

SIGNED

Registration number 05837446

Bibby Finance 1 Limited

Directors' Report and Financial Statements

for the Year Ended 16 November 2011

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Bibby Finance 1 Limited
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Bibby Finance 1 Limited
Company Information

Company secretary	Bibby Bros & Co (Management) Limited
Registered office	105 Duke Street Liverpool L1 5JQ
Auditors	Deloitte LLP Chartered Accountants and Statutory Auditor Liverpool United Kingdom

Bibby Finance 1 Limited
Directors' Report for the Year Ended 16 November 2011

The directors present their report and the financial statements for the year ended 16 November 2011

Directors of the company

The directors who held office during the year were as follows

Ian Downing

Jonathan Haymer

Principal activity

The principal activity of the company is financing

Going concern

The financial statements have been prepared on a basis other than that of a going concern

As set out in the Statement of Directors' Responsibilities, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The company ceased trading during the year following a reorganisation of its share capital and distribution of its assets to its parent company.

As required by FRS 18 "Accounting Standards", the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All retained earnings were transferred to its parent company during the year by way of payment of a dividend.

Directors' liabilities

Enhanced indemnities are provided to the directors of the company by Chartis Insurance UK Limited against liabilities and associated costs which they could incur in the course of their duties to the company. All of the indemnities remain in force as at the date of this Report and Accounts. A copy of each of the indemnities is kept at the registered office address of the company.

Disclosure of information to the auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and

- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

Reappointment of auditor

The auditor, Deloitte LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

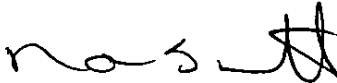
Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Bibby Finance 1 Limited
Directors' Report for the Year Ended 16 November 2011

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Approved by the Board on 3 July 2012 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'nas' followed by a stylized flourish.

Bibby Bros & Co (Management) Limited
Company secretary

Bibby Finance 1 Limited

Statement of Directors' Responsibilities

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, 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.

Independent Auditor's Report to the Members of Bibby Finance 1 Limited

We have audited the financial statements of Bibby Finance 1 Limited for the year ended 16 November 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 18. 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 Statement of Directors' Responsibilities (set out on page 4), 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 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 16 November 2011 and of its loss 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.

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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 Finance 1 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report



David Heaton (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Chartered Accountants and Statutory Auditor
Liverpool
United Kingdom

3 July 2012

Bibby Finance 1 Limited
Profit and Loss Account for the Year Ended 16 November 2011

	Note	2011 £	2010 £
Turnover		-	-
Cost of sales		-	(40)
Gross loss		-	(40)
Administrative expenses		(41,781)	-
Operating loss		(41,781)	(40)
Loss on disposal of fixed assets	4	(79,863)	-
Income from shares in group undertakings		-	7,997,861
Other interest receivable and similar income	6	3,286	451,158
Amounts written off investments	8	-	(25,000,000)
Interest payable and similar charges	7	(139,661)	(5,712,943)
Loss on ordinary activities before taxation		(258,019)	(22,263,964)
Tax on loss on ordinary activities	9	48,536	1,433,847
Loss for the financial year	14	(209,483)	(20,830,117)

Turnover and operating profit derive wholly from discontinued operations

Bibby Finance 1 Limited

Statement of Total Recognised Gains and Losses for the Year Ended 16 November 2011

	Note	2011 £	2010 £
Loss for the financial year		(209,483)	(20,830,117)
Foreign currency translation difference on foreign currency net investments		-	8,405,112
Currency translation difference on related borrowings		-	(8,405,112)
Total recognised gains and losses relating to the year		<u>(209,483)</u>	<u>(20,830,117)</u>

The notes on pages 10 to 16 form an integral part of these financial statements

Bibby Finance 1 Limited
(Registration number: 05837446)
Balance Sheet at 16 November 2011

