

Onward Fishing Company Limited

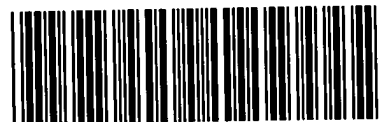
Report and Financial Statements

Year Ended

31 December 2022

Company Number 00069212 (England and Wales)

THURSDAY



ACIUQSC1

A33

21/12/2023

#143

COMPANIES HOUSE

Onward Fishing Company Limited

Report and financial statements for the year ended 31 December 2022

Contents

Page:

2	Strategic report
4	Director's report
5	Director's responsibilities statement
6	Independent auditor's report
10	Statement of comprehensive income
11	Balance sheet
12	Statement of changes in equity
13	Statement of cash flows
14	Notes forming part of the financial statements

Directors

G Baldwinsson
B Thorsteinsson

Secretary

Mackinnons Solicitors LLP

Registered office

The Orangery
Hesslewood Country Office Park
Hessle
East Yorkshire
HU13 0LH

Company number

00069212 (England and Wales)

Auditors

RSM UK Audit LLP
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Onward Fishing Company Limited

Strategic report for the year ended 31 December 2022

The directors present the strategic report for the year ended 31 December 2022.

Fair review of the business

As a result of Brexit, the United Kingdom and Norway negotiate directly bilateral access to their fishing grounds. In the first year after Brexit both parties did not achieve an agreement on this matter. The uncertainty that has been created by Brexit and the potential future change in allocation of fishing rights to the companies previous vessel, the Norma Mary, led to the sale of the vessel in June 2021. Although the United Kingdom and Norway reached an agreement for the years 2022 and 2023, these agreements do not enable reliable conclusion on the arrangements for the subsequent years.

Thus, after the sale of the fishing vessel Norma Mary, the company performed no fishing operations in the financial year to 31 December 2022. The company did however continue to generate a positive financial return through leasing of the fishing quota.

In 2022, the company realised dividend income from subsidiary undertakings of £6.498m and the company itself returned a dividend to the shareholders of £31.294m.

Profits before taxation for 2022 are £8.955m compared with £7.988m in 2021 as a result of the dividends realised from subsidiary companies.

The company has net assets at 31 December 2022 of £5.895m compared with £29.190m at 31 December 2021 as a result of the dividend returned to the shareholders. The directors are confident of the future prospects of the company.

Principal risks and uncertainties

The key business risks affecting the group are considered to relate to competition and market dynamics and the availability of fishing opportunities in the company's key areas of operation.

As mentioned in 'Fair review of the business' above, the agreements reached between the United Kingdom and Norway do not enable reliable conclusion on agreements for years subsequent to 2023. Management is still confident that the United Kingdom and Norway will come to a sustainable agreement for the years from 2024 on, as we believe that Norway has a strong interest to get access to UK waters for the catch of pelagic species (blue whiting, herring, mackerel, etc.).

The company is exposed to foreign exchange risks arising from various currency exposures. Primarily with respect to the Euro. The company's management monitors the exchange rate fluctuations continuously and acts accordingly.

Key performance indicators

Key performance indicators are used by the directors to assess the company and its subsidiaries/joint ventures activities on at least a monthly basis. Key measures include revenue and EBITDA in addition to measures relating to cash generation. In 2022, the company generated cash from operations of £4.9m (2021: used £3.2m cash in operations) which facilitated a dividend returning funds to the shareholders of £31.294m.

Development and performance

Due to the sale of the vessel Norma Mary the company has no operational nor any other significant fishing activities in the year 2022. The company's management is monitoring very closely and attentively the development of fishing opportunities as well as the potential change in allocation of fishing rights to the vessel in the future. The aim for the company's shareholders is still to replace Norma Mary through a new vessel. As soon as conditions are suitable to employ a permanently profitable fishing vessel the company will start the process of investment into a new fishing vessel.

The Russian war of aggression on Ukraine has led to a dramatic price increase all over the world and affects both the procurement and the sales markets. For us the development and the further impact at this stage is not foreseeable.

The directors remain confident that the company will continue to trade profitably in the future, under the condition that uncertainties related to allocation of fishing rights will be cleared.

