

Company Registration No. SC135351 (Scotland)

HEATHER FISHING COMPANY LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR**

HEATHER FISHING COMPANY LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 9

HEATHER FISHING COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3	5,812,487		6,425,707	
Tangible assets	4	5,547,702		5,844,519	
Investments	5	15,000		174,171	
		11,375,189		12,444,397	
Current assets					
Debtors	6	273,941		41,362	
Cash at bank and in hand		2,420,403		1,067,939	
		2,694,344		1,109,301	
Creditors: amounts falling due within one year	7	(1,732,267)		(1,600,928)	
Net current assets/(liabilities)		962,077		(491,627)	
Total assets less current liabilities		12,337,266		11,952,770	
Creditors: amounts falling due after more than one year	8	(4,728,753)		(5,415,456)	
Provisions for liabilities		(389,135)		(402,342)	
Net assets		7,219,378		6,134,972	
Capital and reserves					
Called up share capital		672,001		672,001	
Share premium account		1,060,281		1,060,281	
Capital redemption reserve		141,617		141,617	
Profit and loss reserves		5,345,479		4,261,073	
Total equity		7,219,378		6,134,972	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

HEATHER FISHING COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 9 November 2020 and are signed on its behalf by:

W A HUNTER

W A Hunter

Director

Company Registration No. SC135351

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Heather Fishing Company Limited is a private company limited by shares incorporated in Scotland. The registered office is Denholm Fishselling Limited, Units 1 & 2, Old School, Cawdor, Nairn, Scotland, IV12 5BL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors, having made due and careful enquiry, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fishing licence & quota	6.67% straight line
-------------------------	---------------------

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Plant and equipment	5% and 20% straight line
Motor vehicles	20% straight line
Vessels	5% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and 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.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from related parties. These are measured at amortised cost and are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.12 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

1.13 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	5	4

3 Intangible fixed assets

	Fishing licence & quota
	£
Cost	
At 1 January 2019 and 31 December 2019	9,342,199
Amortisation and impairment	
At 1 January 2019	2,916,492
Amortisation charged for the year	613,220
At 31 December 2019	3,529,712
Carrying amount	
At 31 December 2019	5,812,487
At 31 December 2018	6,425,707

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Tangible fixed assets

	Freehold property £	Plant and equipment £	Motor vehicles £	Vessels £	Total £
Cost					
At 1 January 2019	85,395	700,963	94,617	6,288,793	7,169,768
Additions	-	63,708	62,072	-	125,780
Disposals	-	-	(29,606)	-	(29,606)
At 31 December 2019	85,395	764,671	127,083	6,288,793	7,265,942
Depreciation and impairment					
At 1 January 2019	28,530	224,178	64,617	1,007,924	1,325,249
Depreciation charged in the year	1,708	70,740	20,753	314,440	407,641
Eliminated in respect of disposals	-	-	(14,650)	-	(14,650)
At 31 December 2019	30,238	294,918	70,720	1,322,364	1,718,240
Carrying amount					
At 31 December 2019	55,157	469,753	56,363	4,966,429	5,547,702
At 31 December 2018	56,865	476,785	30,000	5,280,869	5,844,519

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 January 2019	174,171
Additions	15,000
Disposals	(174,171)
At 31 December 2019	15,000
Carrying amount	
At 31 December 2019	15,000
At 31 December 2018	174,171

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	258,175	26,449
Prepayments and accrued income	15,766	14,913
	273,941	41,362

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	723,536	752,897
Trade creditors	233,242	71,223
Corporation tax	123,522	126,108
Other creditors	622,785	622,785
Accruals and deferred income	29,182	27,915
	1,732,267	1,600,928

8 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	9	4,721,142	5,407,609
Government grants		7,611	7,847
		4,728,753	5,415,456

HEATHER FISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Loans and overdrafts

	2019 £	2018 £
Bank loans	5,392,858	6,103,493
Bank overdrafts	51,820	57,013
	<u>5,444,678</u>	<u>6,160,506</u>
Payable within one year	723,536	752,897
Payable after one year	<u>4,721,142</u>	<u>5,407,609</u>

The bank borrowings are secured by a ships mortgage over the vessels, together with a bond and floating charge over all assets of the company.

The company has three bank loans.

The first bank loan has a repayment date of 20 December 2024, interest is charged at 2.32% over base.

The second bank loan has a repayment date of 13 April 2024, interest is charged at 2.32% over base.

The third bank loan has a repayment date of 20 December 2022, interest is charged at 2.50% over base.

10 Related party transactions

At the year end there were amounts due by the company to a director of £1,987 (2018 - £1,987).

At the year end there were amounts due by the company to a shareholder of £23,971 (2018 - £23,971).

At the year end there were amounts due by the company to a company with a mutual director of £342,993 (2018 - £342,993).

At the year end there were amounts due to companies with a mutual director and shareholder of £169,222 (2018 - £169,222).

At the year end there were amounts due to a company with a mutual shareholder of £84,612 (2018 - £84,612).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.