

MIB MANAGEMENT SERVICES LIMITED

FINANCIAL STATEMENTS

**FOR THE PERIOD FROM 6 NOVEMBER 2009
TO 31 DECEMBER 2010**

Registered Office

**Linford Wood House
6-12 Capital Drive
Linford Wood
Milton Keynes
MK14 6XT**

Registered Number: 7068849



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MIB MANAGEMENT SERVICES LIMITED

FINANCIAL STATEMENTS 2010

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DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the period ended 31 December 2010

Company Status

The directors confirm that the Company is limited through an issued share capital of £1

The Company was incorporated on 6 November 2009 as Weightco 2009 (8) Limited and changed its name to MIB Management Services Limited on 10 May 2010 at which date it commenced trading

Review of Activities

The principle activity of the Company is the provision of management services to third party companies

The company was incorporated on 6 November 2009

Directors

The following served as directors during the period to 31 December 2010 and continue to hold office

Ashton West
Tony Sherman
Chantel Clague (resigned 10 May 2010)

Auditors

Moore Stephens LLP have expressed their willingness to be appointed as auditors of the company

Statement of Disclosure of Information to the Auditors

Each of the persons who are Directors at the time when this report is approved has confirmed that

- so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

DIRECTORS' REPORT continued**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 IFRS as adopted by the European Union and applicable law. The financial statements must, in accordance with IFRS as adopted by the European Union, present fairly the financial position and performance of the company, such references in the UK Companies Act 2006 to such financial statements giving a true and fair view are references to their achieving a fair presentation. Under company law Directors must not approve the financial statements unless they are satisfied that they give a true and fair view. 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 the financial statements have been prepared in accordance with IFRS as adopted by the European Union,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

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

By Order of the Board



Company Director

Date

26/4/2011

Registered Office
Linford Wood House
6-12 Capital Drive
Linford Wood
Milton Keynes
MK14 6XT

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report to the Members of MIB Management Services Limited

We have audited the financial statements of MIB Management Services Limited for the period ended 31 December 2010 which are set out on pages 5 to 11. The financial reporting framework that has been applied in its preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 Boards (APB'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 financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 and of its result for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter(s) 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.

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

INDEPENDENT AUDITORS' REPORT continued

Simon Gallagher, Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor

A handwritten signature in black ink, appearing to read 'Simon Gallagher', written over the printed name.

2 June 2011

150 Aldersgate Street
London
EC1A 4AB

STATEMENT OF COMPREHENSIVE INCOME**FOR THE PERIOD FROM 6 NOVEMBER 2009 TO 31 DECEMBER 2010**

	Notes	Period Ended 2010 £
INCOME		
Other operating income		464,008
Total Income		<u>464,008</u>
EXPENDITURE		
Administrative expenses		<u>(464,008)</u>
Operating profit / (loss)		-
Financial income		-
Financial expenses		-
Net income before tax		<u>-</u>
Income Tax expense		-
Net income after tax		<u>-</u>

The company has no items of other comprehensive income

The notes on pages 8 to 12 form part of these financial statements

STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2010**

	Note	2010
ASSETS		
		£
Current assets		
Trade and other receivables	4	1,472,649
Cash and cash equivalents		31,823
Total assets		<u>1,504,472</u>
EQUITY AND LIABILITIES		
LIABILITIES		
Current liabilities		
Trade and other payables	5	1,504,471
Current tax liabilities		-
		<u>1,504,471</u>
EQUITY		
Share Capital	6	<u>1</u>
		1
Total equity and liabilities		<u>1,504,472</u>

The notes on pages 8 to 12 form part of these financial statements

Approved and authorised for issue by the Board on 14 April 2011 and were signed on its behalf by

- A Sherman  Director

Date 28/04/2011

The accompanying notes form an integral part of these financial statements

Company Number 7068849

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £
Cash flows from operating activities		
Cash generated from operations	7	31,822
Net cash flows from operating activities		-
Cash flows from investing activities		
Net cash flows from investing activities		-
Cash flows from financing activities		
Net cash flows from financing activities		1
Cash and cash equivalents at the beginning of the year		-
Net increase/(decrease) in cash and cash equivalents		31,823
Cash and cash equivalents at the end of the year		31,823

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

MIB Management Services Limited (The Company) is a limited company incorporated in England and Wales. Its ultimate controlling party is the Motor Insurers' Bureau. The address of its registered office and principal place of business are disclosed on the front cover to the financial statements. The principle activities of the Company are described in the Directors' Report.