	Note	2011 £	2010 £
Fixed assets			
Investments	10	-	88,082,268
Current assets			
Debtors		-	7,185,080
Cash at bank and in hand		-	185
		-	7,185,265
Creditors Amounts falling due within one year	11	-	(12,888,164)
Net current liabilities		-	(5,702,899)
Net assets		-	82,379,369
Capital and reserves			
Called up share capital	12	-	103,634,542
Profit and loss account	14	-	(21,255,173)
Shareholder's funds	15	-	82,379,369

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

Approved by the Board on 3 July 2012 and signed on its behalf by


Ian Downing
Director

Bibby Finance 1 Limited
Notes to the Financial Statements for the Year Ended 16 November 2011

1 Accounting policies

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

Basis of preparation

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

Exemption from preparing a cash flow statement

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group

Going concern

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As required by FRS 18 "Accounting Standards", the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All retained earnings were transferred to its parent company during the year by way of payment of a dividend

Fixed asset investments

Fixed asset investments represent investments denominated in foreign currencies and are therefore initially stated at the sterling equivalent less provision for any diminution in value. Investments comprise preference shares held in another Group company which have been retranslated at the year end and are accounted for as a monetary asset as the issuer accounts for the preference shares as a liability

Taxation

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

Impairment of fixed asset investments

Fixed asset investments are reviewed periodically by the directors to ensure that where such investments demonstrate that they have suffered an impairment in carrying value, that such impairments are taken to the profit and loss account as soon as the impairment is identified

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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Financing

The company finances its operation through overdrafts and loans from its immediate parent undertaking. Interest is charged at UK base rates plus a small premium.

2 Particulars of employees

The company had no employees during the current or preceding year.

3 Audit fees

The audit fees of £3,500 (2010 - £3,500) have been borne by the parent undertaking and not recharged during the current or preceding year.

No fees were paid to the company's auditor for non-audit services in either the current or preceding year.

4 Loss on disposal of fixed assets

On 5th July 2011 the company sold the entire share capital of its subsidiaries, Bibby Finance 2 Limited and Bibby Management Services Limited, to its immediate parent company, Bibby Financial Services Limited for a total consideration of £82,169,886. The combined historic cost of these fixed asset investments was originally £113,082,268. This resulted in a realised loss on disposal of £30,912,382.

5 Directors' remuneration

The directors received no remuneration for their services to the company in either the current or preceding year.

6 Other interest receivable and similar income

	2011	2010
	£	£
Other interest receivable	<u>3,286</u>	<u>451,158</u>

7 Interest payable and similar charges

	2011	2010
	£	£
Interest on loans from group undertakings	<u>139,661</u>	<u>5,712,943</u>
	<u>139,661</u>	<u>5,712,943</u>

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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8 Amounts written off investments

On 5 July 2011 the Directors approved a reorganisation of the company's share capital structure. This involved disposing of the company's assets to its holding company. The consideration received for the disposal of assets was £25,000,000 lower than the book value of the assets as at 16 November 2010. The Directors consider that this is an indicator of an impairment that existed as at 16 November 2010 (given the level of trading post this date within the Company's investments). Accordingly these financial statements reflect a provision for impairment of £25,000,000 against these assets.

9 Taxation

Tax on loss on ordinary activities

	2011	2010
	£	£
Current tax		
Corporation tax credit	<u>(48,536)</u>	<u>(1,433,847)</u>

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2010 - higher than) the standard rate of corporation tax in the UK of 26.7% (2010 - 27.25%).

