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# **D&B Business Information Reports**

**Wednesday 29, May 2013**

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**Business Information Reports** are an objective, consistent source of information that help you perform critical analysis of an organisation's operations, profitability and stability.

Designed to help you evaluate your medium-to-higher risk decisions, the report contains in-depth information that can include:

- D&B risk evaluation,
- Payment performance data
- Principals data
- Linkage data
- Financial statements data

Business Information Reports help you make daily credit decisions, analyse the financial strength of a company, and discover business opportunities.

# The Four UK Business Information Reports



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The four key UK Business Information Reports are:

- Compact Report
- D&B Report
- Comprehensive Report
- Non-Limited Report

	Comprehensive	D&B Report	Compact	Non Ltd
Identification and Summary	✓	✓	✓	✓
Supplier Intelligence	✓	✓	✗	✗
Risk Evaluation	✓	✓	✓	✓
Industry Risk Comparison	✓	✗	✗	✗
Legal Events (if pre-failure events)	✓	✓	✓	✓
Your e-Portfolio data	✓	✓	✓	✓
Payment Information	✓	✓	✓	✓
Payment Industry Comparison	✓	✗	✗	✗
Industry Sector Comparison (Failure and Payment Risk)	✓	✗	✗	✗
Accounts Placed for Collection	✓	✗	✗	✓
Public Notice Information	✓	✓	✓	✓
Special Events	✓	✓	✓	✓
Current Principals	✓	✓	✓	✓
Parent Company	✓	✓	✓	n/a
Ownership	✓	✓	✗	n/a
Subsidiaries	✓	✓	✗	n/a
Minority Interests	✓	✓	✗	n/a
Branches	✓	✓	✗	✓
Legal Structure	✓	✓	✓	✓

DBAi Web Address



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[www.dbai.dnb.com](http://www.dbai.dnb.com)

# Saving & Printing the Reports



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Customised Save/Print Printer Friendly E-mail report Save HTML report Save PDF report Save as data

## Identification & Summary

**Risk Evaluation**

D&B Rating		5A 1
D&B Risk Indicator	1 2 3 4 -	
D&B Failure Score		97
D&B Delinquency Score		18
Days Beyond Terms		19
D&B Maximum Credit		£46,667,000

**Legal Events**

Number of Court Judgments		10
Value of all Court Judgments		£ 27,537
Number of Mortgages and Charges		87

**Associations**

Parent Company		No
Number of Principals		10

**Financial Summary**

Latest Accounts Date		31 Mar 2009
Tangible Net Worth		£1,379,000,000
Turnover		£ 8,992,000,000

There are a number of options to either save or print the reports.

For credit insurance purposes, it is advised to save a complete copy of the report as a PDF.

# D&B Risk Assessment



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## D&B Risk Assessment

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### RISK OF BUSINESS FAILURE: **MINIMUM**

D&B Rating	5A 1
Financial Strength	5A (based on tangible net worth) £ 1,379,000,000
Risk Indicator	1 Represents a minimum risk of business failure.

D&B Maximum Credit	£ 46,667,000
Maximum amount on monthly open credit terms.	

**D&B Failure Score** 97 out of 100 [Help on scores ?](#)

3% of UK businesses have a lower risk of failure.

<b>Incidence of failure</b>	<b>0.07%</b> ( 7 per 10,000 )
Industry average	1.76% ( 176 per 10,000 )

**D&B Delinquency Score** 18 out of 100 [Help on scores ?](#)

82% of UK businesses have a lower risk of paying significantly late.

<b>Incidence of delinquency</b>	<b>27.95%</b> ( 2,795 per 10,000 )
---------------------------------	------------------------------------

- The Failure and Delinquency Scores are both relative measures of risk allowing the ranking of all businesses in the UK database. This means that the scores show where a business ranks compared to all other businesses in the D&B UK database.
- The D&B Delinquency Score predicts the likelihood that a business will pay its obligations late within the next 12 months

### Main Influencing Factors for Risk Evaluation

- There are few or no negative lead up events associated with the principals of this business.
- There are a large number of principals associated with this business.
- The cash figure for this business is strong.
- The liabilities to net worth ratio is weak.
- There are a number of trade experiences paid more than 91 days late.
- There are no outstanding CCJs or Scottish Decrees for this business or they are not material to the risk assessment.

