

13 MAR 1995

Company Number 1600910

B.I.B. (DARLINGTON) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 1994



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COMPANIES HOUSE 17/03/95

B.I.B. (DARLINGTON) LIMITED

YEAR ENDED 31 OCTOBER 1994

INDEX

Directors' Report	Page 1
Statement of Directors' Responsibilities	Page 2
Audit Report	Page 3
Profit and Loss Account	Page 4
Balance Sheet	Page 5
Cash Flow Statement	Page 6
Notes to the Financial Statements	Page 7

B.I.B. (DARLINGTON) LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 October 1994.

Business Review

The principal activity of the company is that of insurance broking.

The loss to be absorbed by reserves is £4,503 (1993:profit £19,353) as set out in the profit and loss account on page 4.

There have been no significant changes in the activities during the year and no change is expected to occur in the business in the foreseeable future.

Dividend

The directors do not recommend the payment of a dividend for the year ended 31 October 1994.

Tax Status

The company is a close company within the meaning of S.414 of the Income and Corporation Taxes Act 1988 and complies with the provisions of the Act.

Fixed Assets

The changes in fixed assets are shown in Notes 7 and 8.

Directors

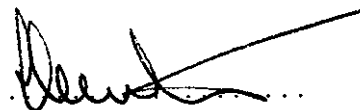
The directors who served during the year and their interests in the shares of the company were:-

	<u>Ordinary shares of £1 each</u>	
	<u>1994</u>	<u>1993</u>
C.D. Carter	3,000	3,000
M.P. Littleton	4,000	4,000
P. Atkinson	3,000	3,000

Auditors

In accordance with S.385 of the Companies Act 1985, a resolution for the reappointment of Clive Owen and Company as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board

......  
C.D. CARTER

B.I.B. (DARLINGTON) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the results of the company for that year.

In preparing those financial statements the directors are required to:-

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

B.I.B. (DARLINGTON) LIMITED

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

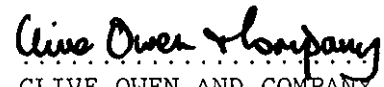
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 October 1994 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
CLIVE OWEN AND COMPANY  
Registered Auditor  
Chartered Accountants

1 Blackwell Lane  
Darlington

6 February 1995

B.I.B. (DARLINGTON) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 OCTOBER 1994

		<u>1994</u>	<u>1993</u>
	<u>Note</u>	<u>£</u>	<u>£</u>
<u>TURNOVER</u>	2	696,477	531,041
Administrative expenses		(679,493)	(560,616)
Other income		-	64,000
		<hr/>	<hr/>
<u>OPERATING PROFIT</u>	4	16,984	34,425
(Loss)/profit on sale of tangible fixed assets		(2,803)	713
Interest receivable		2,131	2,841
Interest payable	5	(21,173)	(17,067)
		<hr/>	<hr/>
<u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(4,861)	20,912
Taxation	6	358	(1,559)
		<hr/>	<hr/>
<u>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</u>		(4,503)	19,353
<u>PROFIT AND LOSS ACCOUNT BROUGHT FORWARD</u>		17,647	(1,706)
		<hr/>	<hr/>
<u>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</u>		<u>£ 13,144</u>	<u>£ 17,647</u>
		<u>=====</u>	<u>=====</u>

There have been no recognised gains or losses in 1994 or 1993 other than the (loss)/profit for the financial year.

The notes on pages 7 to 13 form part of these financial statements.

B.I.B. (DARLINGTON) LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 1994

		<u>1994</u>	<u>1993</u>
	<u>Note</u>	£	£
<u>FIXED ASSETS</u>			
Tangible assets	7	160,541	117,572
Investments	8	630	-
		<hr/>	<hr/>
		161,171	117,572
<u>CURRENT ASSETS</u>			
Debtors	9	634,011	757,434
Cash at bank		74,635	73,634
		<hr/>	<hr/>
		708,646	831,068
<u>CREDITORS: Amounts falling</u> <u>due within one year</u>	10	(786,435)	(873,051)
		<hr/>	<hr/>
<u>NET CURRENT LIABILITIES</u>		(77,789)	(41,983)
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		83,382	75,589
		<hr/>	<hr/>
<u>CREDITORS: Amounts falling</u> <u>due after more than one year</u>	11	(60,238)	(47,942)
		<hr/>	<hr/>
<u>NET ASSETS</u>		£ 23,144	£ 27,647
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	12	10,000	10,000
Profit and loss account		13,144	17,647
		<hr/>	<hr/>
<u>SHAREHOLDERS' FUNDS</u>		£ 23,144	£ 27,647
		<hr/>	<hr/>

The notes on pages 7 to 13 form part of these financial statements.

The financial statements were approved by the Board on 6 February 1995.