Onward Fishing Company Limited

Strategic report (continued)
for the year ended 31 December 2022

Going concern

At the time of approving the financial statements, the directors have considered the continual impact of the current market and economic conditions and have a reasonable expectation that the company has adequate resources to trade for the foreseeable future, and that no material uncertainty exists. The company is assessing future vessel acquisitions to continue trade however the directors believe that cash reserves are sufficient to cover operational expenses until such an acquisition is completed. Until a new vessel is acquired, the company continues to expect to generate income by lease of their fishing quota and licence to third parties. As such, the directors continue to adopt the going concern basis of accounting in the preparation of these financial statements.

On behalf of the Board



B Thorsteinsson
Director

Date: 18.12.2023

Onward Fishing Company Limited

Directors' report for the year ended 31 December 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company was fishing related activities. During 2021, the company sold its sole fishing vessel and since that date, fishing related activities has ceased. In 2022, the company was a non-trading investment holding entity which generated its own income via lease of fishing quota and licence to third parties and other related entities.

Results and dividends

The results for the year are set out on page 11. Details of dividends paid during the year are disclosed within note 10 to the financial statements. The directors do not recommend payment of any further dividends.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

G Baldvinsson
B Thorsteinsson

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

RSM UK Audit LLP was appointed as auditor on 3 October 2023 and has indicated their willingness to continue in office.

Energy and carbon reporting

Onward Fishing Company Limited is exempt from presenting disclosures in respect of energy and carbon reporting as the Company is deemed a low energy user.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Matters of strategic importance

The company has chosen, in accordance with Companies Act 2006 s.414C (11), to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the director's report. It has done so in respect of principal risks and uncertainties and future developments.

On behalf of the Board



B Thorsteinsson
Director

Date: 18.12.2023

Onward Fishing Company Limited

Directors' responsibilities statement for the year ended 31 December 2022

The directors are responsible for preparing the strategic report, 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 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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.

Onward Fishing Company Limited

Independent auditor's report

Adverse opinion

We have audited the financial statements of Onward Fishing Company Limited (the 'company') for the year ended 31 December 2022 which comprise Statement of comprehensive income, Balance sheet, Statement of changes in equity, Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, because of the significance of the matters described in the Basis for adverse opinion section of our report, the financial statements:

- Do not give a true and fair view of the state of the group's affairs as at 31 December 2022 and of the group's results for the year then ended;
- The group financial statements have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- The group financial statements have not been prepared in accordance with the requirements of the Companies Act 2006.

In all other respects, in our opinion, the financial statements of the company:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for adverse opinion

As more fully explained in the accounting policies section on page 14, no consolidated financial statements have been prepared. In our opinion, consolidated financial statements should be presented as the group does not qualify for any of the exemptions from preparing consolidated financial statements included within sections 400 to 402 of the Companies Act 2006.

In addition, the strategic report and directors' report have been prepared in respect of the company only. Had the company prepared group financial statements these reports would have been required to have regard to the Onward Fishing Company Limited group.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Onward Fishing Company Limited

Independent auditor's report (*continued*)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the Basis for adverse opinion section of our report, group financial statements have not been prepared. We have concluded that the other information is materially misstated for the same reason with respects to amounts or other items in the annual report affected by the failure to consolidate.

Opinions on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for adverse opinion section of our report, In our opinion, based on the work undertaken in the course of the audit:

- the strategic report and the directors' report have not been prepared in accordance with applicable legal requirements.

Notwithstanding the matter described in the basis for adverse opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Onward Fishing Company Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

As a result of the matters described in the basis for adverse opinion section of our report, in the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Onward Fishing Company Limited

Independent auditor's report (*continued*)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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.



Andrew Capes FCCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Two Humber Quays, Wellington Street West, Hull, HU1 2BN

Date... 19TH DECEMBER 2023 .

Onward Fishing Company Limited

Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Turnover	3	5	1,691
Cost of sales		(5)	(2,584)
Gross profit/(loss)			(893)
Administrative expenses		1,164	(1,596)
Other operating income	4	1,081	367
Exceptional item - profit on disposal of tangible fixed assets	7	-	10,040
Operating profit	6	2,245	7,918
Interest receivable and similar income	8	6,710	70
Interest payable and similar expenses		-	-
Profit before taxation		8,955	7,988
Taxation charge on profit	9	(956)	(1,904)
Profit and total comprehensive income for the financial year		7,999	6,084

The results stated above are derived from continuing activities.

