,623 | 6,552 | 8,175 |
| Carrying amount | | | |
| At 31 December 2019 | 1,391 | 8,468 | 9,859 |
| At 31 December 2018 | 1,745 | 8,322 | 10,067 |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Tangible assets (continued)

Included within the net book value of land and buildings above is £Nil (2018 - £55,200) in respect of freehold land and buildings and £1,391,088 (2018 - £1,689,418) in respect of short leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

| | 2019 £ 000 | 2018 £ 000 |
|---------------------|---------------|---------------|
| Vehicles | 4,319 | 3,112 |
| Plant and machinery | 932 | 1,091 |
| | <u>5,251</u> | <u>4,203</u> |

13 Stocks

| | 2019 £ 000 | 2018 £ 000 |
|-------------------------------|---------------|---------------|
| Raw materials and consumables | <u>523</u> | <u>1,108</u> |

14 Debtors

| | Note | 2019 £ 000 | 2018 £ 000 |
|---------------------------------|------|---------------|---------------|
| Trade receivables | | 28,568 | 32,895 |
| Amounts owed by related parties | | 22,237 | 22,763 |
| Other debtors | | 383 | 22 |
| Prepayments | | 3,279 | 3,308 |
| Deferred tax assets | 10 | <u>1,915</u> | <u>2,136</u> |
| | | <u>56,382</u> | <u>61,124</u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

15 Creditors

| | Note | 2019 £ 000 | 2018 £ 000 |
|---------------------------------|------|---------------|---------------|
| Due within one year | | | |
| Loans and borrowings | 19 | 1,449 | 1,472 |
| Trade payables | | 12,099 | 13,602 |
| Amounts due to related parties | | - | 1,000 |
| Social security and other taxes | | 2,566 | 3,549 |
| Other payables | | 1,326 | 1,249 |
| Accruals | | 11,388 | 13,075 |
| | | <u>28,828</u> | <u>33,947</u> |
| Due after one year | | | |
| Loans and borrowings | 19 | <u>19,126</u> | <u>18,006</u> |

16 Provisions

| | Vacant property and dilapidations provision £ 000 |
|---------------------------|---|
| At 1 January 2019 | 1,552 |
| Additional provisions | 487 |
| Provisions used | (761) |
| Unused provision reversed | <u>(301)</u> |
| At 31 December 2019 | <u>977</u> |

£147,517 of the amount provided is due to be paid during the next 12 months (2018 - £532,893), the remainder will be expected to be paid by 2023.

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

17 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,199,221 (2018 - £1,047,542).

Defined benefit pension schemes

Bibby Line Group Pension Scheme

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 and was closed to future accrual on 30 September 2011.

18 Share capital

Allotted, called up and fully paid shares

| | 2019 | | 2018 | |
|----------------------------|----------|----------|----------|----------|
| | No. | £ | No. | £ |
| Ordinary Shares of £1 each | <u>2</u> | <u>2</u> | <u>2</u> | <u>2</u> |

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

19 Loans and borrowings

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Non-current loans and borrowings | | |
| Bank borrowings | 16,230 | 16,130 |
| Finance lease liabilities | <u>2,896</u> | <u>1,876</u> |
| | <u>19,126</u> | <u>18,006</u> |

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

19 Loans and borrowings (continued)

| | 2019 £ 000 | 2018 £ 000 |
|-------------------------------------|---------------|---------------|
| Current loans and borrowings | | |
| Bank borrowings | 162 | - |
| Finance lease liabilities | 1,287 | 1,472 |
| | <u>1,449</u> | <u>1,472</u> |

20 Obligations under leases and hire purchase contracts

Finance leases

The company has leased vehicles and racking on leases which are considered to meet the definition of finance leases and are accounted for accordingly.

The total of future minimum lease payments is as follows:

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Not later than one year | 1,287 | 1,472 |
| Later than one year and not later than five years | 2,580 | 1,746 |
| Later than five years | 316 | 130 |
| | <u>4,183</u> | <u>3,348</u> |

Operating leases

The total of future minimum lease payments is as follows:

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Not later than one year | 12,855 | 11,821 |
| Later than one year and not later than five years | 31,462 | 29,031 |
| Later than five years | 19,223 | 20,070 |
| | <u>63,540</u> | <u>60,922</u> |

The amount of non-cancellable operating lease payments recognised as an expense during the year was £13,640,387 (2018 - £12,578,580).

Bibby Distribution Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

21 Dividends

| | 2019 | 2018 |
|--|--------------|--------------|
| | £ 000 | £ 000 |
| Final dividend of £Nil (2018 - £817k) per ordinary share | - | 1,633 |
| Interim dividend of £Nil (2018 - £3,000k) per ordinary share | - | 6,000 |
| | <u>-</u> | <u>7,633</u> |

22 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £427,529 (2018 - £226,460).

23 Parent and ultimate parent undertaking

The company's immediate parent is Bibby Supply Chain Services Limited, incorporated in United Kingdom.

The ultimate parent is Bibby Line Group Limited, incorporated in United Kingdom.

The most senior parent entity producing publicly available financial statements is Bibby Line Group Limited. These financial statements are available upon request from Bibby Line Group Limited, 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL (www.bibbylinegroup.co.uk).

The ultimate controlling party is Bibby Line Group Limited.

The parent of the largest group in which these financial statements are consolidated is Bibby Line Group Limited.

The parent of the smallest group in which these financial statements are consolidated is Bibby Supply Chain Services Limited.

24 Non adjusting events after the financial period

The outbreak of the covid-19 coronavirus was confirmed to be a global pandemic by the World Health Organisation on 11 March 2020 and only after that date did major governments, such as the UK, start taking significant mitigating steps. As such the company considers this to be a non-adjusting post balance sheet event.

The full impact of the covid-19 pandemic on medium- and long-term economic activity is not yet known and the company cannot reasonably quantify the impact these events might have on the company's future financial position, asset carrying values, results or cash flows. However, the directors continue to monitor the impact of the covid-19 pandemic on the company. Further details are set out in the Strategic Report.