REGISTERED NUMBER: SC388209 (Scotland)

D. R. Collin & Son Ltd.

Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

for the Year Ended 30th April 2019

Contents of the Consolidated Financial Statements for the year ended 30th April 2019

D. R. Collin & Son Ltd.

Company Information
for the year ended 30th April 2019

Directors:	S F Aitchison J C Cook W K Mcrobbie Mrs J C Middlemiss P J Virtue Mrs S A Wilson
Secretary:	R Mark
Registered office:	34-36 Harbour Road Eyemouth Berwickshire TD14 5HY
Registered number:	SC388209 (Scotland)
Auditors:	Rennie Welch Audit Limited Academy House Shedden Park Road Kelso Roxburghshire TD5 7AL

D. R. Collin & Son Ltd. (Registered number: SC388209)

Group Strategic Report
for the year ended 30th April 2019

The directors present their strategic report of the company and the group for the year ended 30th April 2019.

Review of business
The group is one of the leading shellfish suppliers and exporters in the UK. The group has maintained market share and profitability in a very competitive market. A reserved approach to expansion and acquisitions has been adopted until the outcome of Brexit is known.

Results for the year
The results for the year show a profit on ordinary activities before tax of £3,208,676 (2018: £3,612,647). The board are satisfied with the performance for the financial year..

The board monitor the progress of the company by the following KPIs:

	2019	2018
Turnover	£56,187,795	£49,824,088
GP	19.61%	21.61%
ROCE	28.30%	38.55%

Principal risks and uncertainties
Funding and liquidity risk
The group manages its cash and borrowing requirements in order to minimise interest expense whilst ensuring the group has sufficient liquid resources to meet the operating needs of each business within the group.

The group has sufficient funding arrangements in place with their bankers to ensure the operating requirements of the group can be maintained.

Market and economic risk
The group is exposed to the uncertainties surrounding Brexit. Appropriate steps have been taken by the group to plan for the UK's departure from the EU. Until the final arrangements are agreed between the UK and EU it is difficult to measure the impact on the business.

The group's international trade exposes it to currency risk. Currency exposure is managed by using appropriate FX hedges.

On behalf of the board:

Director

5th November 2019

Report of the Directors
for the year ended 30th April 2019

The directors present their report with the financial statements of the company and the group for the year ended 30th April 2019.

Principal activity
The principal activity of the group in the year under review was that of fish wholesale.

Dividends
The directors recommend an ordinary dividend of £170 per A ordinary share and £170 per B ordinary share.

Directors
The directors shown below have held office during the whole of the period from 1st May 2018 to the date of this report.

S F Aitchison
J C Cook
W K Mcrobbie
Mrs J C Middlemiss
P J Virtue
Mrs S A Wilson

Going concern
In carrying out their duties in respect of going concern, the directors have carried out a review of the group's financial position for a period of 12 months from the date of signing these financial statement. The company currently meets its day to day working capital requirements through its cash balance, which is sufficient to cover working capital requirements. The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Statement of directors' responsibilities
The directors are responsible for preparing the Group strategic report, the Report of the directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Directors
for the year ended 30th April 2019

Auditors
The auditors, Rennie Welch Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

J C Cook - Director

5th November 2019

Report of the Independent Auditors to the Members of D. R. Collin & Son Ltd.

Opinion

We have audited the financial statements of D. R. Collin & Son Ltd. (the 'parent company') and its subsidiaries (the 'group') for the year ended 30th April 2019 which comprise the Consolidated income statement, Consolidated other comprehensive income, Consolidated balance sheet, Company balance sheet, Consolidated statement of changes in equity, Company statement of changes in equity, Consolidated cash flow statement and Notes to the consolidated cash flow statement, 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 group's and of the parent company affairs as at 30th April 2019 and of the group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group strategic report and the Report of the directors, but does not include the financial statements and our Report of the auditors 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.