# The Failure and Delinquency Scores are presented as a percentile to compare businesses against each other



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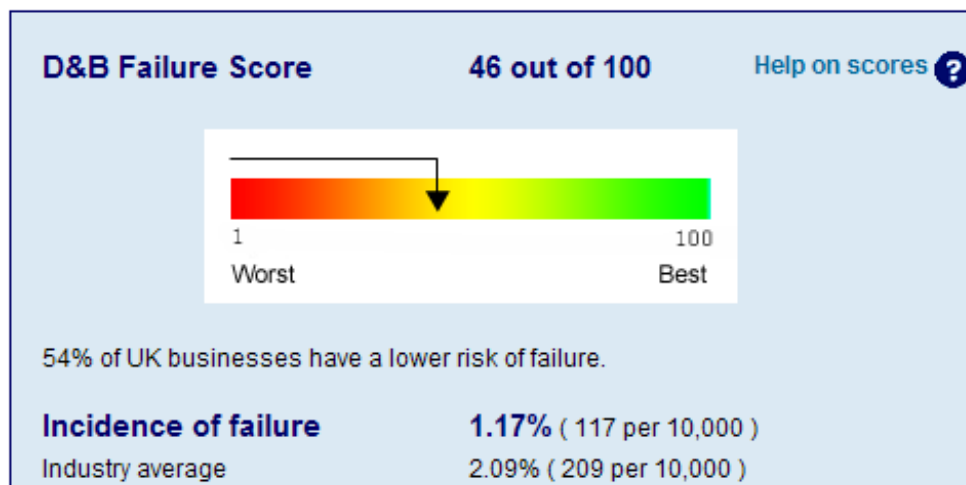
The Failure and Delinquency scores show where a business ranks against other UK businesses by segmenting the D&B UK database into 100 percentiles.

Each Failure or Delinquency Score represents 1% of businesses in the UK with the same risk of Failure or Delinquency.

A Failure or Delinquency Score of 1 represents businesses that have the highest probability of failure / delinquency and 100 which represents the lowest.

## Therefore we can say:

- A score of 10 means a business falls into the bottom 10% of UK businesses
- A score of 46 means that 54% of UK businesses have a lower risk of failure / delinquency. It also means that 46% of UK businesses have an equivalent or higher risk.



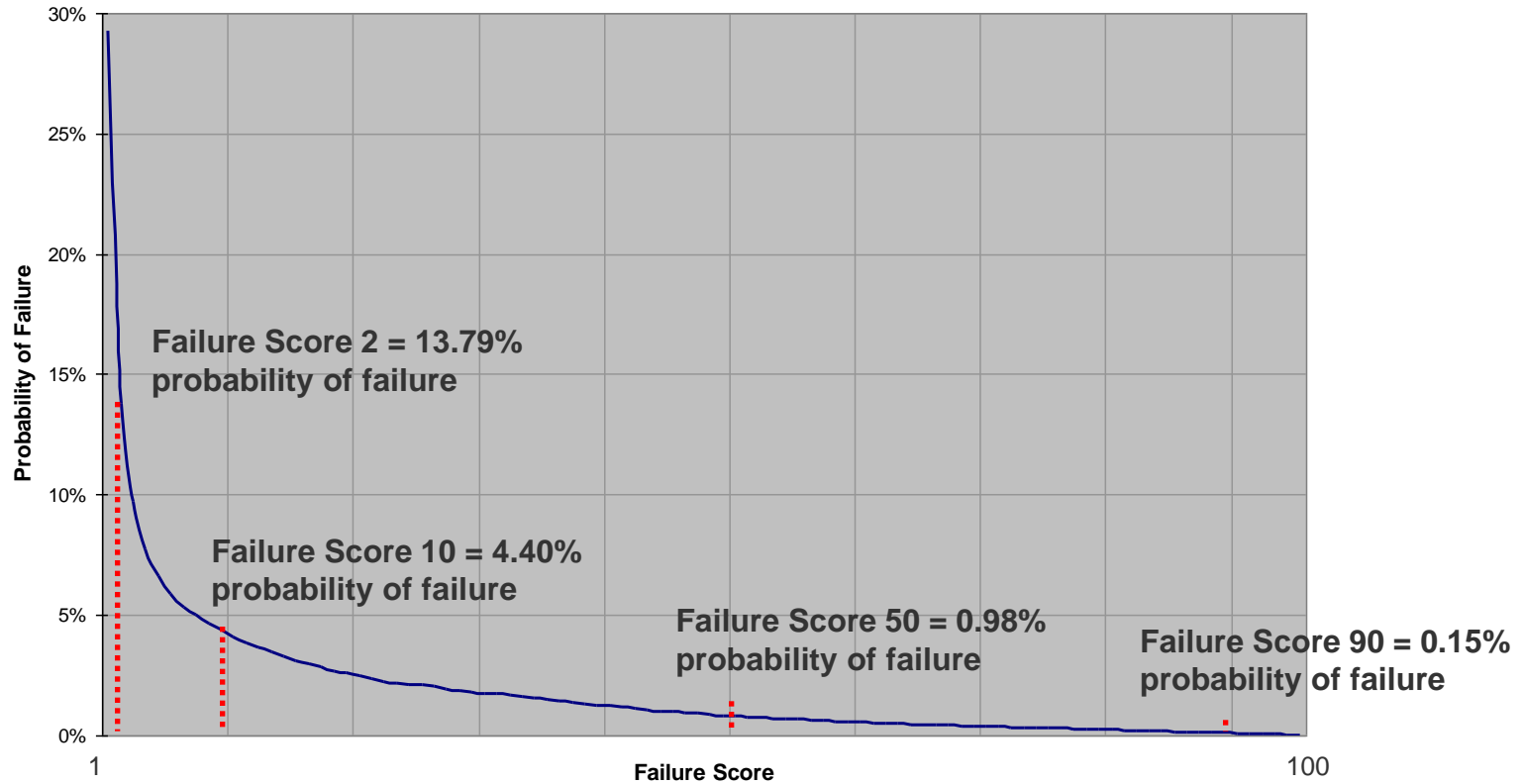
The probability of failure changes quicker at the low end (1 – 10) of our Failure Score range but slows at the top.