The notes on pages 14 to 27 form part of these financial statements.

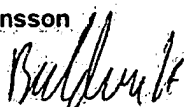
Onward Fishing Company Limited

Balance sheet as at 31 December 2022

Company number: 00069212	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Intangible assets	11	1,779		1,779	
Investments	12	2,500		2,500	
			<u>4,279</u>		<u>4,279</u>
Current assets					
Stocks				6	
Debtors	15	1,082		4,013	
Cash at bank and in hand		3,573		23,202	
		<u>4,655</u>		<u>27,221</u>	
Creditors: amounts falling due within one year	16	<u>(649)</u>		<u>(406)</u>	
Net current assets			<u>4,006</u>		<u>26,815</u>
Total assets less current liabilities			<u>8,285</u>		<u>31,094</u>
Deferred taxation liability	18		<u>(2,390)</u>		<u>(1,904)</u>
Total net assets			<u>5,895</u>		<u>29,190</u>
Capital and reserves					
Called up share capital	19		3,124		3,124
Revaluation reserve			400		400
Profit and loss account			2,371		25,666
Shareholders' funds			<u>5,895</u>		<u>29,190</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18/12/23. They were signed on its behalf by:

B Thorsteinsson
Director



The notes on pages 14 to 27 form part of these financial statements;

Onward Fishing Company Limited

Statement of changes in equity for the year ended 31 December 2022

	Share capital £'000	Revaluation reserve £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2021	3,124	400	19,582	23,106
Profit and total comprehensive income for the year ended 31 December 2021			6,084	6,084
Total comprehensive income for the year			6,084	6,084
At 31 December 2021 and 1 January 2022	3,124	400	25,666	29,190
Profit and total comprehensive income for the year ended 31 December 2022			7,999	7,999
Total comprehensive income for the year			7,999	7,999
Dividends paid			(31,294)	(31,294)
At 31 December 2022	3,124	400	2,371	5,895

Revaluation reserve: The revaluation reserve records the accumulated revaluation gains on fishing licences which are now held at deemed cost less amortisation on adoption of FRS 102 on 1 January 2014.

Profit and loss reserves: Represents cumulative profit and loss net of distribution to owners.

The notes on pages 14 to 27 form part of these financial statements.

Onward Fishing Company Limited

Statement of cash flows for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Profit for the financial year		7,999	6,084
Adjustments for:			
Depreciation of tangible fixed assets and amortisation of goodwill	11, 12	-	433
Profit on disposal of tangible fixed assets		-	(10,040)
Net interest receivable	9, 10	(6,710)	(70)
Taxation expense	11	956	1,904
(Increase) in trade and other debtors	15	2,678	(981)
(Increase)/decrease in stocks		6	177
Decrease/(increase) in trade and other creditors	16	26	(783)
Cash from operations		4,955	(3,276)
Interest paid		-	-
Taxation paid		-	-
Net cash generated from operating activities		4,955	(3,276)
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets			10,645
Dividends received		6,498	-
Interest received		212	70
Net cash from investing activities		6,710	10,715
Cash flows from financing activities			
Dividends paid		(31,294)	-
Net cash from financing activities		(31,294)	-
Net (decrease)/increase in cash and cash equivalents		(19,629)	7,439
Cash and cash equivalents at beginning of year		23,202	15,763
Cash and cash equivalents at end of year		3,573	23,202
Cash and cash equivalents comprise:			
Cash at bank and in hand		3,573	23,202
Bank overdrafts		-	-
		3,573	23,202

The notes on pages 14 to 27 form part of these financial statements.

Onward Fishing Company Limited

Notes forming part of the financial statements for the year ended 31 December 2022

1 Accounting policies

Accounting convention and basis of measurement

Onward Fishing Company Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales under the Companies Act 2006. The registered office is The Orangery, Hesslewood Country Office Park, Ferriby Road, Hessle, East Yorkshire, HU13 0LH. The nature of the company's operations and principal activities are set out in the Strategic Report.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", including the amendments issued in December 2017 ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements have been prepared on a historical cost basis. The financial statements are prepared in GBP Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

Basis of consolidation

Until 29 December 2022, the company's immediate and ultimate parent undertaking was Alda Seafood Holding B.V., a company incorporated in the Netherlands. On 29 December 2022, BT2022 Holding B.V., a company incorporated in the Netherlands, became the company's ultimate parent undertaking. BT2022 Holding B.V. is not required to prepare consolidated financial statements for the period to 31 December 2022. The immediate parent of the company, BT2022 Seafood B.V., a company incorporated in the Netherlands, is also not required to prepare consolidated financial statements for the period to 31 December 2022.

