

Registration number: 05216189

# B.I.B. (Darlington) Acquisitions Limited

Annual Report and Financial Statements

for the Period from 31 December 2016 to 31 December 2017

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# **B.I.B. (Darlington) Acquisitions Limited**

## **Company Information**

<b>Directors</b>	D C Ross A Erotocritou
<b>Company secretary</b>	J A Gregory
<b>Registered office</b>	Towergate House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN
<b>Auditor</b>	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

## **B.I.B. (Darlington) Acquisitions Limited**

### **Strategic Report for the Period from 31 December 2016 to 31 December 2017**

The directors present their strategic report for the period from 31 December 2016 to 31 December 2017 for B.I.B. (Darlington) Acquisitions Limited ("the Company"). The strategic report provides a review of the business for the financial period and describes how the directors manage risks. The report outlines the developments and performance of the Company during the financial period, the position at the end of the period and discusses the main trends and factors that could affect the future. The Company is part of The Ardonagh Group Limited Group ("the Group" or "Ardonagh").

#### **Principal activities and business review**

The principal activity of the Company is that of a non-trading holding company.

The results for the Company show turnover of £Nil (2016: £Nil) and profit before tax of £Nil (2016: £Nil) for the period. At 31 December 2017 the Company had net assets of £200 (2016: £200). The accounting policies note on page 12 sets out the reasons why the directors believe that the preparation of the financial statements on a non-going concern basis is appropriate.

#### **Outlook**

The business operations of the Company's subsidiary B.I.B. (Darlington) Limited are in run-off in an orderly manner. It is the directors' intention to wind-up the Company once the run-off process has been completed.

#### **Key performance indicators**

The directors of Ardonagh manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that a separate analysis for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of the Group which includes this Company is discussed in the Group's annual report.

The key performance indicator for this company is the carrying value of its subsidiary, as this is the main asset of the Company. The performance of the subsidiary undertaking will determine whether an impairment to the carrying value is required and this is tested on a regular basis. During December 2017 the Company's subsidiary B.I.B. (Darlington) Limited ceased to take on new business. As a consequence, the Company had performed an impairment review and does not consider its investment to be impaired.

There was no impairment charge for the current period.

## **B.I.B. (Darlington) Acquisitions Limited**

### **Strategic Report for the Period from 31 December 2016 to 31 December 2017**

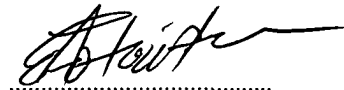
#### **Risk management**

The Company's performance and value, as a holding company of the Group, is integrated with its investment in the Company's subsidiary. As such from the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are managed separately. Accordingly, the principal risks and uncertainties are discussed in the Group's annual report.

A principal risk of this holding Company is the trading performance of its subsidiary. Trading performance in the subsidiary could create the need for impairment leading to a reduction in net assets and distributable reserves of the Company. The subsidiary sets performance targets for the year ahead and performance is reviewed regularly against these targets. Reasons for under performance are monitored and mitigating actions are taken. The investment is reviewed for impairment to ensure the appropriate carrying value in the holding company's accounts.

As noted in the Outlook section the Company's subsidiary operations are in run-off as of December 2017, and the Company is managed on a non-going concern basis from that date. The Company and its regulated subsidiary are dependent upon the financial support of the Group.

Approved by the Board on 30 July 2018 and signed on its behalf by:



.....  
A Erotocritou  
Director

## **B.I.B. (Darlington) Acquisitions Limited**

### **Directors' Report for the Period from 31 December 2016 to 31 December 2017**

The directors present their report and the financial statements for the period 31 December 2016 to 31 December 2017.

#### **Directors' of the company**

The directors, who held office during the period, were as follows:

D C Ross

M S Mugge (resigned 2 March 2018)

The following director was appointed after the period end:

A Erotocritou (appointed 2 March 2018)

#### **Dividends**

The directors do not recommend a final dividend payment to be made in respect of the financial period ended 31 December 2017 (2016: £Nil).