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Small changes at the low end of the Failure Score have a large affect on the probability or risk of failure.

Distribution of Probability of Failure



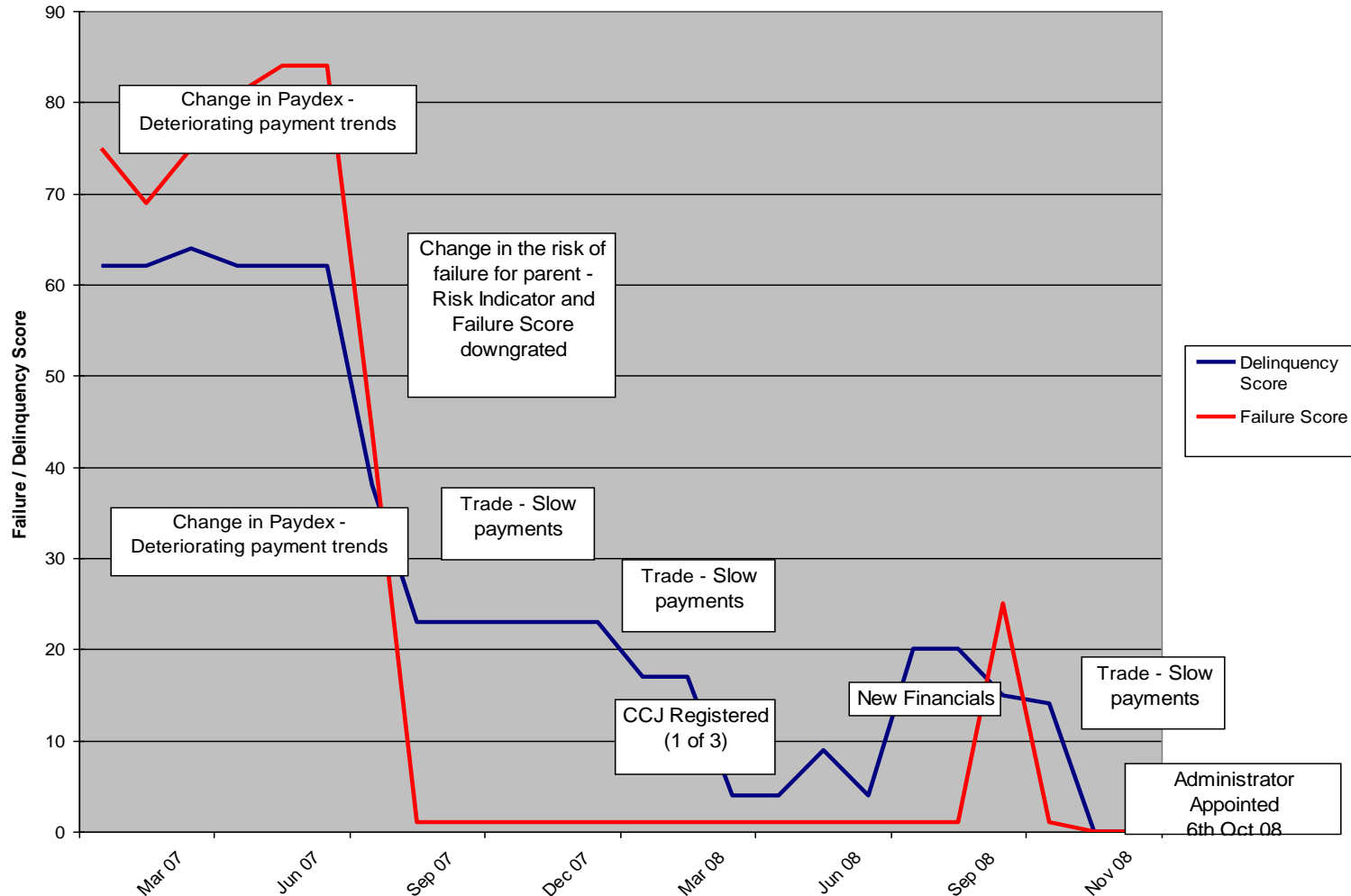


# It is essential that the scores immediately reflect any change in risk



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MFI Retail Ltd - History of D&B's Failure and Delinquency Scores



# The D&B Failure Score is combined with expert rules to drive the D&B Risk Indicator



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## Minimum Data

- Minimum data rules are used to identify trading activity. If insufficient data has been received that indicates trading then a “-” (Dash) Risk Indicator is assigned.

## Manual Overrides

- Scores can be adjusted by authorised experts to reflect extreme / non-statistical events.

## High Risk Parent

- High risk will cascade down the corporate family tree and change Risk Indicators for subsidiaries to 4.

## Detrimental Legal Events

- Including detrimental Auditors Report, Administration, Meeting of Creditors, Bankruptcy, etc.
- Ensure only a Risk Indicator 4 is displayed.

## Possible Fraudulent Activity

- Our team of specialists identify potentially fraudulent businesses or principals and display a “-” (Dash) Risk Indicator.

Risk Indicator	Failure Score Cut-off Bands
1 (Minimal risk)	86-100
2 (Lower than average risk)	51-85
3 (Greater than average risk)	11-50
4 (High risk)	1-10

We've seen how the Risk Indicator is derived, the other component of the **D&B Rating** is the Financial Strength indicator