The results of the company and its subsidiary undertakings for the period ended 31 December 2022 are included in the consolidated financial statements of Alda Seafood Holding B.V. until 29 December 2022, however the balance sheet is not included following the change of ownership as set out above. The company has not prepared consolidated financial statements as this was considered impractical. The company had intended to take the exemptions under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements on the basis that Onward Fishing Company Limited and all of its subsidiary undertakings are substantially included in the consolidated financial statements of Alda Seafood Holding B.V., a company incorporated in the Netherlands with a registered office of Leidsestraatweg 2, Oegstgeest, 2341 GR, Netherlands. Alda Seafood Holding B.V. is the smallest and largest set of consolidated financial statements which includes Onward Fishing Company Limited and its subsidiary undertakings.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Going concern

At the time of approving the financial statements, the directors have considered the continual impact of the current market and economic conditions and have a reasonable expectation that the company has adequate resources to trade for the foreseeable future and that no material uncertainty exists. The company is assessing future vessel acquisitions to continue fishing operations however the directors believe that cash reserves are sufficient to cover operational expenses until such an acquisition is completed. Until a new vessel is acquired, the company continues to expect to generate income by lease of the fishing quota and licence to third parties. As such, the directors continue to adopt the going concern basis of accounting in the preparation of these financial statements.

Turnover and other operating income

Turnover from the sale of fish is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the group will receive the previously agreed upon payment. Turnover is stated at the fair value of the consideration receivable, net of value added tax and trade discounts.

The revenue recognition criteria are considered to be met when the goods are ready for collection by the customer, delivered to the customer or upon shipment, based on specific contract terms.

Other operating income, including income from the lease of fishing quota and licence to third parties, is stated at the fair value of consideration receivable net of value added tax. Income from the lease of fishing quota and licence to third parties is recognised on a straight line basis over the contractual lease term.

Intangible fixed assets

Intangible fixed assets include fishing licences and fishing quota.

Fishing quota is stated at cost less amortisation. Amortisation is charged over 5 years, the estimated useful life of the asset.

Fishing licences are stated at their deemed cost less amortisation. Under FRS 102 section 39.5(d), on transition to FRS 102, a first-time adopter may elect to use a previous GAAP revaluation as its deemed cost. The date of transition to FRS 102 was 1 January 2014. The directors assess the estimated residual value of fishing licences at each period-end and where the estimated residual value exceeds original cost, no amortisation is provided.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Depreciation

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method unless otherwise stated below. The estimated useful lives range as follows:

Fishing vessel - 10% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Impairment of tangible and intangible assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Fixed asset investments

Investments in subsidiary and associated companies are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the company has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost of stocks is determined on a first in, first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less subject to insignificant risk of changes in value.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. The company only presents financial instruments net when the company has the legal right to offset and intends to settle the financial instruments simultaneously.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at the annual general meeting.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Onward Fishing Company Limited

**Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)**

1 Accounting policies (continued)

Leased assets – lessee

The company has no assets which are financed by leasing agreements that give rights approximating to ownership ('finance leases').

As such, all leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

The benefits of lease incentives received on entering into new leases are spread over the lease term:

Leased assets – lessor

The company has no assets which are leased to a third party and give rights approximating to ownership ('finance leases').

As such, all lessor arrangements are treated as operating leases. The lease income generated is charged to profit or loss on a straight-line basis over the term of the lease arrangement.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's investments in subsidiary undertakings and jointly controlled entities. The impairment review considers the underlying performance of the companies and their net asset position, taking into consideration market conditions at the time of review.
- Determine whether there are indicators of impairment of the company's fishing licences and quota. The fishing licences are not amortised and are instead subject to an annual impairment review. This impairment review is subject to market conditions at the time of review. Future events could cause the market conditions to change.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods. The directors are of the opinion that there are no critical estimation techniques involved in the preparation of these financial statements.