2 Principal Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2006.

In the current year the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2010. The adoption of these new and revised Standards and Interpretations has resulted in no material impact on the company's accounting policies.

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. These estimates and assumptions are based on past experience and other factors that are believed to be reasonable in the circumstances. Actual results in the future could differ from these estimates, which may be material to the annual financial statements. Few income and expense or asset or liability captions involve subjective judgement.

(b) Turnover

Turnover is measured at the fair value of the consideration received or receivable in the normal course of business, and is treated based on the agency accounting principles. The Company acts as agents for RTA Portal Company Limited and Avonley Trust Company Limited to facilitate payments to third party suppliers. Turnover, within the financial statements, represents amounts only charged to RTA Portal Company Limited and Avonley Trust Company Limited for the provision of management services.

(c) Taxation

Current tax represents the expected tax payable (or recoverable) on the taxable income for the year using tax rates enacted or substantively enacted at the Statement of Financial Position date and taking into account any adjustments arising from prior years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable income or expenditure.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS continued**2 Principal Accounting Policies** continued**(d) Trade and other receivables**

At the statement of financial position date trade and other receivables comprised amounts receivable from related entities, short term loans to employees and amounts prepaid for goods and services

Trade and other receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts

(e) Trade and other payables

Trade and other payables comprise amounts outstanding for on-going costs, management expenses and deferred income. The average credit period for trade payables is under 30 days. The directors consider that the carrying amount of these payables approximates to their fair value. Trade payables are stated at their nominal values.

(f) Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposits maturing within three months of the year-end date. The carrying value approximates fair value.

3. Operating profit

All turnover arises in the United Kingdom and is attributable to only one class of business.

The total average number of people employed in the business during the period ended 31 December 2010 was 0.

4 Trade and other receivables

	<u>2010</u> £
Trade receivables	1,472,649
	<u>1,472,649</u>

None of the trade receivables were overdue at 31 December 2010.

**5. Trade and other payables
(due within one year)**

	<u>2010</u> £
Trade payables	380,030
Tax	202,689
Accruals and deferred income	596,182
Amounts owed to related parties	325,570
	<u>1,504,471</u>

NOTES TO THE FINANCIAL STATEMENTS continued

6	Share Capital	<u>2010</u> £
	<u>Authorised</u>	
	Ordinary share of £1 each	1
		<hr/>
7	Reconciliation of operating net profit to net cash inflow from operating activities	
		<u>2010</u> £
	(Increase)/Decrease in trade and other receivables	(1,472,649)
	Increase/(Decrease) in trade and other payables	1,504,471
		<hr/>
	Total net movement	31,822
		<hr/>
8	Related party transactions	
	As at 31 December 2010 the company was owed £1,137,182 from RTA Portal Company Limited, a company incorporated in England and Wales in which A Sherman is a Director	
	As at 31 December 2010 the company owed £705,601 to the Motor Insurers' Bureau, a company incorporated in England and Wales and the Parent company	
	As at 31 December 2010 the Company was owed £69,789 from the Insurance Fraud Bureau Company Limited, a company incorporated in Jersey in which A West is a Director	
9	Ultimate controlling entity	
	The ultimate controlling party is the Motor Insurers' Bureau	
10	Risk and financial instruments	
	The following information is presented in order to assist users of the financial statements in assessing the extent of risk related to financial instruments	
	Credit risk - the Company has no significant credit risk as income is generally invoiced and received prior to being earned	
	Liquidity risk - In order to mitigate liquidity risk, the Company's approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet it's liabilities when due, without incurring unacceptable losses or risk damage to the Company's reputation	
	Market risk – the only market risk the Company is exposed to is that of cash flow and fair value interest rate risk	
	Capital risk management – The Company remains a company Limited by Guarantee, without share capital The Company does not consider that it has capital or equity under its management as defined by IAS 1 Accordingly, there are no capital management policies	

NOTES TO THE FINANCIAL STATEMENTS continued**11 Standards, interpretation and amendments to published International Accounting Standards that are now effective**

Certain new standards, amendments and interpretations to existing International Accounting Standards were published last year that are mandatory for the Company's accounting periods beginning on or after 1 January 2010 or later periods, the effects were as follows