M.P. LITTLETON



P. ATKINSON

DIRECTORS

B.I.B. (DARLINGTON) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 OCTOBER 1994

		<u>1994</u>		<u>1993</u>	
	<u>Note</u>	£	£	£	£
<u>NET CASH INFLOW FROM OPERATING ACTIVITIES</u>	16		60,155		97,845
<u>RETURNS ON INVESTMENT AND SERVICING OF FINANCE</u>					
Interest received		2,131		2,841	
Interest paid		(21,173)		(17,067)	
<u>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</u>			(19,042)		(14,226)
<u>TAXATION</u>					
Corporation tax paid			(697)		(862)
<u>INVESTING ACTIVITIES</u>					
Purchase of tangible fixed assets		(2,144)		(1,375)	
Purchase of investments		(630)		-	
Proceeds of sale of tangible fixed assets		4,354		9,926	
<u>NET CASH INFLOW FROM INVESTING ACTIVITIES</u>			1,580		8,551
<u>NET CASH INFLOW BEFORE FINANCING</u>			41,996		91,308
<u>FINANCING</u>					
Repayment of hire purchase and finance lease obligations		(53,755)		(45,953)	
<u>NET CASH OUTFLOW FROM FINANCING</u>			(53,755)		(45,953)
<u>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</u>	17		£(11,759)		£45,355

The notes on pages 7 to 13 form part of these financial statements.



B.I.B. (DARLINGTON) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention and applicable Accounting Standards.

(b) Tangible Fixed Assets

Depreciation is calculated so as to write off the cost of the tangible fixed assets by equal instalments over their estimated useful lives as follows:-

Motor vehicles	25%
Office furniture and equipment	10 - 33%

Assets held under hire purchase and finance lease contracts are capitalised in accordance with Statement of Standard Accounting Practice No.21.

Hire purchase and finance lease interest is included in the financial statements on the basis of the inherent rate of interest in the hire purchase or finance lease agreement.

(c) Investments

Investments are stated at cost less any provision for permanent diminution in value.

(d) Deferred Taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

(e) Pension Costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

Turnover represents commissions receivable in respect of policies incepted during the year.

The analyses of turnover by activity and geographical area are as follows:-

	<u>1994</u>	<u>1993</u>
Commissions	£696,477 =====	£531,041 =====
United Kingdom	£696,477 =====	£531,041 =====

### 3. STAFF NUMBERS AND COSTS

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

	<u>1994</u>	<u>1993</u>
Management	3	3
Administration and sales	18	15
	<hr/>	<hr/>
	21	18
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:-

	<u>1994</u>	<u>1993</u>
	£	£
Wages and salaries	230,580	232,859
Social security costs	17,655	18,830
Other pension costs	15,870	11,522
	<hr/>	<hr/>
	£264,105	£263,211
	<hr/>	<hr/>

### 4. OPERATING PROFIT

Operating profit is stated after charging or crediting the following:-

	<u>1994</u>	<u>1993</u>
	£	£
Directors' remuneration	47,206	98,400
Depreciation - owned assets	10,465	7,962
- hire purchase assets	24,857	17,549
- leased assets	12,414	5,026
Audit fee	3,525	3,173
Operating lease rentals	9,627	4,565
Management charge	-	(64,000)
	<hr/>	<hr/>

### 5. INTEREST PAYABLE

	<u>1994</u>	<u>1993</u>
	£	£
On bank overdraft	3,674	5,522
On hire purchase obligations	7,086	7,756
On finance lease obligations	10,413	3,789
	<hr/>	<hr/>
	£21,173	£17,067
	<hr/>	<hr/>

## 6. TAXATION

Taxation based on the (loss)/profit for the year:-

	<u>1994</u>	<u>1993</u>
	£	£
Corporation tax at 25%	(358)	697
Prior year underprovision	-	862
	<hr/>	<hr/>
	£(358)	£1,559
	=====	=====

## 7. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Office Furniture and Equipment</u>	<u>Total</u>
	£	£	£
<u>COST</u>			
At 1 November 1993	96,405	88,995	185,400
Additions	52,625	45,237	97,862
Disposals	(22,835)	-	(22,835)
	<hr/>	<hr/>	<hr/>
At 31 October 1994	126,195	134,232	260,427
	<hr/>	<hr/>	<hr/>
<u>DEPRECIATION</u>			
At 1 November 1993	32,821	35,007	67,828
Charge in year	27,825	19,911	47,736
Disposals	(15,678)	-	(15,678)
	<hr/>	<hr/>	<hr/>
At 31 October 1994	44,968	54,918	99,886
	<hr/>	<hr/>	<hr/>
<u>NET BOOK VALUE</u>			
At 31 October 1994	£ 81,227	79,314	160,541
	=====	=====	=====
At 31 October 1993	£ 63,584	53,988	117,572
	=====	=====	=====

The net book value of assets held under hire purchase and finance lease agreements at 31 October 1994 was £139,153 (1993:£84,449).

