

Registration number: 00584342

# Bibby Factors Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2021

FRIDAY



\*AB9RN6IP\*

A04

05/08/2022

#17

COMPANIES HOUSE

## **Bibby Factors Limited**

### **Contents**

Company Information	1
Strategic Report	2 to 4
Directors' Report	5
Directors' Responsibilities Statement	6
Statement of Income and Retained Earnings	7
Balance Sheet	8
Notes to the Financial Statements	9 to 18

## **Bibby Factors Limited**

### **Company Information**

<b>Directors</b>	Theovinder Chatha
	Ian Ramsden
	Ian Downing
<b>Company secretary</b>	Bibby Bros. & Co. (Management) Limited
<b>Registered office</b>	3rd Floor Walker House
	Exchange Flags
	Liverpool
	L2 3YL

## **Bibby Factors Limited**

### **Strategic Report for the Year Ended 31 December 2021**

Bibby Factors Limited is one of a network of companies owned by Bibby Financial Services, the UK's leading independent invoice finance specialist and a trusted provider of funding solutions to over 7,000 businesses. Through a network of companies and local offices, the group handles annual client turnover of £6.8 billion and advances in the region of £450m to small and medium sized businesses throughout the UK. We are members of UK Finance and support businesses in over 300 industry sectors.

#### **Principal activity**

The principal activity of the Company is debt factoring

#### **Fair review of the business**

The Company's key financial and other performance indicators during the year were as follows:

	<b>Unit</b>	<b>2021</b>	<b>2020</b>
Debts factored	£m	1,053	945
Funds advanced at year end	£000	33,560	23,839
Client impairment charge	£000	2,356	717
Turnover	£000	11,318	11,690
Profit before taxation	£000	3,810	5,521

As the government reduced Covid-19 restrictions throughout the first half of 2021 customer demand for finance increased in the second half despite SMEs continuing to benefit from government funding and support measures.

As a result, debts factored increased by 11% to £1,053m (2020: £945m), with year end funds advanced increasing to £33.6m (2020: £23.8m). This increased client activity and increased utilisation levels led to a slight reduction in turnover of £0.4m or 3% to £11.3m (2020: £11.7m) due to the increase levels of activity weighted towards the second half of the year.

The company has eliminated corporation tax charges with claims to United Kingdom group loss relief from fellow subsidiaries of the ultimate parent undertaking Bibby Line Group Limited, a diverse business-to-business service conglomerate. The business continues to manage its tax policies to maximise its use of such losses whilst they remain available.

## **Bibby Factors Limited**

### **Strategic Report for the Year Ended 31 December 2021 (continued)**

#### **Principal risks and uncertainties**

Growth in the SME financing sector is largely influenced by two key factors: macroeconomics and business confidence. Current macroeconomic challenges facing the Company's client-base include the Covid-19 pandemic, the Ukraine crisis and Brexit.

While we have seen business confidence improve through 2021 as the impact of Covid-19 began to reduce in our key markets, the pandemic continues to pose challenges for SMEs in the form of recovering but still suppressed consumer demand, supply chain issues, energy price spikes and other inflationary pressures.

Since the year end geopolitical risk has escalated following the Russian invasion of Ukraine and the subsequent international response creating additional uncertainty over the macroeconomic outlook and further increasing challenges for SMEs, particularly inflationary pressures.

Key risk types are strategic, operational, credit and financial. Risk management, robust governance and internal control are central to the way we manage all aspects of our business. Our responsible practices underpin our values and culture and enable us to grow the business in a disciplined and sustainable way.

Group risk management processes and systems manage, rather than eliminate, risk. The risk management framework represented by 'three lines of defence', reviews the key risks facing the Company and is responsible for effectively managing and mitigating risk outcomes to ensure the continuing profitability and success of the Company.