IAS 1 - Presentation of Financial Statements The main change is that all income and gains (including changes in revaluation surplus, actuarial gains and losses on defined benefit plans, gains and losses arising from translating the financial statements of a foreign operation, gains and losses on re-measuring available-for-sale financial assets, and the effective portion of gains and losses on hedging instruments in a cash flow hedge) must be presented in one statement of comprehensive income or two separate statements (a separate income statement and a statement of comprehensive income) The Company has decided to adopt a single statement of comprehensive income, with an additional footnote added to the Income Statement detailing that the company has no items of other comprehensive income

In addition, the new IAS 7 - (Statement of Cash Flows), IAS 8 - (Accounting Policies, Changes in Estimates and Errors), IAS 10 - (Events after the Reporting Period), IAS 12 - (Income Taxes), IAS 16 - (Property, Plant and Equipment), IAS 18 - (Revenue), IAS 19 - (Employee Benefits), IAS 20 - (Accounting for Government Grants and Disclosure of Government Assistance), IAS 21 - (The Effects of Changes in Foreign Exchange Rates), IAS 23 - (Borrowing Costs), IAS 27 - (Consolidated and Separate Financial Statements), IAS 28 - (Investments in Associates), IAS 29 - (Financial Reporting in Hyperinflationary Economies), IAS 31 - (Interests in Joint Ventures), IAS 32 - (Financial Instruments Presentation), IAS 33 - (Earnings Per Share), IAS 34 - (Interim Financial Reporting), IAS 36 - (Impairment of Assets), IAS 38 - (Intangible Assets), IAS 39 - (Financial Instruments Recognition and Measurement), IAS 40 - (Investment Property), IAS 41 - (Agriculture), IFRS 2 - (Share-Based Payment), IFRS 5 - (Non-Current Assets held for Sale and Discontinued Operations), IFRS 6 - (Exploration for and Evaluation of Mineral Resources), IFRS 7 - (Financial Instruments Disclosures), IFRS 8 - (Operating Segments), IFRIC 13 - (Customer Loyalty Programmes), IFRIC 14 - (The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction), IFRIC 15 - (Agreements for the Construction of Real Estate), IFRIC 16 - (Hedges of a Net Investment in a Foreign Operation), and IFRIC 18 - (Transfers for Assets from Customers), were published and are effective, but the amendments made to existing standards and the new standards issued are not relevant or not material to the Company's financial statements for this period or in future periods

NOTES TO THE FINANCIAL STATEMENTS continued**12 Standards, interpretation and amendments to published International Accounting Standards that are not yet effective (continued)**

Certain new standards, amendments and interpretations to existing International Accounting Standards have been published that are mandatory for the Company's accounting periods beginning on or after 1 January 2010 or later periods but which the Company has not adopted early, as follows

IAS 1 - Presentation of Financial Statements The main change likely to be relevant to the Company's financial statements is revised disclosure required in a statement of changes in equity for accounting periods beginning on or after 1 July 2010. The extant general requirement to disclose the amounts of transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners, is removed. Also the reconciliation required for each component of equity must instead separate changes resulting from profit or loss, each item of other comprehensive income and transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control. The Company is unlikely to have any other comprehensive income, with minimal changes likely to be necessary to the statement of changes in equity.

In addition, at the date of approval of the financial statements, the new IAS 7- (Statement of Cash Flows), IAS 12 - (Income Taxes), IAS 16 - (Property, Plant and Equipment), IAS 17 - (Leases), IAS 21 - (The Effects of Changes in Foreign Exchange Rates), IAS 24 - (Related Party Disclosures), IAS 27 - (Consolidated and Separate Financial Statements), IAS 28 - (Investments in Associates), IAS 31 - (Interests in Joint Ventures), IAS 32 - (Financial Instruments Presentation), IAS 33 - (Earnings Per Share), IAS 36 - (Impairment of Assets), IAS 37 - (Provisions, Contingent Liabilities and Contingent Assets), IAS 38 - (Intangible Assets), IAS 39 - (Financial Instruments Recognition and Measurement), IFRS 3 - (Business Combinations), IFRS 5 - (Non-Current Assets held for Sale and Discontinued Operations), IFRS 7 - (Financial Instruments Disclosures), IFRS 8 - (Operating Segments), IFRS 9 - (Financial Instruments), IFRIC 9 - (Reassessment of Embedded Derivatives), IFRIC 14 - (The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction), IFRIC 16 - (Hedges of a Net Investment in a Foreign Operation), IFRIC 17 - (Distributions of Non-Cash Assets to Owners), and IFRIC 19 - (Extinguishing Financial Liabilities with Equity Instruments) have been published and are not yet effective and are not expected to be relevant to the Company's financial statements in future periods.