8. FIXED ASSET INVESTMENTS

	Other Unlisted Investment
	£
At 1 November 1993	-
Additions	630
	<hr/>
At 31 October 1994	£ 630
	<hr/>

9. DEBTORS

Amounts falling due within one year:-

	<u>1994</u>	<u>1993</u>
	£	£
Trade debtors	342,063	469,780
Other debtors	2,586	3,357
Due from related undertakings	242,815	202,075
Prepayments and accrued income	46,547	32,155
Directors' current account	-	50,067
	<hr/>	<hr/>
	£634,011	£757,434
	<hr/>	<hr/>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1994</u>	<u>1993</u>
	£	£
Bank overdraft	125,920	113,160
Trade creditors - insurance	401,983	531,510
Trade creditors - others	20,371	22,047
Due to related undertakings	-	8,799
Taxation and social security	10,352	7,185
Hire purchase obligations	40,806	21,858
Finance lease obligations	21,869	11,150
Accruals and deferred income	18,092	127,755
Directors' current account	147,042	29,587
	<hr/>	<hr/>
	£786,435	£873,051
	<hr/>	<hr/>

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1994</u>	<u>1993</u>
	£	£
Hire purchase obligations	39,283	24,625
Finance lease obligations	20,955	23,317
	<hr/>	<hr/>
	£60,238	£47,942
	<hr/>	<hr/>

12. SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
	£	£
<u>Authorised</u>		
21,000 Ordinary shares of £1 each	21,000	21,000
	<hr/>	<hr/>
<u>Allotted, Called Up and Fully Paid</u>		
10,000 Ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>

13. MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1994</u>	<u>1993</u>
	£	£
(Loss)/profit for the financial year	(4,503)	19,353
Opening shareholders' funds	27,647	8,294
	<hr/>	<hr/>
Closing shareholders' funds	£23,144	£27,647
	<hr/>	<hr/>

14. COMMITMENTS

Capital commitments at 31 October 1994 were as follows:-

	<u>1994</u>	<u>1993</u>
Contracted	£Nil	£Nil
Authorised but not contracted	£Nil	£Nil

15. CONTINGENT LIABILITIES

There were no contingent liabilities (1993:£Nil).

16. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>1994</u>	<u>1993</u>
	£	£
Operating profit	16,984	34,425
Depreciation	47,736	30,537
Decrease/(increase) in debtors	123,781	(170,559)
(Decrease)/increase in creditors	(128,346)	203,442
<u>NET INFLOW FROM OPERATING ACTIVITIES</u>	<u>£ 60,155</u>	<u>£ 97,845</u>

17. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	<u>1994</u>	<u>1993</u>
	£	£
At 1 November 1993	(39,526)	(84,881)
Net cash (outflow)/inflow	(11,759)	45,355
At 31 October 1994	<u>£(51,285)</u>	<u>£(39,526)</u>

18. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	<u>1994</u>	<u>1993</u>	<u>Change in Year</u>
	£	£	£
Bank overdraft	(125,920)	(113,160)	(12,760)
Cash at bank	74,635	73,634	1,001
	<u>£(51,285)</u>	<u>£(39,526)</u>	<u>£(11,759)</u>

	<u>1993</u>	<u>1992</u>	<u>Change in Year</u>
	£	£	£
Bank overdraft	(113,160)	(126,370)	13,210
Cash at bank and in hand	73,634	41,489	32,145
	<u>£(39,526)</u>	<u>£(84,881)</u>	<u>£45,355</u>

19. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	<u>1994</u>		<u>1993</u>	
	<u>Share Capital</u>	<u>Hire Purchase and Finance Lease Obligations and Other Loans</u>	<u>Share Capital</u>	<u>Hire Purchase and Finance Lease Obligations and Other Loans</u>
	£	£	£	£
At 1 November 1993	10,000	80,950	10,000	66,625
Cash outflow from financing	-	(53,755)	-	(45,953)
Inception of hire purchase contracts and finance leases	-	95,718	-	60,278
At 31 October 1994	<u>£10,000</u>	<u>£122,913</u>	<u>£10,000</u>	<u>£80,950</u>

20. TRANSACTIONS WITH DIRECTORS

During the year the company made unsecured, interest free loans to two directors, the details of which are as follows:-

	<u>P. Atkinson</u>	<u>C.D. Carter</u>
Balance at 1 November 1993	<u>£31,630</u>	<u>£18,437</u>
Balance at 31 October 1994	<u>£ -</u>	<u>£ -</u>
Maximum balance outstanding in year	<u>£31,630</u>	<u>£18,437</u>

The company also rented a property owned by the three directors at a rent of £54,000. The rent was calculated on an open market basis.