The first line of defence for risk management is placed at the business level. A significant role of the business managers is to ensure risks are managed appropriately and effectively. Executive management support forms the second line of defence and independently assesses all material risks. The third line, which includes Group internal audit, and the Group Audit Committee, independently reviews and challenges the Company's risk management controls, processes and systems.

The Company is responsible for operational risk management. Operational risk incidents are recorded on a centralised reporting system. Incidents are managed from the Company to ensure they are satisfactorily categorised and analysed to identify trends and establish lessons learnt on the effectiveness of controls. The Company complies with a recurring operational audit which seeks to identify weaknesses and areas for improvement. The results of these audits are reported to the Board.

#### **Financial Instruments**

##### **Objectives and policies**

The financial risks the company faces have been considered by the Board and policies are in place to effectively manage each risk. We consider the most significant financial risks to be liquidity risk, finance cost risk and credit risk. In each case, the risk is managed by matching assets and liabilities on the relevant basis.

## **Bibby Factors Limited**

### **Strategic Report for the Year Ended 31 December 2021 (continued)**

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

##### **Price risk:**

###### **Price risk:**

The Company advances to clients and raises funds on a largely matched basis. The Company charges clients and pays for funds on an aligned charging basis and we raise funds in the same currency as we advance.

##### **Liquidity risk:**

Liquidity risk is assessed by the Group on a regular basis. The Board receives and assesses cash flows of the business, at a minimum, at each quarterly Board meeting of the Directors. The Group maintains sufficient cash balances to accommodate potential perceived demands on liquidity arising from losses and other scenarios.

##### **Credit risk:**

Credit risk is defined as the risk of loss in relation to an advance made by one of the Group's business units. Operating businesses are provided with appropriate levels of credit discretion. Credit exposures above these levels set are only approved by Senior Underwriters and Board Credit Committee as appropriate.

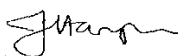
Credit risk analysis is focused on ensuring that risks have been fully identified and that the risk is understood and acceptable against the expected rewards. The Group uses system generated risk monitoring and internal rating processes. However, the Group does not seek to rely on quantitative models to assess credit risk but uses fundamental credit analysis as the basis for risk decisions.

Credit exposures are monitored against limits and client facility limits are in place for all facilities. Credit policies are in place to avoid unacceptable client credit risk.

##### **Cash flow risk:**

Capital adequacy is assessed by the Board and Group on a regular basis to ensure that the business has adequate capital to withstand potential losses and provide creditors with adequate protection. The Group maintains undrawn facilities on the existing loan book to ensure there is adequate capital in addition to earnings which increase funds available to the Company.

Approved by the Board on 24 June 2022 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 Factors Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

#### **Directors of the Company**

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

Theovinder Chatha

Ian Ramsden

Ian Downing

Edward Winterton (resigned 7 January 2021)

#### **Director's liabilities**

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

#### **Future developments**

In accordance with s414C(11) of the Companies Act 2006, included within the strategic report is information relating to the future development of the business and the financial instruments policies and risks of the business, which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in the directors' report. Details of strategic post balance sheet events are contained in the Strategic Report.

#### **Going concern**

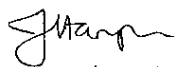
The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies statement in the Notes to the Financial Statements.

No dividend was paid during the year.

#### **Important non adjusting events after the financial period**

On 24 February 2022 Russian Forces entered Ukraine, resulting in a response from the international community including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event. The Directors have taken account of these potential impacts in their going concern assessment.