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## The D&B Rating:

**2A 4**

### Financial Strength

- The Financial Strength indicator is determined by the latest Tangible Net Worth.
- Based on latest filed annual accounts.

### Risk Indicator

- Linked Directly to the Failure Score and Expert Rules.
- Dynamically kept up-to-date.

In this example, the D&B Rating indicates a business with Tangible Net Worth of between £1,500,000 and £6,999,999 and a high risk of failure.

# The Financial Strength indicator is determined by the latest Tangible Net Worth



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Financial Strength Indicator		Tangible Net Worth (in £)	
Net Worth	From	To	
<b>5A</b>	<b>35,000,000</b>	<b>And above</b>	
<b>4A</b>	<b>15,000,000</b>	<b>34,999,999</b>	
<b>3A</b>	<b>7,000,000</b>	<b>14,999,999</b>	
<b>2A</b>	<b>1,500,000</b>	<b>6,999,999</b>	
<b>1A</b>	<b>700,000</b>	<b>1,499,999</b>	
<b>A</b>	<b>350,000</b>	<b>699,999</b>	
<b>B</b>	<b>200,000</b>	<b>349,999</b>	
<b>C</b>	<b>100,000</b>	<b>199,999</b>	
<b>D</b>	<b>70,000</b>	<b>99,999</b>	
<b>E</b>	<b>35,000</b>	<b>69,999</b>	
<b>F</b>	<b>20,000</b>	<b>34,999</b>	
<b>G</b>	<b>8,000</b>	<b>19,999</b>	
<b>H</b>	<b>0</b>	<b>7,999</b>	
Alternate Symbols Used			
<b>N</b>	<b>Negative net worth</b>		
<b>O</b>	<b>Net worth undetermined</b> (accounts unavailable or older than 2 years)		

# The D&B Maximum Credit is calculated by evaluating the risk of failure, size and industry sector for each business



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D&B's Maximum Credit shows the total value of goods and / or services the “average” creditor should have outstanding at any one time.