3 Turnover

An analysis of the company's turnover is as follows:

	2022 £'000	2021 £'000
Turnover analysed by class of business:		
Fishing	5	1,691
	<u>5</u>	<u>1,691</u>
	2022 £'000	2021 £'000
Turnover analysed by geographical market:		
United Kingdom	-	38
Rest of Europe and EEA	5	1,653
	<u>5</u>	<u>1,691</u>
Total turnover	<u>5</u>	<u>1,691</u>

4 Other income

An analysis of the company's other income is as follows:

	2022 £'000	2021 £'000
Quota licencing and rentals receivable	1,077	243
Fees receivable as other operating income	4	124
	<u>1,081</u>	<u>367</u>
Other operating income	<u>1,081</u>	<u>367</u>

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (*continued*)

5 Employees and directors

There were no employees of the company in either the current or previous accounting period other than the directors. The directors are not remunerated in Onward Fishing Company Limited.

6 Operating profit and auditor's remuneration

	2022 £'000	2021 £'000
Operating profit is stated after charging/(crediting):		
Exchange (gain)/loss arising through profit or loss	(1,396)	1,267
Depreciation of owned tangible fixed assets	-	433
Operating lease – lessor amounts receivable	(223)	(243)
Fees payable to the company's auditor for the audit of the company's annual accounts	24	23
	<u> </u>	<u> </u>

Other fees totalling £3,000 (2021: £Nil) were payable to the company's auditors in respect of non-audit services.

7 Exceptional item – profit on disposal of tangible fixed assets

	2022 £'000	2021 £'000
Profit on disposal of tangible fixed assets	-	10,040
	<u> </u>	<u> </u>

As outlined in the strategic report, the exceptional profit on disposal of tangible fixed assets arises from the sale of the company's fishing vessel, Norma Mary, in June 2021.

8 Interest receivable and similar income

	2022 £'000	2021 £'000
<i>Interest income</i>		
Interest on bank deposits	115	3
Interest receivable from group companies	97	65
Other interest income	-	2
	<u> </u>	<u> </u>
Total interest income	212	70
<i>Income from fixed asset investments</i>		
Dividends from shares in group undertakings	6,498	-
	<u> </u>	<u> </u>
Total interest receivable and similar income	<u>6,710</u>	<u>70</u>

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

9 Taxation on profit from ordinary activities

	2022 £'000	2022 £'000	2021 £'000	2021 £'000
<i>Current tax</i>				
UK corporation tax on profits of the year	470		-	
Adjustment in respect of previous years	-		-	
Total current tax		470		
<i>Deferred tax</i>				
Origination and reversal of timing differences		2		1,904
Changes in tax rates		-		-
Adjustments in respect of prior periods		484		-
Taxation charge on ordinary activities		956		1,904

The tax assessed for the year is lower (2021: higher) from the standard rate of corporation tax in the UK. The differences are explained below:

	2022 £'000	2021 £'000
Profit on ordinary activities before tax	8,955	7,988
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.0% (2021 - 19.0%)	1,702	1,518
Effects of:		
Non-taxable income	(1,235)	-
Non-deductible expenses	5	1
Changes in the rate of corporation tax	-	-
Adjustment in respect of previous years	484	-
Other permanent differences	-	12
Deferred tax asset not recognised	-	460
Remeasurement of deferred tax to average rate	-	(87)
Taxation charge on ordinary activities	956	1,904

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. This will not have a material impact on the company's financial statements for 31 December 2022 in assessing future timing differences.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (*continued*)

10 Dividends

	2022 £'000	2021 £'000
<i>Dividends paid</i>		
Final dividends paid – £10.018 per share (2021: £Nil)	31,294	-

11 Intangible assets

	Fishing licences £'000	Fishing quota £'000	Total £'000
<i>Cost</i>			
At 1 January 2022	1,779	2,611	4,390
Additions	-	-	-
Disposals	-	-	-
At 31 December 2022	1,779	2,611	4,390
<i>Amortisation and impairment</i>			
At 1 January 2022	-	2,611	2,611
Provided for the year	-	-	-
Disposals	-	-	-
At 31 December 2022	-	2,611	2,611
<i>Net book value</i>			
At 31 December 2022	1,779	-	1,779
At 31 December 2021	1,779	-	1,779