Opinions on other matters 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 Group strategic report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Report of the directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of D. R. Collin & Son Ltd.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Report of the directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the auditors 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 Report of the auditors.

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 a Report of the auditors 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.

G Adamson

Gillian Adamson BSC (Hons) CA CTA (Senior Statutory Auditor)
for and on behalf of Rennie Welch Audit Limited
Academy House
Shedden Park Road
Kelso
Roxburghshire
TD5 7AL

5th November 2019

Consolidated Income Statement
for the year ended 30th April 2019

	Notes	2019 £	2018 £
Turnover	3	56,187,795	49,824,088
Cost of sales		(45,167,867)	(39,056,869)
Gross profit		11,019,928	10,767,219
Administrative expenses		(7,785,503)	(7,145,340)
		3,234,425	3,621,879
Other operating income	4	17,739	29,759
Operating profit	6	3,252,164	3,651,638
Interest receivable and similar income		3,262	2,550
		3,255,426	3,654,188
Interest payable and similar expenses	8	(46,750)	(41,541)
Profit before taxation		3,208,676	3,612,647
Tax on profit	9	(654,015)	(735,148)
Profit for the financial year		2,554,661	2,877,499
Profit attributable to:			
Owners of the parent		2,358,468	2,575,417
Non-controlling interests		196,193	302,082
		2,554,661	2,877,499

The notes on pages 16 to 32 form part of these financial statements

Consolidated Other Comprehensive Income for the year ended 30th April 2019

	Notes	2019 £	2018 £
Profit for the year		2,554,661	2,877,499
Other comprehensive income		-	-
Total comprehensive income for the year		2,554,661	2,877,499
Total comprehensive income attributable to:			
Owners of the parent		2,358,468	2,575,417
Non-controlling interests		196,193	302,082
		2,554,661	2,877,499

The notes on pages 16 to 32 form part of these financial statements

Consolidated Balance Sheet
30th April 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	12		862,118		882,216
Tangible assets	13		5,315,089		5,052,794
Investments	14		210,000		130,000
Investment property	15		180,633		180,633
			6,567,840		6,245,643
Current assets					
Stocks	16	1,170,932		1,162,469	
Debtors	17	6,506,963		4,912,898	
Investments	18	10,000		-	
Cash at bank and in hand		1,618,277		1,193,610	
		9,306,172		7,268,977	
Creditors					
Amounts falling due within one year	19	4,383,779		4,042,307	
Net current assets			4,922,393		3,226,670
Total assets less current liabilities			11,490,233		9,472,313
Creditors					
Amounts falling due after more than one year	20		(762,655)		(937,877)
Provisions for liabilities	24		(254,325)		(184,105)
Accruals and deferred income	25		(241,362)		(259,101)
Net assets			10,231,891		8,091,230

The notes on pages 16 to 32 form part of these financial statements

continued...

Consolidated Balance Sheet - continued
30th April 2019

		2019		2018	
	Notes	£	£	£	£
Capital and reserves					
Called up share capital	26		1,000		1,000
Share premium	27		1,003,663		1,003,663
Retained earnings	27		8,523,388		6,504,920
Shareholders' funds			9,528,051		7,509,583
Non-controlling interests			703,840		581,647
Total equity			10,231,891		8,091,230

The financial statements were approved by the Board of Directors on 5th November 2019 and were signed on its behalf by:

