

Registered number
12590456

North East Seafoods Limited

Unaudited Filleted Accounts

30 June 2021

North East Seafoods Limited**Registered number:** 12590456**Balance Sheet****as at 30 June 2021**

	Notes	2021
		£
Fixed assets		
Tangible assets	5	18,950
Current assets		
Stocks		112,159
Debtors	6	347,067
Cash at bank and in hand		78,315
		<u>537,541</u>
Creditors: amounts falling due within one year	7	(534,190)
Net current assets		<u>3,351</u>
Total assets less current liabilities		<u>22,301</u>
Provisions for liabilities		(3,601)
Net assets		<u><u>18,700</u></u>
Capital and reserves		
Called up share capital		1,000
Profit and loss account		17,700
Shareholders' funds		<u><u>18,700</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

P Lowery

Director

Approved by the board on 20 January 2022

North East Seafoods Limited
Notes to the Accounts
for the period from 7 May 2020 to 30 June 2021

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard). The reporting currency is Pounds Sterling (GBP) and all figures are rounded to the nearest £1.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses. Goodwill arising (positive or negative) on trade and asset purchases is written off or back to profit and loss account as those assets are consumed in the business.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold improvements	over 3 or 5 years
Plant and machinery	over 3 or 5 years
Fixtures, fittings, tools and equipment	over 3 or 5 years

Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2	Exceptional items	2021
		£

COVID-19 support grants received: job retention scheme	(83,220)
COVID-19 support grants received: local authority support	(6,538)
Negative goodwill credited to profit and loss account (note 4)	(24,000)
	<u>(113,758)</u>

3	Employees	2021
		Number

Average number of persons employed by the company	<u>11</u>
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4	Intangible fixed assets	£
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Goodwill:

Cost

Additions	(24,000)
At 30 June 2021	<u>(24,000)</u>

Amortisation

Provided during the period	(24,000)
At 30 June 2021	<u>(24,000)</u>

Net book value

At 30 June 2021	<u>-</u>
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Negative goodwill arose on the acquisition of the trade and assets of Inshore Fisheries Limited from that company's liquidator in May 2020. This transaction has been accounted for under the purchase method as required by FRS102. Negative goodwill arising has been written off in the period as underlying acquired assets (principally stock for sale valued at the directors' estimate of its then fair value) have been realised through consumption or sale.

The cost of assets acquired and the fair value adjustments were as follows:

	Note	Cost of acquisition £	Fair value adjustments £	Final £
Plant and machinery	(i)	10,997	3	11,000
Stock - perishable	(ii)	1,000	24,000	25,000
Records and systems	(iii)	1	(1)	-
Intellectual property	(iv)	1	(1)	-
Goodwill		1	(24,001)	(24,000)
		<u>12,000</u>	<u>-</u>	<u>12,000</u>

(i) Being recognition of factory plant and machinery acquired

(ii) Being recognition of and uplift to the fair value of inventory acquired

(iii) Being recognition of and adjustment to the fair value of systems acquired

(iv) Being recognition of and adjustment to the fair value of intellectual property acquired

The whole of North East Seafoods' turnover and profit for the period ended 30 June 2021 has been derived from this acquired trade.

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
Additions	22,461
At 30 June 2021	<u>22,461</u>
Depreciation	
Charge for the period	3,511
At 30 June 2021	<u>3,511</u>
Net book value	
At 30 June 2021	18,950

6 Debtors

	2021 £
Trade debtors	326,882
Other debtors	20,185
	<u>347,067</u>

7	Creditors: amounts falling due within one year	2021
		£
	Trade creditors	72,747
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	410,262
	Taxation and social security costs	8,092
	Other creditors	43,089
		<u>534,190</u>

The company's tenure of its premises is presently subject to an informal arrangement with a recurring annual rent and services cost of £18,000.

8 Related party transactions

The company has been provided with operational and working capital support by Kirwin Brothers Limited, which has joint control over the company. Transactions between the company and Kirwin Brothers Limited have been conducted under normal market conditions.

Key management personnel compensation	2021
	£
Amounts paid to key management during the period were as follows:	
Remuneration	89,720
Cost of post-retirement benefits	1,519
	<u>91,239</u>

9 Controlling party

The company is jointly owned and controlled by Mr. Paul Lowery, director, and Kirwin Brothers Limited.

10 Other information

North East Seafoods Limited is a private company limited by shares and incorporated in England. Its registered office is:

Tod Point Road, Warrenby, Redcar, Cleveland, United Kingdom, TS10 5AU

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