

LABRADOR COAST LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018



LABRADOR COAST LTD

COMPANY INFORMATION

| | | |
|------------------|---|------------|
| Directors | M D Murray K C Murray R A J Frith | (Chairman) |
|------------------|---|------------|

| | |
|------------------|---|
| Secretary | Blue Planet Investment Advisers Limited |
|------------------|---|

| | |
|-----------------------|----------|
| Company number | SC146786 |
|-----------------------|----------|

| | |
|--------------------------|--|
| Registered office | 17 Grosvenor Crescent Edinburgh EH12 5EL |
|--------------------------|--|

| | |
|--------------------|---|
| Accountants | Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU |
|--------------------|---|

| | |
|----------------|--|
| Bankers | Lloyds Banking Group 1st Floor 48 Chiswell Street London EC1Y 4XX Santander UK plc Bridle Road Bootle Merseyside L30 4GB Walker Crips Old Change House 128 Queen Victoria Street London EC4V 4BJ |
|----------------|--|

LABRADOR COAST LTD.

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LABRADOR COAST LTD.

BALANCE SHEET

AS AT 31 AUGUST 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|--|-------|--------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 863 | | 6,046 |
| Investments | 4 | | 5,940,108 | | 6,429,203 |
| | | | <u>5,940,971</u> | | <u>6,435,249</u> |
| Current assets | | | | | |
| Cash at bank and in hand | | 973,661 | | 180,184 | |
| Creditors: amounts falling due within one year | 5 | <u>(1,019,483)</u> | | <u>(760,090)</u> | |
| Net current liabilities | | | <u>(45,822)</u> | | <u>(579,906)</u> |
| Total assets less current liabilities | | | 5,895,149 | | 5,855,343 |
| Creditors: amounts falling due after more than one year | 6 | | - | | (140,000) |
| Net assets | | | <u>5,895,149</u> | | <u>5,715,343</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 1,000 | | 1,000 |
| Undistributable reserve | | | 272,766 | | 761,861 |
| Profit and loss reserves | | | <u>5,621,383</u> | | <u>4,952,482</u> |
| Total equity | | | <u>5,895,149</u> | | <u>5,715,343</u> |

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 August 2018 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.

LABRADOR COAST LTD.

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2018

The financial statements were approved by the board of directors and authorised for issue on 12 December 2018 and are signed on its behalf by:



M D Murray

Director

Company Registration No. SC146786

LABRADOR COAST LTD.

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

| | Share capital | Undistributable reserve | Profit and loss reserves | Total |
|---|------------------|----------------------------|--------------------------------|-----------|
| | £ | £ | £ | £ |
| Balance at 1 September 2016 | 1,000 | (425,940) | 4,296,918 | 3,871,978 |
| Year ended 31 August 2017: | | | | |
| Profit for the year | - | - | 655,564 | 655,564 |
| Other comprehensive income: | | | | |
| Revaluation of fixed asset investments | - | 1,187,801 | - | 1,187,801 |
| Total comprehensive income for the year | - | 1,187,801 | 655,564 | 1,843,365 |
| Balance at 31 August 2017 | 1,000 | 761,861 | 4,952,482 | 5,715,343 |
| Year ended 31 August 2018: | | | | |
| Profit for the year | - | - | 668,901 | 668,901 |
| Other comprehensive income: | | | | |
| Revaluation of fixed asset investments | - | (489,095) | - | (489,095) |
| Total comprehensive income for the year | - | (489,095) | 668,901 | 179,806 |
| Balance at 31 August 2018 | 1,000 | 272,766 | 5,621,383 | 5,895,149 |

LABRADOR COAST LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Company information

Labrador Coast Ltd. is a private company limited by shares incorporated in Scotland. The registered office is 17 Grosvenor Crescent, Edinburgh, EH12 5EL.

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, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

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 |
|--------------------------------|------------------------|

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 price at the year end with gains or losses taken to the undistributable reserve.

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 balance sheet 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.

LABRADOR COAST LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are 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.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the year.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2017 - 3).

LABRADOR COAST LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

3 Tangible fixed assets

| | Freehold property improvements £ |
|--|--|
| Cost | |
| At 1 September 2017 and 31 August 2018 | 105,709 |
| Depreciation and impairment | |
| At 1 September 2017 | 99,663 |
| Depreciation charged in the year | 5,183 |
| At 31 August 2018 | 104,846 |
| Carrying amount | |
| At 31 August 2018 | 863 |
| At 31 August 2017 | 6,046 |

LABRADOR COAST LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

4 Fixed asset investments

| | 2018 £ | 2017 £ |
|-------------|-----------|-----------|
| Investments | 5,940,108 | 6,429,203 |

Movements in fixed asset investments

| | Shares in group companies and associates £ | Other investments other than loans £ | Total £ |
|--------------------------|---|--|------------|
| Cost or valuation | | | |
| At 1 September 2017 | 6,428,203 | 1,000 | 6,429,203 |
| Valuation changes | (489,095) | - | (489,095) |
| At 31 August 2018 | 5,939,108 | 1,000 | 5,940,108 |
| Carrying amount | | | |
| At 31 August 2018 | 5,939,108 | 1,000 | 5,940,108 |
| At 31 August 2017 | 6,428,203 | 1,000 | 6,429,203 |

Fixed asset investments have an historical cost of £9,285,364.

There would be no potential tax liability if the investments were sold at the period end valuation (2017 - 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 2018. Based on these financial statements the Company's share of the associate in the following categories is:

| | £ |
|---------------------------------|-----------|
| Profit before tax | 835,835 |
| Taxation | (10,915) |
| Profit after tax | 824,920 |
| Fixed assets | 9,657,531 |
| Current assets | 127,321 |
| Liabilities due within one year | 2,630,596 |

LABRADOR COAST LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

5 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|---------------------------|------------------|----------------|
| Bank loans | - | 140,000 |
| Loan from related company | 1,016,419 | 617,858 |
| Corporation tax | 1,094 | 262 |
| Other creditors | 1,970 | 1,970 |
| | <u>1,019,483</u> | <u>760,090</u> |

6 Creditors: amounts falling due after more than one year

| | 2018 £ | 2017 £ |
|------------|-----------|----------------|
| Bank loans | - | 140,000 |
| | <u>-</u> | <u>140,000</u> |

7 Called up share capital

| | 2018 £ | 2017 £ |
|--|--------------|--------------|
| Ordinary share capital Issued and fully paid 20,003 Ordinary shares of 5p each | <u>1,000</u> | <u>1,000</u> |

8 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.

9 Related party transactions

The company provided corporate services to Blue Planet Investment Advisers Ltd for a fee of £13,533 (2017 - £17,677) during the year. The company also received a loan of £1,016,419 (2017 - £617,858) from Blue Planet Investment Advisers Limited. The 2017 loan was repaid during the year. There were no loans to directors during the year.