The fishing licences held on 4 September 1992 were revalued to their current cost of £400,000 (from historical cost of £nil). Licences acquired after this date are included at their historical cost of £1,379,000.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

12 Fixed asset investments

	2022 £'000	2021 £'000
Investments in subsidiaries	-	-
Investments in joint ventures	2,500	2,500
	<u>2,500</u>	<u>2,500</u>

Movements in fixed asset investments

	Investments in Subsidiaries £'000	Investments in Joint ventures £'000	Total £'000
Cost			
At 1 January 2022 and 31 December 2022	-	2,500	2,500
	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Net book value			
At 31 December 2022	-	2,500	2,500
	<u>-</u>	<u>2,500</u>	<u>2,500</u>
At 31 December 2021	-	2,500	2,500
	<u>-</u>	<u>2,500</u>	<u>2,500</u>

13 Subsidiary companies

Details of the company's subsidiaries as at 31 December 2022 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held	
			Direct	Indirect
Onward Investment Limited	Intermediate holding company	Ordinary shares	75.0	
Onward Fishing Company NL Limited (1)	Holding company	Ordinary shares		75.0
Fame Fisheries Limited (2)	Vessel owner and operator	Ordinary shares		75.0
Bunratty Investments Limited (3)	Holding company	Ordinary shares		37.0
Newfound Resources Limited (3)	Management, sales and marketing services	Ordinary shares		37.0
Newfound Marine Management Limited (4)	Dormant	Ordinary shares		37.0
Bunratty Investments Estonia OU (4)	Holding company	Ordinary shares		37.0
OU Subland (5)	Seafood processing, sales and marketing services	Ordinary shares		18.4

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

13 Subsidiary companies (continued)

- (1) Onward Fishing Company NL Limited is a wholly owned subsidiary of Onward Investment Limited.
- (2) Fame Fisheries Limited is a wholly owned subsidiary of Onward Fishing Company NL Limited.
- (3) These holdings are held by Onward Fishing Company NL Limited.
- (4) Newfound Marine Management Limited is a wholly owned subsidiary of Newfound Resources Limited.
- (5) These holdings are held by Bunratty Investments Limited.
- (6) Subland OU is a wholly owned subsidiary of Bunratty Investments Estonia OU.

The investments in subsidiaries are all stated at cost.

The registered office for Onward Investment Limited is The Orangery, Hesslewood Country Business Park, Ferriby Road, Hessle, East Yorkshire, HU13 0LH.

The registered office for Onward Fishing Company NL Limited is 90 O'Leary Ave, PO Box 13695, St. John's, Newfoundland, A1B 4G1, Canada.

The registered office for Fame Fisheries Limited and Bunratty Investments Limited is PO Box 13695, St. John's, Newfoundland, A1B 4G1, Canada.

The registered office for Newfound Resources Limited and Newfound Marine Management Limited is PO Box 13695, Station A, St. John's, Newfoundland, A1B 4G1, Canada.

The registered office for Bunratty Investments Estonia OU is Kuninga 22, 80099 Pärnu, Estonia.

The registered office for Subland OU is Peterburi tee 2F, 11415 Tallinn, Estonia.

Onward Investment Limited made a profit of CAD 7,233,000 (2021: profit of CAD 245,000) for the year to 31 December 2022. At 31 December 2022, share capital of Onward Investment Limited was CAD 163 (2021: CAD 163) and total equity was CAD 7,370,000 (2021: CAD 13,776,000).

Onward Fishing Company NL Limited made a profit of CAD 4,943,000 (2021: profit of CAD 3,036,000) for the year to 31 December 2022. At 31 December 2022, share capital of Onward Fishing Company NL Limited was CAD 6,000 (2021: CAD 6,000) and total equity was CAD 40,765,000 (2021: CAD 36,647,000).

Fame Fisheries Limited made a profit of CAD 3,409,000 (2021: profit of CAD 2,014,000) for the year to 31 December 2022. At 31 December 2022, share capital of Fame Fisheries Limited was CAD 1,800,000 (2021: CAD 1,800,000) and total equity was CAD 23,667,000 (2021: CAD 20,738,000).