**D&B Maximum Credit**

**£ 600,000**

Maximum amount on monthly open credit terms.

It is calculated using:

- **Business Size** – Based on turnover, total assets, tangible net worth or number of employees.
- **Industry** – Based on the SIC Code.
- **Risk Factor** – Banded segments of the Failure Score based on the risk of failure.

A cap based on the total assets of a business may also be applied to ensure the Maximum Credit is not excessive.

# D&B uniquely provide 2 scores relating to payment performance



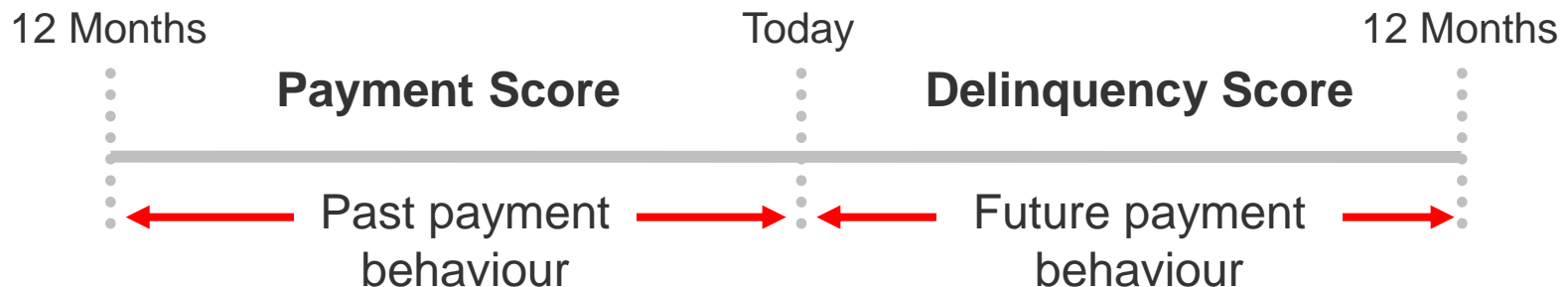
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The **D&B Payment Score (or Paydex)** is a score that evaluates a business **has been** paying its bills.

A Paydex Score of 80 indicates prompt payments, less than 80 (down to 1) indicates slow payments, and greater than 80 (up to 100) indicates payment before due.

The **Delinquency Score** predicts the **future** payment performance of a business and is presented as a percentile 1 to 100 score - how the business is **likely to pay its bills in the future**.

A Delinquency Score of 100 indicates a low probability of future delinquency (very slow payment) and a score of 1 indicates a high probability of delinquency.



# D&B Payment Information



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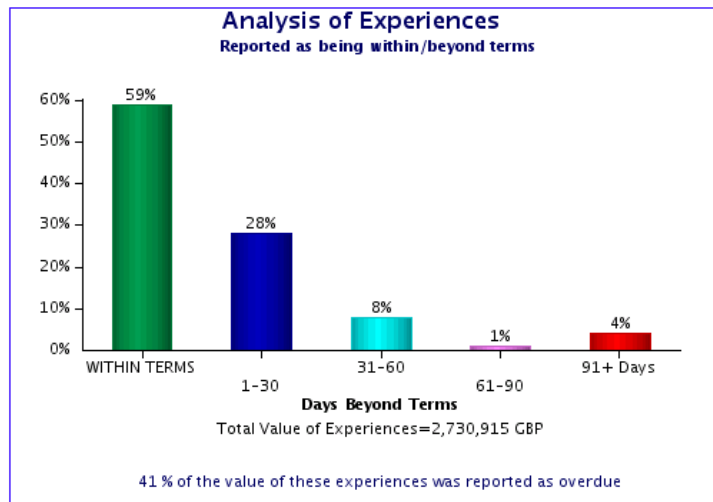
Average Days Beyond Terms	19
Paydex	65