Approved by the Board on 24 June 2022 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 Factors Limited**

### **Directors' Responsibilities Statement**

The Directors are responsible 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). 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 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.*

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## Bibby Factors Limited

### Statement of Income and Retained Earnings for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Turnover	3	11,318,332	11,690,144
Cost of sales		<u>(6,246,325)</u>	<u>(5,059,319)</u>
Operating profit	4	5,072,007	6,630,825
Interest payable and similar charges	6	<u>(1,261,957)</u>	<u>(1,109,625)</u>
Profit before tax		3,810,050	5,521,200
Taxation	7	<u>-</u>	<u>-</u>
Profit for the financial year		3,810,050	5,521,200
Retained earnings brought forward		<u>11,927,775</u>	<u>6,406,575</u>
Retained earnings carried forward		<u><u>15,737,825</u></u>	<u><u>11,927,775</u></u>

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

## Bibby Factors Limited

(Registration number: 00584342)  
Balance Sheet as at 31 December 2021


	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	8	69,715,120	61,423,331
Cash at bank and in hand	9	<u>230,838</u>	<u>16,403</u>
		69,945,958	61,439,734
<b>Creditors:</b> Amounts falling due within one year	10	<u>(53,858,133)</u>	<u>(49,161,959)</u>
<b>Net assets</b>		<u>16,087,825</u>	<u>12,277,775</u>
<b>Capital and reserves</b>			
Called up share capital	11	350,000	350,000
Retained earnings		<u>15,737,825</u>	<u>11,927,775</u>
Shareholders' funds		<u>16,087,825</u>	<u>12,277,775</u>

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

### Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the Board on 24 June 2022 and signed on its behalf by:



Ian Downing  
Director

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

Bibby Factors Limited is a private company limited by shares and incorporated in the United Kingdom. The address of its registered office and principal place of business is 3rd floor Walker House, Liverpool, L2 3YL.

The Company is a wholly owned subsidiary of Bibby Invoice Finance UK Limited. Bibby Invoice Finance UK Limited is the parent undertaking of the smallest group which consolidates these financial statements for which the company is a member. Bibby Line Group Limited is the parent undertaking of the largest group which consolidates these financial statements for which the Company is a member.

The ultimate controlling party is disclosed in the financial statements of Bibby Line Group Limited. Copies of all financial statements can be obtained from Bibby Line Group Limited, 3rd Floor Walker House, Liverpool L2 3YL.

#### **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**

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' and applicable legislation as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008.

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

The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies.

The primary economic environment in which the Company operates is governed by the Great British Pound, and as such the company financial statements have been prepared in this currency.

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

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

##### **Going concern**

The financial statements are prepared on a going concern basis. In reaching their view on the preparation of the financial statements on a going concern basis, the Directors are required to consider whether the Company can continue in operational existence for at least 12 months from the date of signing this report.

In response to uncertain conditions created by Covid-19, and more recently the Russia/Ukraine war, the Directors have carefully considered these risks, including an assessment of any uncertainty on the viability of the Company's business model and the extent to which they may affect the preparation of the financial statements on a going concern basis. Based on this assessment, the Directors consider that the Company maintains an appropriate level of capital and available liquidity, sufficient to meet the demands of the business and the requirements which might arise in stressed circumstances. In addition, the Company's assets are assessed for recoverability on a regular basis and provision is made where appropriate. The Directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

##### **Revenue recognition**

Turnover represents service, discount and other charges to client, net of value added tax.

Service and other income is measured at the fair value of consideration received or receivable and is recognised when services are delivered, and when it is probable that future economic benefits will flow to the entity.

Discount income on financial assets that are classified as loans and receivables within trade debtors is determined using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income over the expected life of the asset. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instruments initial carrying amount.

##### **Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

##### **Operating Leases**

Operating lease rentals are charged to profit or loss on a straight line basis over the lease term.

##### **Tax**

Tax for the period comprises current tax.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years.

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

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

##### **Financial instruments**

The Company has chosen to apply the provisions of FRS 102 Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' in full.

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments only, which comprise cash and cash equivalents, trade and other debtors, and trade and other creditors.

Financial asset and liability debt instruments are classified as basic financial instruments where they meet all of the following conditions:

(A) Returns to the holder are (i) a fixed amount, or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive;

(B) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods;

(C) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect: (i) the holder against the credit deterioration of the issuer, or a change in control of the issuer; or (ii) the holder or issuer against changes in relevant taxation or law; and

(D) There are no conditional returns or repayment provisions except for the variable rate return described in (A) and prepayment provisions described in (C).