14 Joint ventures

Details of joint ventures as at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
UK Fisheries Limited	England and Wales	Fishing activities	Ordinary shares	50.0	

Investments in joint ventures are stated at cost.

The registered office for UK Fisheries Limited is The Orangery, Hesslewood Country Business Park, Ferriby Road, Hessle, East Yorkshire, HU13 0LH.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

15 Debtors

	2022 £'000	2021 £'000
Trade debtors	1,026	7
Amounts owed by group undertakings	-	3,649
Corporation tax recoverable	-	253
Other debtors	52	104
Prepayments and accrued income	4	-
	<u>1,082</u>	<u>4,013</u>

Amounts owed by group undertakings included a loan of £Nil (2021: £3,649,000) which was repayable within 6 months and attracted interest at a market rate.

16 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	135	2
Amounts owed to group undertakings	113	375
Corporation tax	217	-
Other taxation and social security	147	-
Accruals and deferred income	37	29
	<u>649</u>	<u>406</u>

Amounts owed to group undertakings are repayable on demand and no interest is charged on these balances.

17 Net debt reconciliation

	1 January 2022 £'000	Cash flows £'000	31 December 2022 £'000
Cash at bank and in hand	23,202	(19,629)	3,573
Net funds	<u>23,202</u>	<u>(19,629)</u>	<u>3,573</u>

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

18 Deferred taxation

	2022 £'000	2021 £'000
Deferred taxation liability/(asset)	2,390	1,904
	<u>2,390</u>	<u>1,904</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax liability/(asset) (after offset) for financial reporting purposes:

	2022 £'000	2021 £'000
Accelerated capital allowances	21	=
Rolled-over capital gains	2,370	2,328
Other timing differences	(1)	=
Capital losses	=	(424)
	<u>2,390</u>	<u>1,904</u>

The movement in the deferred taxation liability/(asset) during the year was:

	£'000
At 1 January 2022	1,904
Charge to profit and loss account	486
	<u>2,390</u>
At 31 December 2022	<u>2,390</u>

19 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary shares of £1 each	3,123,750	3,123,750	3,123,750	3,123,750
	<u>3,123,750</u>	<u>3,123,750</u>	<u>3,123,750</u>	<u>3,123,750</u>

The ordinary shares carry no right to fixed income and each carry the right to one vote at meetings of the company.

Onward Fishing Company Limited

Notes forming part of the financial statements
for the year ended 31 December 2022 (continued)

20 Related party transactions

During the year the company entered into the following transactions with related parties:

	Sales and other income		Purchases	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Entities with control, joint control or significant influence over the company		206	17	527
Other related parties	855	1,027	172	514

Interest was receivable from group companies of £97,000 (2021: £65,000).

The ultimate controlling party are the 100% shareholders of Onward Fishing Company Limited. Entities with control, joint control or significant influence over the parent of Onward Fishing Company Limited are the ultimate controlling party and its subsidiaries which the ultimate controlling party exercises control over.

Other related parties are companies which the ultimate controlling party has an influence but not control.

The following amounts were outstanding at the reporting end date:

	Receivables		Payables	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Entities with control, joint control or significant influence over the company			9	146
Other related parties	1,026		135	125

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expenses have been recognised in the year (2021: £Nil) in respect of bad debts from related parties.

At 31 December 2021, the company was owed a total of £3,649,000 in loan funding from group companies. The loan was repaid during 2022 and attracted interest at a market rate.

21 Ultimate controlling party

Until 29 December 2022, the company's immediate parent undertaking was Alda Seafood Holding B.V., a company incorporated in the Netherlands. The registered office of Alda Seafood Holding B.V. is Leidsestraatweg 2, Oegstgeest, 2341 GR, Netherlands.

On 29 December 2022, BT2022 Seafood B.V., a company incorporated in the Netherlands, became the company's immediate parent undertaking. The registered office of BT2022 Seafood B.V. is Leidsestraatweg 2, Oegstgeest, 2341 GR, Netherlands.

The directors consider that the ultimate parent undertaking is BT2022 Holding B.V., a company incorporated in the Netherlands. The registered office of BT2022 Holding B.V. is Leidsestraatweg 2, Oegstgeest, 2341 GR, Netherlands.