#### **Financial risk management objectives and policies**

Details of financial risk management objectives and policies can be found in the strategic report within the 'Risk management' section on page 3.

#### **Future developments**

Details of future developments can be found in the strategic report within the 'Outlook' section on page 2.

#### **Political donations**

The Company has not made any political donations during the period (2016: £Nil).

#### **Going concern**

During December 2017 the Company's subsidiary ceased to take on new business and was in run-off from that date. As a result, the financial statements of the Company have been prepared on a non-going concern basis.

#### **Directors' liabilities**

All directors benefit from qualifying third party indemnity provisions, subject to the conditions set out in the Companies Act 2006, in place during the financial period at the date of this report.

#### **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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

## **B.I.B. (Darlington) Acquisitions Limited**

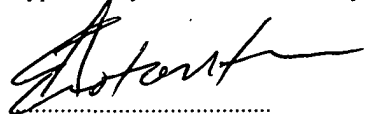
### **Directors' Report for the Period from 31 December 2016 to 31 December 2017**

#### **Reappointment of auditor**

At the Board meeting last year KPMG LLP were reappointed as the Company's statutory auditors. During the year, a formal tender process took place for the Company, led by The Ardonagh Group Limited Audit Committee.

As a result of this tender process the Audit Committee recommended, and The Ardonagh Group Board approved on behalf of the Company, the proposed appointment of Deloitte LLP as an external auditor for the financial year ending 31 December 2018.

Approved by the Board on 30 July 2018 and signed on its behalf by:



A Erotocritou  
Director

Towergate House  
Eclipse Park  
Sittingbourne Road  
Maidstone  
Kent  
ME14 3EN

## **B.I.B. (Darlington) Acquisitions Limited**

### **Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements**

The directors are responsible for preparing the Strategic Report, 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 then 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent Auditor's Report to the Members of B.I.B. (Darlington) Acquisitions Limited**

### **Opinion**

We have audited the financial statements of B.I.B. (Darlington) Acquisitions Limited ("the Company") for the period from 31 December 2016 to 31 December 2017, which comprise the Statement of Financial Position, Statement of Comprehensive Income and Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its result for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Emphasis of matter**

We draw attention to the disclosure made in note 2 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

## **Independent Auditor's Report to the Members of B.I.B. (Darlington) Acquisitions Limited**

### **Directors' responsibilities**

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

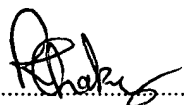
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



.....  
**Rajan Thakrar (Senior Statutory Auditor)**  
**For and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

30 July 2018

**B.I.B. (Darlington) Acquisitions Limited**

**Statement of Comprehensive Income for the Period from 31 December 2016 to 31 December 2017**

	<b>Period ended 31 December 2017</b>	<b>Year ended 30 December 2016</b>
<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	-	-
<b>Operating profit/(loss)</b>	3 -	-
<b>Profit/(loss) before tax</b>	-	-
<b>Total comprehensive income/(loss) for the period</b>	-	-

During the financial period and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently during those periods the Company made neither a profit nor a loss.

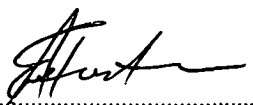
# B.I.B. (Darlington) Acquisitions Limited

(Registration number: 05216189)

## Statement of Financial Position as at 31 December 2017

	31 December 2017	30 December 2016
Note	£	£
<b>Assets</b>		
<b>Non-current assets</b>		
Investments in subsidiary undertakings	6      -	3,831,457
<b>Current assets</b>		
Investments in subsidiary undertakings	3,831,457	-
<b>Total assets</b>	<u>3,831,457</u>	<u>3,831,457</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Called up share capital	7      200	200
<b>Current liabilities</b>		
Trade and other payables	8      3,831,257	3,831,257
<b>Total equity and liabilities</b>	<u>3,831,457</u>	<u>3,831,457</u>

Approved by the Board on 30 July 2018 and signed on its behalf by:



A Erotocritou  
Director

The notes on pages 12 to 16 form an integral part of these financial statements.

