

Company Registration number: 04449949

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018



SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
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SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
COMPANY INFORMATION

Directors C A Samways
S J Samways

Company secretary S J Samways

Registered office Gore Cross Business Park
Corbin Way
Bridport
Dorset
DT6 3UX

Auditors Albert Goodman LLP
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their strategic report for the year ended 31 August 2018.

Principal activity

The principal activity of the company is wholesale fish merchants.

Fair review of the business

The company's decision to focus on its export business and reduce its retail activity is reflected in the results for the year which are set out in the attached accounts. The key performance indicators are set out below:

Turnover for the year at £8.6m was down 23% against last year and reflected the change in sales mix with reduced sales from catering customers and the disruption to sales caused by the redevelopment of the main facilities. The share between export and domestic sales is set out in note 3. In line with expectations, there was an increase in the mix of export turnover, which represented 86% of sales (2017 – 75%).

Improvements in commercial terms and operational efficiency resulted in an improved gross profit percentage which increased to 5.5% of sales from 3.4% in the previous year.

During the year the company's management structure was changed to better service the changing needs of the business. In March 2018 the company completed the refurbishment of its factory replacing the drainage and flooring and installing new chillers. These works caused disruption to the business and were in part the reason for the net loss of 196k.

The company did not pay a dividend (2017 - £32k) and has no plans to make dividend payments in the coming financial year.

Fixed increased by £95k in the year as a result of investment in upgrading the factory and the purchase of tubs. At the year end the company's net assets were £120k and reduced from £316k at the end of the previous financial year largely due to the trading losses incurred in the year.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

Principal risks and uncertainties

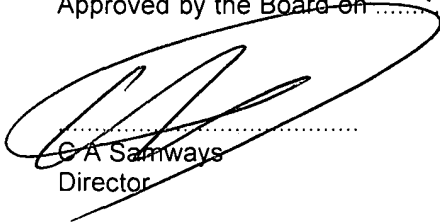
The principle risks facing the company are the availability and price of seafood. It also has limited exposure to fluctuations in foreign currency.

The company buys from multiple locations as a way of reducing its purchasing risk. It also enters in to forward exchange contracts and uses invoice financing denominated in foreign currency to reduce its foreign exchange risk.

The company regularly reviews and improves its human and physical resources to ensure that it provides a consistent and high quality service to its customers and that it meets its regulatory requirements.

The company monitors the progress of Brexit discussions and is prepared to respond to announcements that will impact its business. The Directors have experience in exporting seafood to mainland Europe before the UK joined the European Free Trade Area and are aware of the changes that will be required to the business operations in the event of a "hard" Brexit.

Approved by the Board on 4 January 2019 and signed on its behalf by:


C A Samways
Director

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

Directors of the company

The directors who held office during the year were as follows:

C A Samways

S J Samways - Company secretary and director

Financial instruments

Objectives and policies

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

Price risk, credit risk, liquidity risk and cash flow risk

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility. The company makes use of money market facilities where funds are available. Trade debtors are managed in respect of credit and cash flow by way of an invoice financing facility with most debtors covered by credit protection. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

Future Developments

The future developments of the business are included within the strategic report.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Albert Goodman LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 4 January 2019 and signed on its behalf by:



C A Samways
Director

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED

Opinion

We have audited the financial statements of Samways Fish Merchants & International Transporters Limited (the 'company') for the year ended 31 August 2018, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [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.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at 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.



Michael Cahill FCA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

Date: 8 January 2019

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Turnover	3	8,589,665	11,232,208
Cost of sales		<u>(8,112,993)</u>	<u>(10,845,726)</u>
Gross profit		476,672	386,482
Administrative expenses		<u>(643,933)</u>	<u>(635,806)</u>
Operating loss	4	(167,261)	(249,324)
Interest payable and similar charges	5	<u>(27,536)</u>	<u>(24,441)</u>
Loss before tax		(194,797)	(273,765)
Taxation	9	<u>8,254</u>	<u>27,840</u>
Loss for the financial year		<u><u>(186,543)</u></u>	<u><u>(245,925)</u></u>

The above results were derived from continuing operations.


SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2018

	2018 £	2017 £
Loss for the year	<u>(186,543)</u>	<u>(245,925)</u>
Total comprehensive income for the year	<u><u>(186,543)</u></u>	<u><u>(245,925)</u></u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
(REGISTRATION NUMBER: 04449949)
BALANCE SHEET AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	11	200,002	105,354
Current assets			
Stocks	12	231,755	293,194
Debtors	13	919,224	1,143,142
Cash at bank and in hand		7,018	31,335
		<u>1,157,997</u>	<u>1,467,671</u>
Creditors: Amounts falling due within one year	15	<u>(1,117,223)</u>	<u>(1,224,631)</u>
Net current assets		<u>40,774</u>	<u>243,040</u>
Total assets less current liabilities		240,776	348,394
Creditors: Amounts falling due after more than one year	15	<u>(112,382)</u>	<u>(33,457)</u>
Net assets		<u>128,394</u>	<u>314,937</u>
Capital and reserves			
Called up share capital	18	1,000	1,000
Share premium reserve		89,824	89,824
Capital redemption reserve		250,178	250,178
Profit and loss reserve		<u>(212,608)</u>	<u>(26,065)</u>
Total equity		<u>128,394</u>	<u>314,937</u>

Approved and authorised by the Board on 4 January 2019 and signed on its behalf by:


C. A. Samways
Director

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2018**

	Ordinary share capital £	Share premium £	Capital redemption reserve £	Profit and loss reserve £	Total £
At 1 September 2017	1,000	89,824	250,178	(26,065)	314,937
Movement in year:					
Loss for the year	-	-	-	(186,543)	(186,543)
Total comprehensive income	-	-	-	(186,543)	(186,543)
At 31 August 2018	1,000	89,824	250,178	(212,608)	128,394
	Ordinary share capital £	Share premium £	Capital redemption reserve £	Profit and loss reserve £	Total £
At 1 September 2016	1,000	89,824	250,178	252,193	593,195
Movement in year:					
Loss for the year	-	-	-	(245,925)	(245,925)
Total comprehensive income	-	-	-	(245,925)	(245,925)
Dividends	-	-	-	(32,333)	(32,333)
Total movement for the year	-	-	-	(278,258)	(278,258)
At 31 August 2017	1,000	89,824	250,178	(26,065)	314,937

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Loss for the year		(186,543)	(245,925)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	45,811	27,373
Profit on disposal of tangible assets		(950)	(1,060)
Finance costs	5	27,536	24,441
Income tax expense	9	(8,254)	(27,840)
		(122,400)	(223,011)
Working capital adjustments			
Decrease in stocks	12	61,439	75,432
Decrease in trade and other debtors	13	215,708	254,331
Decrease in trade and other creditors	15	(159,249)	(87,165)
Cash generated from operations		(4,502)	19,587
Income taxes received/(paid)	9	16,464	(8,210)
Net cash flow from operating activities		11,962	11,377
Cash flows from investing activities			
Acquisitions of tangible assets		(45)	4,799
Proceeds from sale of tangible assets		950	1,060
Net cash flows from investing activities		905	5,859
Cash flows from financing activities			
Interest paid	5	(27,536)	(24,441)
Proceeds from other borrowing draw downs		25,413	-
Payments to finance lease creditors		(38,490)	(15,390)
Dividends paid	20	-	(32,333)
Net cash flows from financing activities		(40,613)	(72,164)
Net decrease in cash and cash equivalents		(27,746)	(54,928)
Cash and cash equivalents at 1 September 2017		31,335	86,263
Cash and cash equivalents at 31 August 2018	14	3,589	31,335

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Gore Cross Business Park
Corbin Way
Bridport
Dorset
DT6 3UX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are presented in Sterling (£).

Going concern

The company's working capital requirements are funded by way of a loan from the directors and an invoice financing line provided by the company's bankers. The directors will continue to support the company by providing a loan as is required in order to meet the other liabilities of the company as they fall due and the company's bankers remain supportive of the business. On this basis, the directors consider it appropriate to prepare the accounts on the going concern basis.