Number of payment experiences (last 12 months) **77**  
 Total Value of Experiences **£ 2,730,915**  
 Average Value of Experiences **£ 35,466**

## Payment Experiences Summary

Value Bands GBP	Number of Experiences	Total Value GBP	% paid within terms	1-30 days	31-60 days	61-90 days	91+ days
> 100,000	11	2,200,000	58	30	7	-	5
50,000 - 99,999	2	170,000	74	26	-	-	-
15,000 - 49,999	13	260,000	56	15	17	6	6
5,000 - 14,999	9	57,000	38	14	32	16	-
1,000 - 4,999	16	35,500	32	44	5	9	10
< 1,000	26	8,415	71	7	-	-	22
<b>Total</b>	<b>77</b>	<b>2,730,915</b>					

In some instances, payment beyond terms can be the result of overlooked or disputed invoices

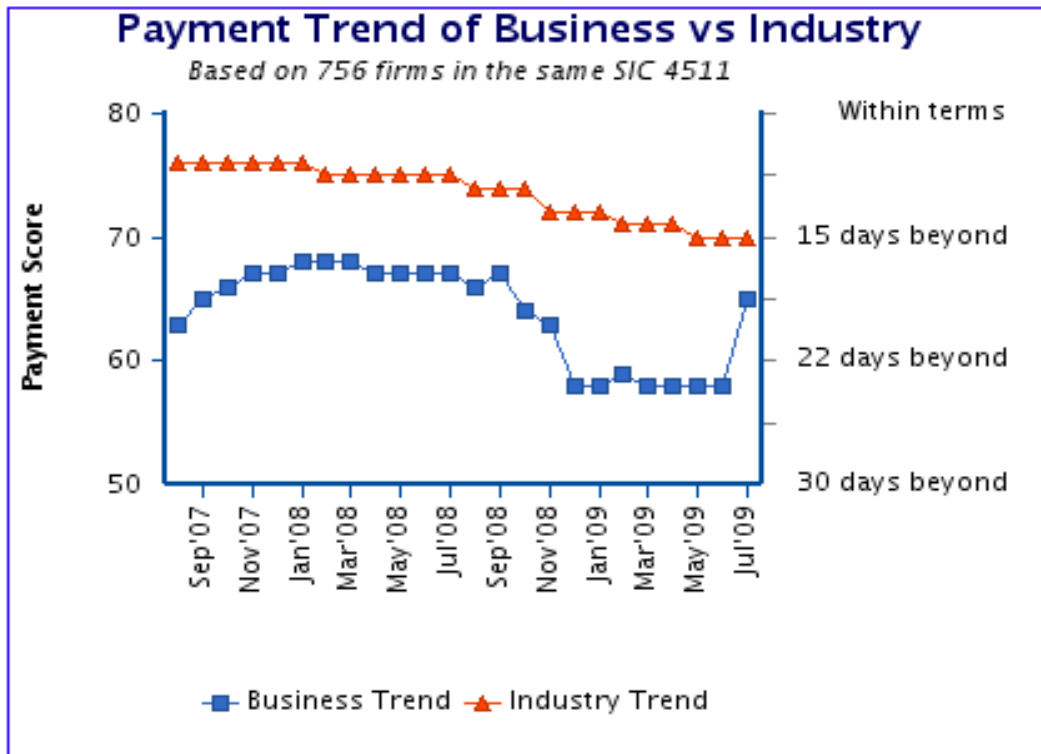


D&B collects in excess of 100 million payment experiences on European businesses each year.