**B.I.B. (Darlington) Acquisitions Limited**

**Statement of Changes in Equity for the Period from 31 December 2016 to 31  
Decemeber 2017**

	<b>Share capital £</b>	<b>Total £</b>
At 31 December 2016	<u>200</u>	<u>200</u>
At 31 December 2017	<u><u>200</u></u>	<u><u>200</u></u>

	<b>Share capital £</b>	<b>Total £</b>
At 31 December 2015	<u>200</u>	<u>200</u>
At 30 December 2016	<u><u>200</u></u>	<u><u>200</u></u>

The notes on pages 12 to 16 form an integral part of these financial statements.

## **B.I.B. (Darlington) Acquisitions Limited**

### **Notes to the Financial Statements for the Period from 31 December 2016 to 31 December 2017**

#### **1 Authorisation of financial statements**

The Company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

These financial statements for the period ended 31 December 2017 were authorised for issue by the Board on 30 July 2018 and the statement of financial position was signed on the board's behalf by A Erotocritou.

#### **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 periods presented, unless otherwise stated.

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

These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

As a wholly owned subsidiary of The Ardonagh Group Limited, the Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts, and its results are included in the consolidated accounts of its ultimate parent.

These financial statements have been prepared on a historical cost basis. The financial statements are presented in GBP sterling (£), which is also the Company's functional currency.

##### **Summary of disclosure exemptions**

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has taken advantage of the following disclosure exemptions under FRS 101 where relevant:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures and of paragraphs 91-99 of IFRS 13 Fair Value Measurement apart from those which are relevant for the financial statements which are held at fair value not held as part of a trading portfolio;
- (b) the requirements in paragraph 10(d) and 111 of IAS 1 Presentation of Financial Statements to prepare a Cash flow statement and the requirements in IAS 7 Statement of Cash Flows regarding the same;
- (c) the requirements in paragraph 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements, which includes the need to provide details on capital management;
- (d) the requirements of paragraphs 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding disclosure of new IFRS standards not yet effective at the reporting date and their potential impact;

## **B.I.B. (Darlington) Acquisitions Limited**

### **Notes to the Financial Statements for the Period from 31 December 2016 to 31 December 2017**

#### **2 Accounting policies (continued)**

(e) the requirements in paragraphs 17 and 18A of IAS 24 Related Party Disclosures around the need to disclose information on key management personnel and details on related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member;

(f) the requirements of paragraphs 134(d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets in respect of disclosure of assumptions on which projections used in the impairment review are based and sensitivity analysis.

Equivalent disclosures are included in the Group's consolidated financial statements as required by FRS 101 where exemptions have been applied.

#### **Going Concern**

The financial statements of the Company have been prepared on a non-going concern basis. At 31 December 2017 the Company had net assets of £200 (2016: £200) and net current assets of £200 including investments in subsidiary undertakings of £3,831,457 and amount due to related parties of £3,831,257 (2016: £3,831,257).

During December 2017 the Company's subsidiary ceased to take on new business and was in run-off from that date. It is the directors' intention to wind up the subsidiary once its liabilities have been settled. As a consequence, the financial statements have been prepared on a non-going concern basis. As explained in the Risk Management paragraph in the Strategic Report on page 3, the Company relies on the Group for financial support.

The book value of the Company's assets and liabilities are deemed to be a reasonable approximation of fair value. The subsidiary's decision to cease taking on new business triggered an impairment review that found no impairment was necessary. As such no adjustments to balances are required with the Company being reported on a non-going concern basis.

