

1600910

**Report of the Directors and
Financial Statements
for the Year Ended 31 October 2001
for
BIB (Darlington) Limited**



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BIB (Darlington) Limited

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for the Year Ended 31 October 2001**

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BIB (Darlington) Limited
Company Information
for the Year Ended 31 October 2001

DIRECTORS: M P Littleton
C D Carter
P Atkinson
B Jackson
A J Simpson

SECRETARY: P Atkinson

REGISTERED OFFICE: 154 Northgate
Darlington
Co. Durham
DL1 1QU

REGISTERED NUMBER: 1600910 (England and Wales)

AUDITORS: Clive Owen & Co
Chartered Accountants
Registered Auditors
140 Coniscliffe Road
Darlington
Co. Durham
DL3 7RT

BIB (Darlington) Limited

Report of the Directors for the Year Ended 31 October 2001

The directors present their report with the financial statements of the company for the year ended 31 October 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of insurance broking and independent financial advisor.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

The company has paid interim dividends of £10.80 per share during the year.

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 October 2001 will be £108,000.

DIRECTORS

The directors during the year under review were:

M P Littleton	
C D Carter	
P Atkinson	
B Jackson	
A S Keep	- resigned 11.5.01
A J Simpson	- appointed 1.5.01
J E Fry	- appointed 1.5.01
	- resigned 15.10.01

The beneficial interests of the directors holding office on 31 October 2001 in the issued share capital of the company were as follows:

	31.10.01	1.11.00 or date of appointment if later
Ordinary £1 shares		
M P Littleton	4,000	4,000
C D Carter	3,000	3,000
P Atkinson	3,000	3,000
B Jackson	-	-
A J Simpson	-	-

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 profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then 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 in business.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

BIB (Darlington) Limited

**Report of the Directors
for the Year Ended 31 October 2001**

AUDITORS

The auditors, Clive Owen & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'P Atkinson', is written over a horizontal line.

P Atkinson - DIRECTOR

Dated: 4 February 2002

BIB (Darlington) Limited

**Report of the Auditors to the Shareholders of
BIB (Darlington) Limited**

We have audited the financial statements on pages five to fifteen which have been prepared under the historical cost convention and the accounting policies set out on page ten.

Respective responsibilities of directors and auditors

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

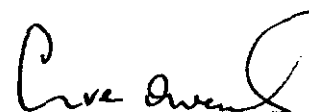
Basis of opinion

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 as at 31 October 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Clive Owen & Co
Chartered Accountants
Registered Auditors
140 Coniscliffe Road
Darlington
Co. Durham
DL3 7RT

Dated: 4 February 2002

BIB (Darlington) Limited
Profit and Loss Account
for the Year Ended 31 October 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
TURNOVER		1,266,228	1,202,258
Administrative expenses		<u>1,160,709</u>	<u>1,184,187</u>
OPERATING PROFIT	3	105,519	18,071
Interest receivable and similar income		<u>17,919</u>	<u>13,691</u>
		123,438	31,762
Interest payable and similar charges	4	<u>-</u>	<u>94</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		123,438	31,668
Tax on profit on ordinary activities	5	<u>30,605</u>	<u>5,640</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		92,833	26,028
Dividends	6	<u>108,000</u>	<u>-</u>
		(15,167)	26,028
Retained profit brought forward		<u>163,613</u>	<u>137,585</u>
RETAINED PROFIT CARRIED FORWARD		<u>£148,446</u>	<u>£163,613</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

BIB (Darlington) Limited

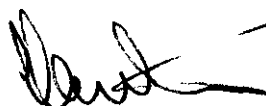
**Balance Sheet
31 October 2001**

		2001		2000	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		-		-
Tangible assets	8		18,981		22,113
Investments	9		1,308		1,308
			20,289		23,421
CURRENT ASSETS:					
Debtors	10	849,634		817,593	
Cash at bank and in hand		471,781		336,090	
			1,321,415		1,153,683
CREDITORS: Amounts falling due within one year	11	1,123,258		923,491	
NET CURRENT ASSETS:			198,157		230,192
TOTAL ASSETS LESS CURRENT LIABILITIES:			218,446		253,613
PROVISIONS FOR LIABILITIES AND CHARGES:	12		60,000		80,000
			£158,446		£173,613
CAPITAL AND RESERVES:					
Called up share capital	13		10,000		10,000
Profit and loss account			148,446		163,613
SHAREHOLDERS' FUNDS:	17		£158,446		£173,613