J C Cook - Director

Mrs S A Wilson - Director

The notes on pages 16 to 32 form part of these financial statements

Company Balance Sheet
30th April 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	12		238,654		325,481
Tangible assets	13		4,104,367		3,925,119
Investments	14		305,632		223,825
Investment property	15		180,633		180,633
			4,829,286		4,655,058
Current assets					
Stocks	16	697,401		463,225	
Debtors	17	3,968,195		2,815,585	
Cash at bank and in hand		839,578		1,053,392	
		5,505,174		4,332,202	
Creditors					
Amounts falling due within one year	19	1,413,372		1,488,143	
Net current assets			4,091,802		2,844,059
Total assets less current liabilities			8,921,088		7,499,117
Creditors					
Amounts falling due after more than one year	20		(412,802)		(529,233)
Provisions for liabilities	24		(220,337)		(194,390)
Accruals and deferred income	25		(90,761)		(100,821)
Net assets			8,197,188		6,674,673
Capital and reserves					
Called up share capital	26		1,000		1,000
Share premium	27		1,003,663		1,003,663
Retained earnings	27		7,192,525		5,670,010
Shareholders' funds			8,197,188		6,674,673
Company's profit for the financial year			1,862,515		2,275,909

The financial statements were approved by the Board of Directors on 4th November 2019 and were signed on its behalf by:

J C Cook - Director

Mrs S A Wilson - Director

The notes on pages 16 to 32 form part of these financial statements

D. R. Collin & Son Ltd. (Registered number: SC388209)

Consolidated Statement of Changes in Equity
for the year ended 30th April 2019

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1st May 2017	1,000	4,229,509	1,003,663
Changes in equity			
Dividends	-	(300,006)	-
Total comprehensive income	-	2,575,417	-
Balance at 30th April 2018	1,000	6,504,920	1,003,663
Changes in equity			
Dividends	-	(340,000)	-
Total comprehensive income	-	2,358,468	-
Balance at 30th April 2019	1,000	8,523,388	1,003,663

	Total £	Non-controlling interests £	Total equity £
Balance at 1st May 2017	5,234,172	319,565	5,553,737
Changes in equity			
Dividends	(300,006)	(40,000)	(340,006)
Total comprehensive income	2,575,417	302,082	2,877,499
Balance at 30th April 2018	7,509,583	581,647	8,091,230
Changes in equity			
Dividends	(340,000)	(74,000)	(414,000)
Total comprehensive income	2,358,468	196,193	2,554,661
Balance at 30th April 2019	9,528,051	703,840	10,231,891

The notes on pages 16 to 32 form part of these financial statements

Company Statement of Changes in Equity
for the year ended 30th April 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st May 2017	1,000	3,694,107	1,003,663	4,698,770
Changes in equity				
Dividends	-	(300,006)	-	(300,006)
Total comprehensive income	-	2,275,909	-	2,275,909
Balance at 30th April 2018	1,000	5,670,010	1,003,663	6,674,673
Changes in equity				
Dividends	-	(340,000)	-	(340,000)
Total comprehensive income	-	1,862,515	-	1,862,515
Balance at 30th April 2019	1,000	7,192,525	1,003,663	8,197,188

The notes on pages 16 to 32 form part of these financial statements

D. R. Collin & Son Ltd. (Registered number: SC388209)

Consolidated Cash Flow Statement
for the year ended 30th April 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	2,669,711	4,001,900
Interest paid		(33,283)	(28,568)
Interest element of hire purchase payments paid		(13,467)	(12,973)
Tax paid		(644,129)	(655,522)
Net cash from operating activities		1,978,832	3,304,837
Cash flows from investing activities			
Purchase of intangible fixed assets		(250,000)	(541,304)
Purchase of tangible fixed assets		(911,761)	(1,847,450)
Purchase of fixed asset investments		(80,000)	(50,000)
Purchase of investment property		-	(75,620)
Sale of intangible fixed assets		101,000	-
Sale of tangible fixed assets		18,333	14,662
Current asset investments		(10,000)	-
Interest received		3,262	2,550
Net cash from investing activities		(1,129,166)	(2,497,162)
Cash flows from financing activities			
New loans in year		750,000	500,000
Loan repayments in year		(901,632)	(258,046)
New HP less Capital repayments in year		13,684	118,516
Directors loan movements		(48,973)	(50,879)
Dividends paid		(74,000)	(40,000)
Equity dividends paid		(340,000)	(300,006)
Net cash from financing activities		(600,921)	(30,415)
Increase in cash and cash equivalents		248,745	777,260
Cash and cash equivalents at beginning of year	2	318,970	(458,290)
Cash and cash equivalents at end of year	2	567,715	318,970

