

ASSOCIATED FISHERIES & FOODS LIMITED

Financial statements
and
reports

30th September, 1975

ASSOCIATED FISHERIES & FOODS LIMITED

Directors:

MARK HELLYER - Chairman

W. E. McDONALD	S. J. PEARSON	W. H. ALSTON
J. R. CROOK	D. PORTER	H. A. BERNARD

Secretary: S. J. PEARSON

Registered office: Brighton Street, Hull

REPORT of the DIRECTORS

to be presented to the TWENTY FIRST ANNUAL GENERAL MEETING of the COMPANY to be held at Brighton Street, Hull on 10th February, 1976.

The directors present herewith the statement of accounts for the year ended 30th September, 1975.

The principal activity of the company and its subsidiaries is the processing, merchanting and distribution of fresh and frozen fish and other food products.

The loss for the year, after taxation, is	£558,434
	=====

The above balance has been transferred to reserves.

1974/75 has been a very difficult year but the sales forecast for 1975/76 is more encouraging and margins have improved. Nevertheless, the company will probably still be working at a loss after providing for the Holding Company's management charge; however, the Holding Company, Associated Fisheries Limited has confirmed that adequate finance will be available to carry the company through this difficult period.

Mr. J. R. Nicholls resigned from the board on 2nd June, 1975.

The retiring directors are Mr. H. A. Bernard, who was appointed to the board on 2nd June, 1975 and Messrs. W. E. McDonald and S. J. Pearson; all are eligible and offer themselves for re-election.

Mr. Mark Hellyer is a director of Associated Fisheries Limited and his interests in that company or any associated company are not required to be recorded in the register of directors' interests of this company.

The interests of the other directors in the shares of Associated Fisheries Limited were as follows:

	At 30th September, 1975	At 30th September, 1974
W. E. McDonald:		
Ordinary shares of 25p each	1,328	1,275
	=====	=====
6½% unsecured loan stock 1977/82	£118	£118
	===	==
S. J. Pearson:		
Ordinary shares of 25p each	127	120
	===	==

During the financial year the value of goods exported from the United Kingdom amounted to £134,184.

The auditors, Messrs. Hodgson, Harris & Co., chartered accountants, will continue in office under the provisions of Section 159 of the Companies Act, 1948.

MARK HELLYER

Chairman

HULL: 10th February, 1976

HODGSON, HARRIS & CO.
CHARTERED ACCOUNTANTS

HULL	LONDON	EDINBURGH	DUBLIN	GRIMSBY	FLEETWOOD	ABERDEEN
BOSTON	SPALDING	BOURNE	WYVERLEY	BLACKPOOL	HARLOW	READING

Report of the auditors to the members of
ASSOCIATED FISHERIES & FOODS LIMITED

In our opinion, the accounts set out on pages 4 to 12 give a true and fair view of the state of affairs at 30th September, 1975 and of the loss for the year ended on that date and comply with the Companies Acts 1948 and 1967.

HODGSON, HARRIS & CO.

HULL: 10th February, 1976

W. H. HALL	A. D. O'HARA	A. H. COPE	L. S. WRIGHTSON	F. G. DARTER	W. W. STRACHAN	D. W. JONES	M. G. SCAPLEAT
E. BLISSARD	C. E. SMITH	R. H. STARCHAN	P. A. FIDINSON	J. E. CURTIS	J. A. WARRISTON	T. P. CAMPBELL	G. B. ACHERY
R. H. GALLAGHER	M. D. BARTON	J. R. BILLINGHAM	K. STIRLING	S. A. CHAMBERLAIN	M. H. BODEN	B. B. PRICE	A. TUDOR
	B. W. THORNTON	R. BISHOP	C. R. PALMER	J. A. WHEELER	D. L. REDDEN		

ASSOCIATED FISHERIES & FOODS LIMITEDAccounting policiesDepreciation of fixed assets:

Depreciation is calculated by reference to cost, as reduced by Government grants, at rates estimated to write off the relevant assets over their expected useful lives, taking into account normal commercial and technical obsolescence.

Government grants:

The grants in respect of capital expenditure are deducted from the cost of the asset.

Stock and work in progress:

Stock and work in progress have been valued on a basis consistent with that of previous years at the lower of cost, including an addition for production overhead where appropriate, and net realisable value.

Repairs and renewals:

All expenditure on repairs and renewals is charged against profits in the year incurred.

Deferred taxation:

An amount has been set aside for corporation tax equalisation, using the liabilities method, to recognise the deferment of taxation arising from the excess of capital allowances for taxation purposes over the cumulative depreciation charges.

Turnover:

Turnover is the amount invoiced by the company, exclusive of V.A.T., for goods and services, after deduction of rebates and allowances.