##### ***Recognition and measurement***

Financial assets, classified as basic financial instruments are cash and cash equivalents and trade and other debtors. Financial liabilities, classified as basic financial instruments are trade and other creditors, including loans and borrowings. All specific recognition and measurement policies of each component are presented in the individual policies below.

Equity instruments are classified in accordance with the substance of the contractual agreement. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

##### ***Impairment***

The Company assesses whether there is objective evidence that any trade or other debtor may be impaired. A provision for impairment is established when the objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtor. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

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

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

##### **Trade debtors**

Trade debtors represent cash advances made to clients under factoring agreements, net of impairment provisions. Under factoring agreements invoice receivables are assigned to the Company as security for the cash advance.

When invoice receivables are assigned, the Company obtains full ownership rights of the invoice. The full economic reward and risk associated with that invoice receivable is retained by the client, unless that client has purchased a Bad Debt Protection policy from the Company, under which the Company has no further recourse to the Client in the event of credit default.

Where there is no credit default recourse available to the Company, the economic reward and risk associated with the invoice receivable transfers to the Company. Trade debtors reflect the gross value of the invoice receivable. Correspondingly, creditors included deferred assignment consideration owed to the client.

Where there is credit default recourse available to the Company, the economic reward and risk associated with the invoice receivables remains with the client. Trade debtors reflect cash advances made to the client against the invoice receivable, with the invoice receivable acting as security to that advance. Deferred assignment consideration owed to the client is therefore netted off the invoice receivable in the presentation of the net client advance within debtors.

##### **Trade creditors**

Trade creditors are recourse debt deferred assignment consideration owed to factoring clients, and obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at the transaction price and subsequently measured at amortised cost.

##### **Borrowings**

The Company securitises its debts by selling debts assigned to an issuing party, who using the invoices as security, borrows funds from third party investors, by issuing variable funding notes to those investors.

Under securitisation, in economic substance the trade debtors accounting policy is unchanged. Although debts are assigned to the issuing party to enable funding, the company retains the economic reward and risk of the debtor. With debtors remaining recognised, securitisation funding is reported as a loan. Securitisation is facilitated through a parent company master seller and resulting funding provided to the Company is reported within amounts owed to group undertakings.

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

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

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

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Retirement benefits**

Certain companies with the Bibby Financial Services Limited group are members of the Bibby Line Group Limited Defined Benefit Pension Scheme. The scheme was closed to new entrants from 1 April 2000 and closed to future accruals for existing members from 30 September 2011. Bibby Line Group is legally responsible for the plan.

The Company pays contributions to other defined contribution pension insurance plans on a contractual basis.

##### **Critical accounting policies where judgement and estimation may be applied**

The critical influence that the Directors have shown in the process of applying the Company's accounting policies and that has the most significant effect on the amounts recognised in financial statements is within the impairment of financial assets. In considering indications of impairment the Directors consider a number of qualitative and quantitative factors including but not limited to: client advance ratios; client recourse arrangements; receivables lending verification coverage; ordinary client commercial variation risk impacting on receivables measurement; valuation of client security; general debtor days, and other market led intelligence.

#### **3 Revenue**

The analysis of the company's revenue for the year from continuing operations is as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
United Kingdom	<u>11,318,332</u>	<u>11,690,144</u>

## Bibby Factors Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 4 Operating profit

Arrived at after charging

	2021 £	2020 £
Depreciation of tangible fixed assets	-	(2)
Impairment of financial assets	2,355,724	717,159
Operating lease expense	<u>21,174</u>	<u>37,377</u>

#### 5 Staff costs

The average number of persons employed by the company analysed by category was as follows:

	2021 No.	2020 No.
Administration and support	<u>32</u>	<u>48</u>

The aggregate payroll costs were as follows

	2021 £	2020 £
Wages and salaries	1,178,291	1,374,643
Social security costs	113,070	156,473
Pension costs	<u>40,438</u>	<u>55,968</u>
	<u>1,331,799</u>	<u>1,587,084</u>

Remuneration to directors for services provided to the company is payable by other group undertakings.