ON BEHALF OF THE BOARD:



M P Littleton - DIRECTOR



C D Carter - DIRECTOR

Approved by the Board on 4 February 2002

The notes form part of these financial statements

BIB (Darlington) Limited
Cash Flow Statement
for the Year Ended 31 October 2001

	Notes	2001		2000	
		£	£	£	£
Net cash inflow/(outflow) from operating activities	1		234,146		(84,839)
Returns on investments and servicing of finance	2		17,919		13,597
Taxation			(5,640)		(12,678)
Capital expenditure	2		(2,734)		13,500
Equity dividends paid			(108,000)		-
			135,691		(70,420)
Financing	2		-		(6,061)
Increase/(Decrease) in cash in the period			<u>£135,691</u>		<u>£(76,481)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase/(Decrease) in cash in the period			135,691		(76,481)
Cash outflow from decrease in debt and lease financing			-		<u>6,061</u>
Change in net funds resulting from cash flows			<u>135,691</u>		<u>(70,420)</u>
Movement in net funds in the period			135,691		(70,420)
Net funds at 1 November			<u>336,090</u>		<u>406,510</u>
Net funds at 31 October			<u>£471,781</u>		<u>£336,090</u>

The notes form part of these financial statements

BIB (Darlington) Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 October 2001**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	105,519	18,071
Depreciation charges	5,866	17,008
Profit on sale of fixed assets	-	(2,290)
(Decrease)/Increase in provisions	(20,000)	30,000
Increase in debtors	(32,946)	(306,543)
Increase in creditors	<u>175,707</u>	<u>158,915</u>
Net cash inflow/(outflow) from operating activities	<u><u>234,146</u></u>	<u><u>(84,839)</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	17,919	13,691
Interest element of hire purchase or finance lease rentals payments	<u>-</u>	<u>(94)</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>17,919</u></u>	<u><u>13,597</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(2,734)	-
Sale of tangible fixed assets	<u>-</u>	<u>13,500</u>
Net cash (outflow)/inflow for capital expenditure	<u><u>(2,734)</u></u>	<u><u>13,500</u></u>
Financing		
Loan repayments in year	<u>-</u>	<u>(6,061)</u>
Net cash outflow from financing	<u><u>-</u></u>	<u><u>(6,061)</u></u>

The notes form part of these financial statements

BIB (Darlington) Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 October 2001**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.00 £	Cash flow £	At 31.10.01 £
Net cash:			
Cash at bank and in hand	<u>336,090</u>	<u>135,691</u>	<u>471,781</u>
	<u>336,090</u>	<u>135,691</u>	<u>471,781</u>
Total	<u>336,090</u>	<u>135,691</u>	<u>471,781</u>
Analysed in Balance Sheet			
Cash at bank and in hand	<u>336,090</u>		<u>471,781</u>
	<u>336,090</u>		<u>471,781</u>

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents commissions receivable in respect of policies incepted during the year. Provisions are made for clawback of commissions earned on an indemnity basis.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1997, was written off evenly over its estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 10% - 33% on cost

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Investments

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

2. **STAFF COSTS**

	2001	2000
	£	£
Wages and salaries	650,621	649,172
Other pension costs	<u>56,421</u>	<u>48,184</u>
	<u>707,042</u>	<u>697,356</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Management	5	5
Administration	<u>39</u>	<u>39</u>
	<u>44</u>	<u>44</u>

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Other operating leases	77,556	72,752
Depreciation - owned assets	5,866	14,780
Profit on disposal of fixed assets	-	(2,290)
Goodwill written off	-	2,228
Auditors' remuneration	<u>4,113</u>	<u>4,113</u>
Directors' emoluments	119,756	109,666
Payments to third parties for directors services	34,000	-
Directors' pension contributions to money purchase schemes	15,484	12,802
	<u> </u>	<u> </u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>5</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Hire purchase interest	<u>-</u>	<u>94</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax	<u>30,605</u>	<u>5,640</u>

UK corporation tax has been charged at 30% (2000 - 20%).