ASSOCIATED FISHERIES & FOODS LIMITEDProfit and loss account for the year
ended 30th September, 1975

	<u>Note</u>	<u>This year</u> £	<u>Last year</u> £
Turnover	A	£15,120,700 =====	£15,289,510 =====
Trading loss	B	(1,157,601)	(352,603)
Income received, less interest paid	D	759	5,316
Dividends received and receivable from subsidiary and fellow subsidiary companies		54	25,122
Loss before taxation		(£1,156,788)	(£322,165)
Taxation	E	(598,354)	(178,519)
Loss after taxation		(£558,434)	(£143,646)
Extraordinary items	F	-	(7,451)
Loss transferred to reserves		(£558,434) =====	(£151,097) =====

ASSOCIATED FISHERIES & FOODS LIMITEDBalance sheet at 30th September, 1975

	Note	<u>This year</u>	<u>Last year</u>
		£	£
<u>Employment of funds:</u>			
Fixed assets	H	1,823,904	1,819,890
Investments:	G		
Subsidiary companies		196,929	191,668
Fellow subsidiary companies		959	959
Trade (unquoted)		31,980	31,980
Current assets:			
Stock and work in progress		2,362,674	2,276,222
Government grants receivable		1,423	789
Debtors		1,895,962	1,850,176
Dividends receivable from subsidiary and fellow subsidiary companies		54	25,122
Cash at bank and in hand		20,276	184,049
		<u>£4,280,389</u>	<u>£4,336,358</u>
		=====	=====
Current liabilities:			
Bank overdraft		267,951	1,014
Creditors		938,934	717,468
Current proportion of loans	I	3,500	3,500
Corporation tax group relief		<u>(197,483)</u>	<u>(63,838)</u>
		<u>£1,012,902</u>	<u>£658,144</u>
		=====	=====
Net current assets		<u>3,267,487</u>	<u>3,678,214</u>
		£5,321,259	£5,722,711
Loan and current accounts with subsidiaries and fellow subsidiaries	J	<u>(69,200)</u>	<u>(106,538)</u>
		<u>£5,252,059</u>	<u>£5,616,173</u>
		=====	=====

HODGSON, HARRIS & CO.

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ASSOCIATED FISHERIES & FOODS LIMITED

Balance sheet at 30th September, 1975 (continued)

	<u>Note</u>	<u>This year</u>	<u>Last year</u>
<u>Source of funds:</u>			
		<u>Authorised</u>	<u>Issued</u>
Share capital:			<u>£</u>
327,750 shares of £1 each		£327,750	327,750
		=====	
Reserves	K	(1,419,891)	(861,457)
		(£1,092,141)	(£533,707)
Deferred taxation		1,855	71,362
Corporation tax group relief due from fellow subsidiary companies - year ended 30th September, 1975		(528,142)	(197,512)
Loans from White Fish Authority - secured	I	10,500	14,000
Parent company - loan account	L	6,859,387	6,262,030
		£5,252,059	£5,616,173
		=====	=====

MARK HELLYER

S. J. PEARSON

)
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) Directors
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S. J. PEARSON

Secretary

HODGSON, HARRIS & CO.

Mark Hellyer
[Signature]

ASSOCIATED FISHERIES & FOODS LIMITED

Notes forming part of the accounts for the year
ended 30th September, 1975

		<u>This year</u>	<u>Last year</u>
		<u>£</u>	<u>£</u>
A. Turnover:			
Sales to customers outside the group:			
U.K.	14,876,887	14,639,327	
Export	134,184	240,255	
	<u>£15,011,071</u>	<u>£14,879,582</u>	
Inter company sales	109,629	409,928	
Total turnover	<u>£15,120,700</u>	<u>£15,289,510</u>	
		=====	=====
B. Trading loss:			
Trading loss is stated after charging the following items:			
Depreciation	212,719	184,850	
Loss on sale of assets	-	11,039	
Directors' emoluments:			
As executives			
Associated Fisheries Limited	16,350	13,000	
Others	50,002	40,446	
Compensation for loss of office	4,500	-	
Hire of fixed assets	39,415	31,213	
Audit fee and expenses	12,750	10,000	
	=====	=====	
C. Directors' emoluments (excluding pension contributions):			
Chairman's emoluments	£6,978	£10,221	
Remuneration of highest paid director	£7,187	£ -	
Directors' emoluments for the year fall into the following scale:			
£	<u>No.</u>	<u>No.</u>	
1 - 2,500	-	-	
2,501 - 5,000	-	2	
5,001 - 7,500	8	3	
7,501 - 10,000	-	1	
10,001 - 12,500	-	1	
D. Income received, less interest paid:			
Income received:			
Unquoted investments	1,903	6,386	
Loans and deposits	722	457	
	<u>£2,625</u>	<u>£6,843</u>	
Interest paid:			
Bank and sundry loans	881	355	
Short term loans	985	1,172	
	<u>£1,866</u>	<u>£1,527</u>	
	=====	=====	
	£759	£5,316	
	=====	=====	

ASSOCIATED FISHERIES & FOODS LIMITED

Notes forming part of the accounts for the year
ended 30th September, 1975 (continued)