The differences are reconciled below:

	2011	2010
	£	£
Loss on ordinary activities before taxation	<u>(258,019)</u>	<u>(22,263,964)</u>
Corporation tax at standard rate	(68,891)	(6,066,930)
Other timing differences	(968)	-
Loss on disposal of fixed assets	21,323	-
Investment impairment disallowed for tax purposes	-	6,812,500
Preference share dividends not taxable	<u>-</u>	<u>(2,179,417)</u>
Total current tax	<u>(48,536)</u>	<u>(1,433,847)</u>

10 Investments held as fixed assets

	2011	2010
	£	£
Shares in group undertakings and participating interests	<u>-</u>	<u>88,082,268</u>

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 17 November 2010	113,082,268	113,082,268
Disposals	<u>(113,082,268)</u>	<u>(113,082,268)</u>
At 16 November 2011	<u>-</u>	<u>-</u>
Provision for impairment		
At 17 November 2010	(25,000,000)	(25,000,000)
Eliminated on disposal	<u>25,000,000</u>	<u>25,000,000</u>
At 16 November 2011	<u>-</u>	<u>-</u>
Net book value		
At 16 November 2011	<u><u>-</u></u>	<u><u>-</u></u>

Details of group undertakings

On 5 July 2011, the company sold 24,807,168 ordinary shares of £1 each which it had held in the share capital of Bibby Finance 2 Limited. On the same date it also sold 88,275,100 ordinary shares of £1 each in the share capital of Bibby Management Services Limited. The acquiree in both aforementioned transactions was Bibby Financial Services Limited, the company's immediate parent undertaking. In both cases the disposals were made at carrying value.

11 Creditors: Amounts falling due within one year

	2011 £	2010 £
Amounts owed to group undertakings	-	12,884,877
Other creditors	<u>-</u>	<u>3,287</u>
	<u><u>-</u></u>	<u><u>12,888,164</u></u>

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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12 Share capital

On 5 July 2011 a capital reorganisation occurred in the company, as follows

- 14,840,000,001 ordinary shares of 1 Japanese Yen each were consolidated into 1 ordinary share with a nominal value of 14,840,000,001 Japanese Yen,
- The one ordinary share with a nominal value of 14,840,000,001 Japanese Yen was redenominated into 1 ordinary share of £103,634,903 50 (at a fixed exchange rate of £1 equals 143 195 Japanese Yen),
- The aggregate nominal value of the 1 ordinary share of £103,634,903 50 was reduced by £0 50 to £103,634,903,
- The 1 ordinary share of £103,634,903 was subdivided into 103,634,903 ordinary shares of £1 each,
- The nominal value of the 103,634,903 ordinary shares of £1 each was reduced by £0 9999 each,
- 103,634,803 ordinary shares of £0 0001 each were cancelled to leave 100 ordinary shares of £0 0001 as at 5 July 2011 and 16 November 2011

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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13 Dividends

	2011 £	2010 £
Dividends paid		
Current year interim dividend paid	<u>82,169,886</u>	<u>3,000,000</u>

14 Reserves

	Profit and loss account £	Total £
At 17 November 2010	(21,255,173)	(21,255,173)
Loss for the year	(209,483)	(209,483)
Dividends	(82,169,886)	(82,169,886)
Other reserve movements	<u>103,634,542</u>	<u>103,634,542</u>
At 16 November 2011	<u>-</u>	<u>-</u>

15 Reconciliation of movement in shareholder's funds

	2011 £	2010 £
Loss attributable to the members of the company	(209,483)	(20,830,117)
Dividends	(82,169,886)	(3,000,000)
Purchase of own share capital	<u>103,634,542</u>	<u>-</u>
Net addition/(reduction) to shareholder's funds	21,255,173	(23,830,117)
Shareholder's (deficit)/funds at 17 November	<u>(21,255,173)</u>	<u>106,209,486</u>
Shareholder's funds at 16 November	<u>-</u>	<u>82,379,369</u>

Bibby Finance 1 Limited

Notes to the Financial Statements for the Year Ended 16 November 2011

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16 Other financial commitments

The company had not entered into any capital, nor other financial commitments, as at the year end (2010 - none)

17 Related party transactions

As a wholly-owned subsidiary undertaking of Bibby Financial Services Limited, which produces consolidated financial statements which are publicly available, the company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group headed by Bibby Line Group Limited

18 Control

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

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

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

Group website address www.bibbylinegroup.co.uk