6. DIVIDENDS

	2001	2000
	£	£
Equity shares:		
Ordinary shares - interim	<u>108,000</u>	<u>-</u>

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

7. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
COST:	
At 1 November 2000 and 31 October 2001	<u>24,672</u>
AMORTISATION:	
At 1 November 2000 and 31 October 2001	<u>24,672</u>
NET BOOK VALUE:	
At 31 October 2001	<u>—</u>

8. TANGIBLE FIXED ASSETS

	<u>Office equipment</u>
	£
COST:	
At 1 November 2000	181,457
Additions	<u>2,734</u>
At 31 October 2001	<u>184,191</u>
DEPRECIATION:	
At 1 November 2000	159,344
Charge for year	<u>5,866</u>
At 31 October 2001	<u>165,210</u>
NET BOOK VALUE:	
At 31 October 2001	<u>18,981</u>
At 31 October 2000	<u>22,113</u>

9. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 November 2000 and 31 October 2001	<u>1,308</u>
NET BOOK VALUE:	
At 31 October 2001	<u>1,308</u>
At 31 October 2000	<u>1,308</u>

	2001	2000
	£	£
Unlisted investments	<u>1,308</u>	<u>1,308</u>

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade debtors	588,890	568,480
Other debtors	750	750
Prepayments & accrued income	19,601	10,801
Directors loan account	-	2,000
Due from related undertakings	<u>240,393</u>	<u>235,562</u>
	<u>849,634</u>	<u>817,593</u>

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade creditors - insurance	991,740	841,575
Trade creditors - others	20,172	12,709
Taxation and social security	27,650	27,621
Corporation tax	30,605	5,640
Accruals & deferred income	<u>53,091</u>	<u>35,946</u>
	<u>1,123,258</u>	<u>923,491</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2001	2000
	£	£
Compensation provision	<u>60,000</u>	<u>80,000</u>
		Other
		Provision
		£
Balance at 1 November 2000		80,000
Paid during the year		(7,538)
Transferred to profit & loss account		<u>(12,462)</u>
Balance at 31 October 2001		<u>60,000</u>

The provision represents an amount provided in respect of potential claims arising from a review of pension transactions as required by the Financial Services Authority.

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

13. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2001	2000
			£	£
21,000	Ordinary	£1	<u>21,000</u>	<u>21,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2001	2000
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

14. CAPITAL COMMITMENTS

	2001	2000
	£	£
Contracted but not provided for in the financial statements	-	-

Annual commitments under non-cancellable operating leases in respect of motor vehicles and office equipment are as follows:-

	2001	2000
	£	£
Expiry date		
Within one year	15,366	6,554
Within one to two years	45,864	29,547
Within two to five years	<u>7,998</u>	<u>48,403</u>

15. TRANSACTIONS WITH DIRECTORS

The following loan to a director subsisted during the year ended 31 October 2001:

	£
B Jackson	
Balance outstanding at start of year	2,000
Balance outstanding at end of year	-
Maximum balance outstanding during year	<u>2,000</u>

16. RELATED PARTY DISCLOSURES

The company trades on a regular basis with BIB Underwriters Limited on an insurance broker/underwriter relationship, at arms length. The balance due to BIB Underwriters Limited, included in insurance creditors, at 31 October 2001 was £131,055 (2000:£113,435).

The company also rents part of the premises owned by BIB Underwriters Limited, the rental charge in the year being £27,000. There was also a loan outstanding from this company at 31 October 2001 of £240,393 (2000:£235,562).

BIB Underwriters Limited is controlled by the shareholders of BIB (Darlington) Limited.

During the year, there were consultancy fees of £34,000 paid to J E Fry and A J Simpson, directors of the company.

BIB (Darlington) Limited

**Notes to the Financial Statements
for the Year Ended 31 October 2001**

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2001	2000
	£	£
Profit for the financial year	92,833	26,028
Dividends	<u>(108,000)</u>	<u>-</u>
Net (reduction)/addition to shareholders' funds	(15,167)	26,028
Opening shareholders' funds	<u>173,613</u>	<u>147,585</u>
Closing shareholders' funds	<u>158,446</u>	<u>173,613</u>
 Equity interests	 <u>158,446</u>	 <u>173,613</u>