The notes on pages 16 to 32 form part of these financial statements

Notes to the Consolidated Cash Flow Statement for the year ended 30th April 2019

1. Reconciliation of profit before taxation to cash generated from operations

	2019	2018
	£	£
Profit before taxation	3,208,676	3,612,647
Depreciation charges	784,327	751,645
Loss on disposal of fixed assets	15,901	61,949
Government grants	(17,739)	(20,259)
Finance costs	46,750	41,541
Finance income	(3,262)	(2,550)
	4,034,653	4,444,973
Increase in stocks	(8,463)	(568,734)
Increase in trade and other debtors	(1,581,584)	(418,966)
Increase in trade and other creditors	225,105	544,627
Cash generated from operations	2,669,711	4,001,900

2. Cash and cash equivalents

The amounts disclosed on the Cash flow statement in respect of cash and cash equivalents are in respect of these Balance sheet amounts:

Year ended 30th April 2019

	30.4.19	1.5.18
	£	£
Cash and cash equivalents	1,618,277	1,193,610
Bank overdrafts	(1,050,562)	(874,640)
	567,715	318,970

Year ended 30th April 2018

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	1,193,610	219,925
Bank overdrafts	(874,640)	(678,215)
	318,970	(458,290)

Notes to the Consolidated Financial Statements for the year ended 30th April 2019

1. **Statutory information**

D. R. Collin & Son Ltd. is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **Accounting policies**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

D. R. Collin & Son Ltd is a private company limited by share capital incorporated in Scotland. The registered office is 34-36 Harbour Road, Eyemouth, Berwickshire, TD14 5HY

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 30 April 2019. The subsidiary undertakings comprise Boat Investments Limited, Sea Harvest Scotland Limited, D. R. Collin (Scotland) Limited (and its 60% subsidiary, Keltic Seafare (Scotland) Limited), D. R. Collin (Fish) Limited and Coquet Island Shellfish Limited made up to 30 April 2019 (2018: Boat Investments Limited, Sea Harvest Scotland Limited, D. R. Collin (Scotland) Limited (and its 60% subsidiary, Keltic Seafare (Scotland) Limited), D. R. Collin (Fish) Limited and Coquet Island Shellfish Limited made up to 30 April 2018).

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirers interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

continued...

2. **Accounting policies - continued**

Turnover
Turnover is the amount derived from ordinary activities, and is measured at the fair value of the consideration received or receivable. Turnover is reduced for estimated customer returns, rebates and other similar allowances, and is stated net of VAT.

Revenue from sale of goods is recognised when all the following conditions are satisfied:
- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goodwill
Goodwill arising on an acquisition of a business is carried at cost less accumulated amortisation and impairment losses, if any.

Goodwill is amortised in equal instalments over its estimated useful economic life of 5/10 years.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Directors believe licences have an infinite life and is therefore not being amortised.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on reducing balance and 2% on cost
Improvements to property	- 8% on reducing balance
Plant and machinery	- 20% on cost, 20% on reducing balance, 15% on reducing balance, 10% on reducing balance and 2% on reducing balance
Fixtures and fittings	- 33% on reducing balance
Motor vehicles	- 25% on cost, 25% on reducing balance and 15% on reducing balance
Office equipment	- 33% on reducing balance, 20% on cost, 16.67% on cost and 15% on reducing balance

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

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Inventories
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 and loss.

continued...

2. **Accounting policies - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into sterling at the rates of exchange ruling at the balance sheet date or the forward contract rate, where such contracts are in place. All differences are taken to the profit and loss account.

