

**LABRADOR COAST LTD**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

WEDNESDAY



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# LABRADOR COAST LTD

## COMPANY INFORMATION

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<b>Directors</b>	M D Murray K C Murray R A J Frith	(Chairman) (Chief Executive)
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<b>Secretary</b>	Blue Planet Investment Advisers Limited
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<b>Company number</b>	SC146786
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<b>Registered office</b>	Greenside House 25 Greenside Place Edinburgh EH1 3AA
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<b>Accountants</b>	Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU
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<b>Bankers</b>	Lloyds Banking Group 1st Floor 48 Chiswell Street London EC1Y 4XX  Santander UK plc Bridle Road Bootle Merseyside L30 4GB
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# LABRADOR COAST LTD

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# LABRADOR COAST LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2016

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The directors present their annual report and financial statements for the year ended 31 August 2016.

#### Principal activities

The principal activity of the company continued to be that of the provision of corporate administration services and dealing in investments and the making of investments. The principal risk facing the company is the market value of its listed investments.

#### Directors

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

K Murray  
R A J Frith  
M D Murray

#### Results and dividends

The profit for the year to 31st August 2016 is set out in the profit and loss account on page 3. The results of the year have benefited from an increasing dividend stream from the Company's investments. The directors are satisfied with the performance in the period.

#### Dividends

No dividends have been declared during the year and the Directors do not recommend a final dividend.

#### Directors' interests

M D Murray owns the entire issued share capital of the Company.

#### Statement of directors' responsibilities

The directors are responsible 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 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;
- 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# **LABRADOR COAST LTD**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

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By order of the board

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long, horizontal, slightly wavy line.

Blue Planet Investment Advisers Limited

**Secretary**

14 December 2016

# LABRADOR COAST LTD

## ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF LABRADOR COAST LTD FOR THE YEAR ENDED 31 AUGUST 2016

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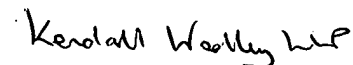
In order to assist you to fulfil your duties under the Companies Act 2006, we have assisted in the preparation of the financial statements of Labrador Coast Ltd for the year ended 31 August 2016, which comprise the Profit And Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made solely to the Board of Directors of Labrador Coast Ltd, as a body, in accordance with the terms of our engagement letter dated 5 March 2013. Our work has been undertaken solely to assist you in the preparation of the financial statements of Labrador Coast Ltd and state those matters that we have agreed to state to the Board of Directors of Labrador Coast Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Labrador Coast Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Labrador Coast Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Labrador Coast Ltd. You consider that Labrador Coast Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Labrador Coast Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Kendall Wadley LLP**

14 December 2016

**Chartered Accountants**

Merevale House  
27 Sansome Walk  
Worcester  
WR1 1NU

# LABRADOR COAST LTD

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	23,900	50,400
Administrative expenses	<u>(11,051)</u>	<u>(9,341)</u>
<b>Operating profit</b>	12,849	41,059
Interest receivable and similar income	419,225	392,763
Interest payable and similar expenses	<u>(17,018)</u>	<u>(21,955)</u>
<b>Profit before taxation</b>	415,056	411,867
Taxation	<u>(219)</u>	<u>-</u>
<b>Profit for the financial year (being the comprehensive income for the year)</b>	<u>414,837</u>	<u>411,867</u>

# LABRADOR COAST LTD

## BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	2	11,229		16,412	
Investments	3	5,241,402		5,396,703	
		<u>5,252,631</u>		<u>5,413,115</u>	
<b>Current assets</b>					
Cash at bank and in hand		218,659		11,784	
<b>Creditors: amounts falling due within one year</b>	4	<u>(1,319,312)</u>		<u>(1,376,572)</u>	
<b>Net current liabilities</b>		<u>(1,100,653)</u>		<u>(1,364,788)</u>	
<b>Total assets less current liabilities</b>		4,151,978		4,048,327	
<b>Creditors: amounts falling due after more than one year</b>	5	(280,000)		(420,000)	
<b>Net assets</b>		<u>3,871,978</u>		<u>3,628,327</u>	
<b>Capital and reserves</b>					
Called up share capital	6	1,000		1,000	
Revaluation reserve		(425,940)		(254,754)	
Profit and loss reserves		<u>4,296,918</u>		<u>3,882,081</u>	
<b>Total equity</b>		<u>3,871,978</u>		<u>3,628,327</u>	

# **LABRADOR COAST LTD**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 AUGUST 2016**

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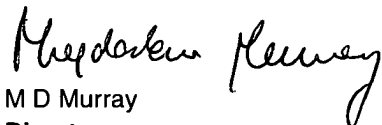
For the financial year ended 31 August 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

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

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

The financial statements were approved by the board of directors and authorised for issue on 24 October 2016 and are signed on its behalf by:



M D Murray

**Director**

**14 December 2016**

**Company Registration No. SC146786**

# LABRADOR COAST LTD

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 AUGUST 2016**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 August 2014</b>	1,000	(144,062)	3,470,214	3,327,152
<b>Year ended 31 August 2015:</b>				
Profit for the year	-	-	411,867	411,867
Other comprehensive income:				
Revaluation of tangible fixed assets	-	(110,692)	-	(110,692)
Total comprehensive income for the year	-	(110,692)	411,867	301,175
<b>Balance at 31 August 2015</b>	1,000	(254,754)	3,882,081	3,628,327
<b>Year ended 31 August 2016:</b>				
Profit for the year	-	-	414,837	414,837
Other comprehensive income:				
Revaluation of tangible fixed assets	-	(171,186)	-	(171,186)
Total comprehensive income for the year	-	(171,186)	414,837	243,651
<b>Balance at 31 August 2016</b>	1,000	(425,940)	4,296,918	3,871,978

# LABRADOR COAST LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1 Accounting policies

##### Company information

Labrador Coast Ltd is a private company limited by shares incorporated in Scotland, registration number SC146786. The registered office is Greenside House, 25 Greenside Place, Edinburgh, EH1 3AA.

#### 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.

These financial statements for the year ended 31 August 2016 are the first financial statements of Labrador Coast Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 August 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for corporate administration services, income being recognised when earned.

#### 1.3 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 improvements	20 years straight line
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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.

#### 1.4 Fixed asset investments

Interests in subsidiaries are measured at cost. Interests in associates are revalued at market prices at the period end with differences from cost take to revaluation reserve.

# LABRADOR COAST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **1 Accounting policies**

#### **1.5 Cash and cash equivalents**

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.

#### **1.6 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at their transaction price.

#### **1.7 Taxation**

The tax expense represents the tax currently payable on the profit for the year. Deferred tax is immaterial in the context of the financial statements.

# LABRADOR COAST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 2 Tangible fixed assets

	Freehold property improvements £
<b>Cost</b>	
At 1 August 2015 and 31 August 2016	105,709
<b>Depreciation and impairment</b>	
At 1 August 2015	89,297
Depreciation charged in the year	5,183
At 31 August 2016	94,480
<b>Carrying amount</b>	
At 31 August 2016	11,229
At 31 August 2015	16,412

### 3 Fixed asset investments

#### Movements in fixed asset investments

	Shares in group companies and associates £	Other investments other than loans £	Total £
<b>Cost or valuation</b>			
At 1 August 2015	5,395,703	1,000	5,396,703
Additions	15,885	-	15,885
Valuation changes	(171,186)	-	(171,186)
At 31 August 2016	5,240,402	1,000	5,241,402
<b>Carrying amount</b>			
At 31 August 2016	5,240,402	1,000	5,241,402
At 31 August 2015	5,395,703	1,000	5,396,703

Fixed asset investment has an historical cost of £9,285,364.

# LABRADOR COAST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

There would be no potential tax liability if the investments were sold at the period end valuation (2015 - nil). Other investments represent £1,000 of unquoted preference shares in Blue Planet Investment Advisers Limited.

Investment in group companies represents:

a) £100 investment in Netherdale Estate Limited (formerly Blue Planet Bank Limited) representing the whole of the issued share capital. The company is dormant. The accounts of the subsidiary undertaking, which has not traded during the period, have not been consolidated as in the opinion of the Directors they are not material for the purposes of giving a true and fair view as provided in Section 405 of the Companies Act 2006.

Investment in associate companies represents:

b) A 28.24% holding in Blue Planet Investment Trust plc, an Investment Trust incorporated in England & Wales. The latest available financial statements for this quoted entity are those for the twelve month period ended 30 April 2016. Based on these financial statements the company's share of the associate in the following categories is:

	£
Profit before tax	451,030
Taxation	(31,218)
Profit after tax	419,812
Fixed assets	9,589,599
Current assets	109,646
Liabilities due within one year	3,149,488

#### 4 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	140,000	140,000
Loan from related company	1,177,184	1,233,872
Corporation tax	198	-
Other creditors	1,930	2,700
	<u>1,319,312</u>	<u>1,376,572</u>

#### 5 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	<u>280,000</u>	<u>420,000</u>

The Sterling loan comprises the capital balance remaining on loans of £490,000 and £210,000 drawn down in 2014. Both loans are repayable over a five year period, with capital payments equalling one fifth of the loans being repaid in January of each year, the first repayment was January 2015. The larger loans bears interest at Libor plus 2.55% (current total rate is 2.8%) and the smaller loan has a fixed rate of interest of 4.7%. The loans are secured by a bond and floating charge and a pledge of listed investments.

# LABRADOR COAST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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**6 Called up share capital**

	2016	2015
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
20,003 Ordinary shares of 5p each	1,000	1,000

**7 Financial commitments, guarantees and contingent liabilities**

Blue Planet Investment Advisers Limited has the right, at any time, after giving the Company six months' notice to call up 1,999,000 redeemable preference shares of £1 each.

**8 Related party transactions**

The company provided corporate services to Blue Planet Investment Advisers Ltd for a fee of £23,900 (2015 - £50,400) during the period. The company also received a loan of £1,117,184 (2015 - £1,233,872) from Blue Planet Investment Advisers Limited. The 2015 loan was repaid during the period. There were no loans to directors during the year.