Turnover recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods to customers. Turnover is recognised when goods are despatched to the customer.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Tax

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

The current 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 income tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented in provisions for liabilities within the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings - leasehold	10% straight line
Plant and machinery	15% straight line
Furniture, fixtures and equipment	25% straight line
Motor vehicles	25% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Other creditors consist of amounts owed to the directors and invoice discounting drawdowns. These are measured at amortised cost.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Reserves

Called up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premiums received on the issue of share capital. Transaction costs associated with the issuing of shares are deducted from the share premium.

Profit and loss account includes all current and prior period profits and losses.

Capital redemption reserve records the nominal value of shares repurchased by the company.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2018	2017
	£	£
Sale of goods	8,571,515	11,211,714
Rental income	18,150	20,494
	<u>8,589,665</u>	<u>11,232,208</u>

The analysis of the company's turnover for the year by market is as follows:

	2018	2017
	£	£
UK	1,058,502	2,791,005
Europe	7,531,163	8,441,203
	<u>8,589,665</u>	<u>11,232,208</u>

4 Operating loss

Arrived at after charging/(crediting):

	2018	2017
	£	£
Depreciation expense	45,811	27,373
Foreign exchange losses/(gains)	25,135	(127,628)
Operating lease expense - plant and machinery	5,138	5,971
Profit on disposal of property, plant and equipment	<u>(950)</u>	<u>(1,060)</u>

5 Interest payable and similar expenses

	2018	2017
	£	£
Interest on obligations under finance leases and hire purchase contracts	7,968	5,198
Interest expense on other finance liabilities	<u>19,568</u>	<u>19,243</u>
	<u>27,536</u>	<u>24,441</u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018	2017
	£	£
Wages and salaries	662,560	1,162,315
Social security costs	46,505	81,388
Pension costs, defined contribution scheme	4,181	7,143
Other employee expense	1,900	3,008
	<u>715,146</u>	<u>1,253,854</u>

The average number of persons employed by the company (including directors) during the year analysed by category was as follows:

	2018	2017
	No.	No.
Production	20	40
Administration and support	6	9
Sales	5	8
Distribution	5	10
	<u>36</u>	<u>67</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018	2017
	£	£
Remuneration	92,878	37,160
Contributions paid to money purchase schemes	743	600
	<u>93,621</u>	<u>37,760</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2018	2017
	No.	No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	<u>6,000</u>	<u>6,000</u>

9 Taxation

Tax charged/(credited) in the profit and loss account:

	2018 £	2017 £
Current taxation		
UK corporation tax	-	(8,210)
UK corporation tax adjustment to prior periods	<u>(8,254)</u>	<u>4</u>
	(8,254)	(8,206)
Deferred taxation		
Arising from origination and reversal of timing differences	<u>-</u>	<u>(19,634)</u>
Tax receipt in the profit and loss account	<u>(8,254)</u>	<u>(27,840)</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - the same as the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Loss before tax	<u>(194,797)</u>	<u>(273,765)</u>
Corporation tax at standard rate	(37,011)	(54,753)
Effect of tax losses	<u>28,757</u>	<u>26,913</u>
Total tax credit	<u>(8,254)</u>	<u>(27,840)</u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10 Intangible assets

	Goodwill	Total
	£	£
Cost or valuation		
At 1 September 2017	<u>142,400</u>	<u>142,400</u>
At 31 August 2018	<u>142,400</u>	<u>142,400</u>
Amortisation		
At 1 September 2017	<u>142,400</u>	<u>142,400</u>
At 31 August 2018	<u>142,400</u>	<u>142,400</u>
Carrying amount		
At 31 August 2018	<u><u>-</u></u>	<u><u>-</u></u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

11 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 September 2017	56,489	122,796	24,715	259,427	463,427
Additions	-	-	31,478	108,981	140,459
Disposals	(246)	-	(12,038)	(79,487)	(91,771)
At 31 August 2018	56,243	122,796	44,155	288,921	512,115
Depreciation					
At 1 September 2017	26,767	116,135	21,124	194,047	358,073
Charge for the year	7,452	5,063	5,845	27,451	45,811
Eliminated on disposal	(246)	-	(12,038)	(79,487)	(91,771)
At 31 August 2018	33,973	121,198	14,931	142,011	312,113
Carrying amount					
At 31 August 2018	22,270	1,598	29,224	146,910	200,002
At 31 August 2017	29,722	6,661	3,591	65,380	105,354