#### **Financial assets**

Financial assets within the scope of IAS 39 are initially measured at fair value plus directly attributable transaction costs. The company's financial assets include cash, trade and other receivables and other non-current financial assets. The subsequent measurement of financial assets depends on their classification:

Other non-current assets represent investment in subsidiary undertakings. They are stated at cost less provision for impairment for any dimension in value.

#### **Financial liabilities**

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value plus directly attributable transaction costs. The Company's financial liabilities include trade and other payables. The subsequent measurement of financial liabilities depends on their classification.

#### **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.

#### **3 Operating profit**

The audit fees of £4,200 (2016: £3,884) for the audit of the Company was paid by other Group entities for which no recharge was made.

## **B.I.B. (Darlington) Acquisitions Limited**

### **Notes to the Financial Statements for the Period from 31 December 2016 to 31 December 2017**

#### **3 Operating profit (continued)**

Amounts receivable by the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, The Adonagh Group Limited.

#### **4 Staff costs**

The Company had no employees in the current period or the preceding year. All administration is performed by employees of the Group, for which no recharge is made to the Company.

#### **5 Directors' remuneration**

Directors emoluments of £10,000 for services provided to this Company have been paid by other Group entities, which make no recharge to the Company.

#### **6 Investments in subsidiary undertakings**

	£
<b>Cost or valuation</b>	
At 31 December 2016	<u>3,831,457</u>
At 31 December 2017	<u>3,831,457</u>
<b>Carrying amount</b>	
At 31 December 2017	<u>3,831,457</u>
At 30 December 2016	<u>3,831,457</u>

We have undertaken a review of the value of the investment and consider it not to be impaired.



## B.I.B. (Darlington) Acquisitions Limited

### Notes to the Financial Statements for the Period from 31 December 2016 to 31 December 2017

#### 6 Investments in subsidiary undertakings (continued)

Details of the subsidiary as at 31 December 2017 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2017	2016
B.I.B (Darlington) Limited	Run-off	England	100%	100%

The registered office address of the above subsidiary is Towergate House, Eclipse Park, Sittingbourne Road, Maidstone, Kent, ME14 3EN.

#### 7 Share capital

Allotted, called up and fully paid shares

	31 December 2017		30 December 2016	
	No.	£	No.	£
'A' Ordinary shares of £1 each	-	-	190	190
'B' Ordinary shares of £1 each	-	-	10	10
Ordinary Shares of £1 each	200	200	-	-
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

The Company re-designated their share capital as at 7 December 2017 from 'A Ordinary shares' and 'B Ordinary shares' to 'Ordinary Shares'.

#### 8 Trade and other payables

	31 December 2017 £	30 December 2016 £
<b>Current trade and other payables</b>		
Amounts due to related parties	<u>3,831,257</u>	<u>3,831,257</u>

## **B.I.B. (Darlington) Acquisitions Limited**

### **Notes to the Financial Statements for the Period from 31 December 2016 to 31 December 2017**

#### **9 Related party transactions**

During the period the Company entered into transactions, in the ordinary course of business, with a number of related parties. The Company has taken the exemption under FRS 101 not to disclose transactions with fellow wholly owned subsidiaries or key management personnel.

#### **10 Parent and ultimate parent undertaking**

The Group's majority shareholder is HPS Investment Partners LLC. At 31 December 2017, the ultimate parent company was The Ardonagh Group Limited (incorporated in Jersey, registered office address, 47 Esplanade, St Helier, Jersey, JE1 0BD). The Ardonagh Group Limited is the largest group in which the results are consolidated and its financial statements are available upon request from:

Towergate House  
Eclipse Park  
Sittingbourne Road  
Maidstone  
Kent  
ME14 3EN

#### **11 Subsequent event**

From December 2017 the direct subsidiary of the Company, B.I.B. (Darlington) Limited, ceased to take on new business and was in run-off from that date. This also means that with the effect from this date the Company was not considered a going concern. As the Company's operations are not a going concern for a period of at least 12 months from 31 December 2017, these accounts have been prepared on a non-going concern basis.