# Payment Trend - Business vs Industry



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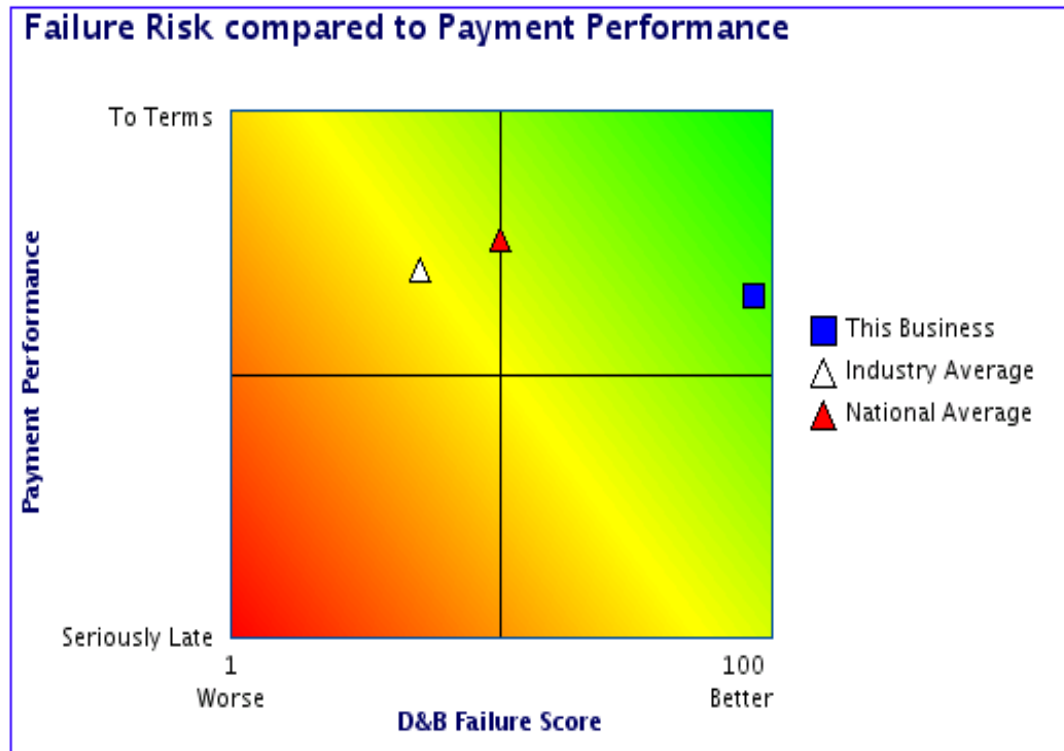
The graph shows an industry comparison based on the 756 other businesses in same industry group as this company where D&B has payment experiences.



# Failure Risk Compared to Payment Performance



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This graph shows a comparison between Failure Risk compared to Payment Performance.

# Current Principals



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## Current Principals

There are currently 8 principals. There have been 0 appointments in the last 12 months.

To gain additional insight into the principal(s) of this business, [conduct a consumer credit search](#).

### Miss Julie Whittaker, President, Company Secretary

Address 20 Hurford Rd , Leeds , West Yorkshire , LS11 9PS  
Date of Birth 02 Aug 1967

#### Other Current Associations

Company Name	Date Appointed
D & B SAMPLE SUBSIDIARY CO LTD	31 Dec 1995
D & B SAMPLE HOLDING CO LTD	Before 1991

### Mr Jonathan McCready, Chairman

Address Craven Cottage, New Denson Rd , Willenhall , West Midlands , WV23 2XB , UNITED KINGDOM  
Date of Birth 22 Jun 1936

#### Other Current Associations

Company Name	Date Appointed
D & B SAMPLE SUBSIDIARY CO LTD	16 Jan 1994
D & B SAMPLE HOLDING CO LTD	Before 1991

### Mrs Joan Beatrix Culloden, Managing Director

Address 16B Lundy Ho, Evergreen La, St. Johns , Edinburgh , EH11 1FH , UNITED KINGDOM  
Date of Birth 01 Sep 1961

#### Other Current Associations

Company Name	Date Appointed
D & B SAMPLE SUBSIDIARY CO LTD	01 Dec 1995
D & B SAMPLE HOLDING CO LTD	Before 1991

favourable out of business

unfavourable out of business

With the Current Principals section, indication is given if the principals are associated with business that have ceased to trade in either a favourable or unfavourable way.