Included within the net book value of land and buildings above is £22,270 (2017 - £29,722) in respect of long leasehold land and buildings.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
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Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2018	2017
	£	£
Plant and machinery	<u>119,810</u>	<u>48,674</u>

12 Stocks

	2018	2017
	£	£
Finished goods and goods for resale	<u>231,755</u>	<u>293,194</u>

13 Debtors

	2018	2017
	£	£
Trade debtors	828,249	1,026,162
Other debtors	67,231	58,978
Prepayments	23,744	49,792
Corporation tax	9	8,210
	<u>-</u>	<u>-</u>
Total current trade and other debtors	<u>919,224</u>	<u>1,143,142</u>

14 Cash and cash equivalents

	2018	2017
	£	£
Cash on hand	397	373
Cash at bank	<u>6,621</u>	<u>30,962</u>
	7,018	31,335
Bank overdrafts	<u>(3,429)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>3,589</u>	<u>31,335</u>

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	17	63,068	11,227
Trade creditors		348,142	437,456
Social security and other taxes		12,503	26,465
Other creditors		599,113	599,622
Accrued expenses		94,397	149,861
		<u>1,117,223</u>	<u>1,224,631</u>
Due after one year			
Loans and borrowings	17	<u>112,382</u>	<u>33,457</u>

16 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £4,181 (2017 - £7,143).

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FOR THE YEAR ENDED 31 AUGUST 2018

17 Loans and borrowings

	2018	2017
	£	£
Current loans and borrowings		
Bank overdrafts	3,429	-
Obligations under finance leases and hire purchase contracts	50,148	11,227
Other borrowings	9,491	-
	<u>63,068</u>	<u>11,227</u>
	2018	2017
	£	£
Non-current loans and borrowings		
Obligations under finance leases and hire purchase contracts	96,460	33,457
Other borrowings	15,922	-
	<u>112,382</u>	<u>33,457</u>

18 Share capital

Allotted, called up and fully paid shares

	No.	2018	No.	2017
		£		£
Ordinary "A" shares of £1 each	750	750	750	750
Ordinary "B" shares of £1 each	250	250	250	250
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

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19 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	87,179	131,800
Later than one year and not later than five years	<u>86,313</u>	<u>129,782</u>
	<u>173,492</u>	<u>261,582</u>

20 Dividends

	2018 £	2017 £
Interim dividend of £Nil (2017 - £32.33) per ordinary share	<u>-</u>	<u>32,333</u>

21 Contingent liabilities

The company has given guarantees to HSBC bank for £150,000 and £40,000 (2017 - £150,000 and £40,000) in favour of Brixham Trawler Agents Limited and Plymouth Trawler Agents Limited.

SAMWAYS FISH MERCHANTS & INTERNATIONAL TRANSPORTERS LIMITED
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22 Related party transactions

Summary of transactions with key management

The only key management personnel are the directors. The aggregate compensation paid to them is the amount shown in in note 7, Directors' remuneration.

Other transactions with directors

The directors have provided a £200,000 joint and several guarantee to the company's bankers.

During the year the company paid dividends of £nil (2017 - £32,333) to the directors.

The company also maintains an unsecured loan account with the directors which charges interest at 8% and is repayable on demand. During the year interest of £19,575 (2017 - £19,243) was charged on the loan account and at the balance sheet date the company owed the directors £239,926 (2017 - £241,832).

Summary of transactions with entities with joint control or significant interest

During the year the company paid rent totalling £49,000 (2017 - £49,000) to C A & Mrs S Samways Retirement Benefit Pension Scheme, a SIPP of which the directors are sole beneficiaries. At the year end the amount owed to C A & Mrs S Samways Retirement Benefit Pension Scheme was £15,708 (2017 - £15,708).

23 Parent and ultimate parent undertaking

The ultimate controlling party is C A Samways.