	<u>This year</u>	<u>Last year</u>
	<u>£</u>	<u>£</u>
E. Taxation:		
Corporation tax group relief at 52%	(524,769)	(193,792)
Transfer (from) to deferred taxation account	(73,614)	15,412
Adjustments in respect of previous years	29	(139)
	<u>(£598,354)</u>	<u>(£178,519)</u>
Taxation is reduced by £681 (last year £699) for past losses, including capital allowances.	=====	=====
F. Extraordinary items:		
Loss on liquidation of subsidiary companies	-	(9,975)
Surplus on realisation of investments	-	2,524
	<u>£ -</u>	<u>(£7,451)</u>
	=====	=====
G. Investments:		
<u>Subsidiary companies at cost:</u>	<u>£196,929</u>	<u>£191,668</u>
	=====	=====
The company holds the following investments in subsidiary companies:		
	<u>Class of Shares</u>	<u>Held by company</u> <u>Held by subsidiaries</u>
Tullos Cold Storage (Aberdeen) Limited	Ordinary	100% -
The Bernard Master Group of Companies Limited	Ordinary and Preference	100% -
Bernard Master Freezer Limited	Ordinary	40% 60%
Associated Fisheries & Foods (Scotland) Limited	Ordinary	25% 75%
Master-Freezer Foods (Retail) Limited	Ordinary	25% 75%
In the opinion of the directors, the aggregate value of the company's investment in its subsidiary companies, is not less than the amount at which they are included in the balance sheet.		
<u>Fellow subsidiary companies at cost:</u>	<u>£959</u>	<u>£959</u>
	=====	=====
The company owns 900 6% cumulative preference shares in Grimsby Cold Storage Company Limited.		
Trade (unquoted):		
At cost	<u>£31,980</u>	<u>£31,980</u>
	=====	=====
At directors' valuation	<u>£48,680</u>	<u>£47,100</u>
	=====	=====

ASSOCIATED FISHERIES & FOODS LIMITED

Notes forming part of the accounts for the year
ended 30th September, 1975 (continued)

	Freehold land and buildings £	Leasehold land and buildings		Plant, equipment and transport £	Total £
		Long lease £	Short lease £		
E. Fixed assets:					
Cost:					
At 30th September, 1974	278,229	788,924	194,416	1,714,932	2,976,501
Additions	96,278	4,955	3,676	186,611	291,520
Disposals	(54,393)			(79,198)	(133,591)
At 30th September, 1975	£320,114	£793,879	£198,092	£1,822,345	£3,134,430
	=====	=====	=====	=====	=====
Accumulated depreciation:					
At 30th September, 1974	31,649	155,593	50,499	918,870	1,156,611
Charged for the year	2,971	17,831	5,401	195,634	(a) 221,837
Appropriated on disposals				(67,922)	(67,922)
At 30th September, 1975	£34,620	£173,424	£55,900	£1,046,582	£1,310,526
	=====	=====	=====	=====	=====
Net book value at 30th September, 1975	£285,494	£620,455	£142,192	£775,763	£1,823,904
	=====	=====	=====	=====	=====
(a) Includes accumulated depreciation on assets transferred from associated companies 19,118.					

	<u>This year</u> £	<u>Last year</u> £
<u>Future capital expenditure (after deducting government grants, as appropriate)</u>		
Contracted for	£1,745 =====	£151,514 =====
Authorised by directors but not contracted for	13,000 =====	£135,428 =====

ASSOCIATED FISHERIES & FOODS LIMITED

Notes forming part of the accounts for the year
ended 30th September, 1975 (continued)

	<u>This year</u> £	<u>Last year</u> £
I. <u>Loans from White Fish Authority:</u>		
Repayable by half yearly instalments of £1,750; 4 years to run at balance sheet date	£14,000 =====	£17,500 =====
Current proportion	3,500	3,500
Future proportion	<u>10,500</u>	<u>14,000</u>
	£14,000 =====	£17,500 =====
The average rate of interest is 6%.		
J. <u>Loan and current accounts with subsidiaries</u> <u>and fellow subsidiaries:</u>		
Due from subsidiaries	320,443	484,138
Due from fellow subsidiaries	<u>26,834</u>	<u>24,590</u>
	£ 347,277 =====	£508,728 =====
Due to subsidiaries	60,353	-
Due to fellow subsidiaries	<u>356,124</u>	<u>615,266</u>
	£416,477 =====	£615,266 =====
	(£69,200) =====	(£106,538) =====
K. <u>Reserves</u>		
At 30th September, 1974	(861,457)	(703,462)
Transfer to deferred taxation account	-	(6,898)
Loss for the year	<u>(558,434)</u>	<u>(151,097)</u>
	(£1,419,891) =====	(£861,457) =====
L. <u>Loan from parent company:</u>		
The parent company has agreed that the balance on the loan account shall at all times rank in priority of claim after all other indebtedness of the company.		

ASSOCIATED FISHERIES & FOODS LIMITED

Notes forming part of the accounts for the year
ended 30th September, 1975 (continued)

M. Guarantees:

Since the end of the financial year to 30th September, 1975 arrangements have been made by the company and other operating subsidiary companies of Associated Fisheries Limited to give cross multilateral guarantees in connection with overdraft facilities to the Associated Fisheries Limited group.

N. Group accounts:

Group accounts are not required as the company is a wholly owned subsidiary, the holding company being Associated Fisheries Limited, a company incorporated in the United Kingdom.