# The Financial Information available within the business information reports



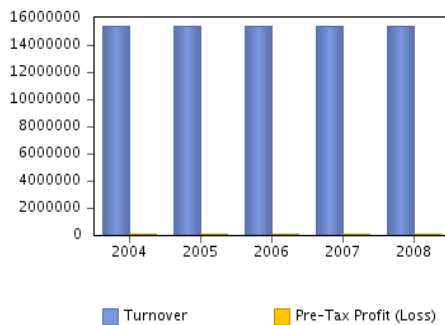
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## Financial Summary

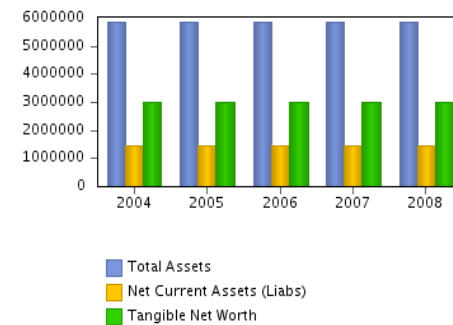
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	Fiscal Non consolidated GBP 31 Dec 2008	Fiscal Non consolidated GBP 31 Dec 2007	Fiscal Non consolidated GBP 31 Dec 2006	Fiscal Non consolidated GBP 31 Dec 2005	Fiscal Non consolidated GBP 31 Dec 2004
Sales Turnover	15,445,000	15,445,000	15,445,000	15,445,000	15,445,000
Exports	41,056	39,099	30,776	30,670	24,975
Profit / (Loss) Before Taxes	115,120	115,120	115,120	115,120	115,120
Equity Shareholders Funds	2,978,191	2,978,191	2,978,191	2,978,191	2,978,191
Tangible Net Worth	2,978,191	2,978,191	2,978,191	2,978,191	2,978,191
Total Fixed Assets	1,692,710	1,692,710	1,692,710	1,692,710	1,692,710
Total Assets	5,870,707	5,870,707	5,870,707	5,870,707	5,870,707
Total Current Assets	4,177,997	4,177,997	4,177,997	4,177,997	4,177,997
Total Current Liabilities	2,718,009	2,718,009	2,718,009	2,718,009	2,718,009
Net Current Assets (Liabilities)	1,459,988	1,459,988	1,459,988	1,459,988	1,459,988
Long Term Debt	174,507	174,507	174,507	174,507	174,507
Employees	50	51	49	50	50

Profit and Loss Summary Chart



Balance Sheet Summary Chart



# Financial statements for European businesses can be viewed in local detailed, and standardised formats



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## Balance Sheet



Standardised European Format

### Balance sheet for Sofarex NV

	Code	Fiscal Non consolidated Complete scheme Euro 31 Dec 2007 12 months 30 Jun 2008 30 Jul 2008 (000's)	Fiscal Non consolidated Complete scheme Euro 31 Dec 2006 12 months 25 Jun 2007 24 Jul 2007 (000's)	Fiscal Non consolidated Complete scheme Euro 31 Dec 2005 12 months 26 Jun 2006 14 Jul 2006 (000's)	Fiscal Non consolidated Complete scheme Euro 31 Dec 2004 12 months 06 Jun 2005 06 Jul 2005 (000's)	Fiscal Non consolidated Complete scheme Euro 31 Dec 2003 12 months 28 Jun 2004 06 Jul 2004 (000's)
Approved at Annual General Meeting on Filed at National Bank of Belgium on						
<b>ASSETS</b>						
<b>Fixed Assets</b>	<b>20/28</b>	<b>1,063</b>	<b>952</b>	<b>53</b>	<b>54</b>	<b>67</b>
Intangible Assets	21	107	-	-	-	-
Tangible Assets	22/27	46	23	24	25	57
Plant, Machinery & Equipment	23	16	22	22	22	55
Furniture & Vehicles	24	14	1	2	3	2
Other Tangible Assets	26	16	-	-	-	-
Financial Assets	28	910	929	29	29	10
Shares & Loans In Group Companies	280/1	910	929	29	29	10
<i>Shares In Group Companies</i>	280	910	929	29	29	10
<b>Current Assets</b>	<b>29/58</b>	<b>14,017</b>	<b>12,865</b>	<b>13,587</b>	<b>16,400</b>	<b>15,501</b>
Stocks & Work In Progress	3	3,520	1,559	1,036	4,216	1,901
Stocks	30/36	3,520	1,559	1,036	4,216	1,901
<i>Goods For Resale</i>	34	2,204	411	457	2,797	1,288
<i>Prepayments</i>	36	1,316	1,148	579	1,419	613
Short Term Debtors	40/41	8,354	10,794	11,432	10,685	12,432
Trade Debtors (Short Term)	40	7,840	10,538	11,104	9,748	11,918
Other Debtors (Short Term)	41	515	257	328	937	514