#### 6 Interest payable and similar charges

	2021 £	2020 £
Interest payable to group undertakings	<u>1,261,957</u>	<u>1,109,625</u>



## Bibby Factors Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 7 Taxation

##### Tax charged

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	3,810,050	5,521,200
Corporation tax at standard rate	723,910	1,049,028
Claims to United Kingdom group loss relief surrendered by other subsidiaries controlled by the ultimate parent undertaking	(723,910)	(1,049,028)
Total tax charge/(credit) for the year	-	-

#### 8 Debtors

	2021 £	2020 £
Trade debtors	69,621,562	61,353,443
Other debtors	93,558	69,888
	69,715,120	61,423,331

## Bibby Factors Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 8 Debtors (continued)

	2021 £	2020 £
Assigned debts receivable	140,112,564	123,225,627
Less deferred assignment consideration owed to factoring clients where there is a full right of recourse	<u>(67,193,005)</u>	<u>(46,987,601)</u>
Total trade debtors	72,919,559	76,238,026
Less deferred assignment consideration owed to factoring clients where there is no right of recourse (included within trade creditors)	<u>(39,359,629)</u>	<u>(39,808,968)</u>
Net cash advances made to clients in respect of assigned debts acquired as security	<u>33,559,930</u>	<u>36,429,058</u>

#### 9 Cash at bank and in hand

	2021 £	2020 £
Cash at bank	<u>230,838</u>	<u>16,403</u>

#### 10 Creditors

	2021 £	2020 £
<b>Due within one year</b>		
Bank overdrafts	499,587	297,547
Trade creditors	39,376,684	39,812,171
Amounts due to group undertakings	13,618,249	8,165,779
Social security and other taxes	319,579	854,758
Accrued expenses	<u>44,034</u>	<u>31,704</u>
	<u>53,858,133</u>	<u>49,161,959</u>

The Company is party to a composite Group accounting structure agreement with one of their bankers. The agreement treats all bank accounts included in the agreement as one account. Positive cash balances are reported within cash and negative balances are reported within creditors, in the balance sheet.

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **11 Called up share capital**

##### **Allotted, called up and fully paid shares**

	<b>2021</b>		<b>2020</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>

#### **12 Pension and other schemes**

##### **Bibby Line Group defined benefit pension scheme**

The Company is a member of the Bibby Line Group Limited Defined Benefit Pension Scheme. The principal employer of the Scheme, has recognised the full surplus in the Scheme and makes contributions in line with a schedule of contributions agreed with the Trustees of the pension scheme.

A Scheme surplus of £2,624,000 (2020: £2,242,000 deficit) is noted in the financial statements of the principal employer, Bibby Line Group Limited. Bibby Line Group Limited is legally responsible for the plan. The scheme was closed to new entrants in April 2000 and closed to future accrual for existing members in September 2011.

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

There are no outstanding contributions payable to publicly or privately administered defined contribution pension plans at the balance sheet date. .

## **Bibby Factors Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **13 Obligations under leases**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Not later than one year	12,920	30,972
Later than one year and not later than five years	<u>1,644</u>	<u>27,986</u>
	<u>14,564</u>	<u>58,958</u>

#### **14 Related party transactions**

The Company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' from disclosing transactions with other wholly owned members of the group controlled by the parent undertaking.

#### **15 Non adjusting events after the financial period**

On 24 February 2022 Russian Forces entered Ukraine, resulting in a response from the international community including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event. The Directors have taken account of these potential impacts in their going concern assessment.