Hire purchase and leasing commitments

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases.Payments made under operating leases are charged to the profit and loss on a straight-line basis over the period of the lease.

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 fo 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 an the remaining balance of the liability.

Employee benefits

Short term employee benefits, including holiday pay , are recognised as an expense in the Income Statement in the period in which they are incurred.

A defined contribution plan is a pension plan under which fixed contributions are paid into pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

continued...

2. **Accounting policies - continued**

Licences
Licences are valued at cost. Their estimated useful lives are considered to be infinite therefore they are not amortised.

Investments
Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

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, In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

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

Trade debtors with no stated interest rate are recognised initially at the transaction price. 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 accordingly to the original terms of the receivables.

Trade 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 with no stated interest rate are recognised at the transaction price.Interest-bearing borrowings are initially recorded at fair value, net of transaction costs.

Borrowings
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 Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions
Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably. Where material, provisions are calculated on a discounted basis.

Going concern
As set out in the strategic report, the directors believe that the company is continuing to grow, experiencing good levels of profitability and is well placed to manage its business risks successfully.

Accordingly, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

continued...

3. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Sale of goods	56,187,795	49,817,992
Commissions received	-	6,096
	56,187,795	49,824,088

Revenue by geographical location
The directors consider that to disclose a geographical analysis of turnover would be seriously prejudicial to the company's interests.

4. Other operating income

	2019	2018
	£	£
Rents received	-	7,000
Sundry income	-	2,500
Government grants	17,739	20,259
	17,739	29,759

5. Employees and directors

	2019	2018
	£	£
Wages and salaries	3,846,796	3,738,667
Social security costs	51,563	9,181
Other pension costs	93,525	55,321
	3,991,884	3,803,169

The average number of employees during the year was as follows:

	2019	2018
Sales, marketing and distribution	209	197

The average number of employees by undertakings that were proportionately consolidated during the year was 107 (2018 - 100).

	2019	2018
	£	£
Directors' remuneration	501,362	484,678
Directors' pension contributions to money purchase schemes	28,067	24,582

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	5	5

continued...

5. **Employees and directors - continued**

Information regarding the highest paid director is as follows:

	2019	2018
	£	£
Emoluments etc	95,400	105,390
Pension contributions to money purchase schemes	9,782	9,580

6. **Operating profit**

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Hire of plant and machinery	19,480	23,550
Other operating leases	144,747	174,600
Depreciation - owned assets	614,232	581,549
Loss on disposal of fixed assets	15,901	61,949
Goodwill amortisation	170,098	170,097
Foreign exchange differences	(30,825)	(139,946)

7. **Auditors' remuneration**

	2019	2018
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	28,925	27,900

Non audit services £10,130 (2018 - £10,130)

8. **Interest payable and similar expenses**

	2019	2018
	£	£
Bank interest	32,720	15,014
Loan interest	563	13,554
Hire purchase interest	13,467	12,973
	46,750	41,541

9. **Taxation**

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	583,795	695,043
Deferred tax	70,220	40,105
Tax on profit	654,015	735,148

continued...

9. Taxation - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	3,208,676	3,612,647
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	609,648	686,403
Effects of:		
Expenses not deductible for tax purposes	834	22,593
Income not taxable for tax purposes	(3,370)	(16,991)
Depreciation in excess of capital allowances	374	28,130
Utilisation of tax losses	(23,691)	(35,385)
Adjustments to tax charge in respect of previous periods	-	10,293
Deferred tax	70,220	40,105
Total tax charge	654,015	735,148

10. Individual income statement

As permitted by Section 408 of the Companies Act 2006, the Income statement of the parent company is not presented as part of these financial statements.

11. Dividends

	2019 £	2018 £
Ordinary shares of £1 each		
Final	-	100,002
Interim	170,000	100,002
Ordinary shares of £1 each		
Final	-	50,001
Interim	170,000	50,001
	340,000	300,006

continued...

12. **Intangible fixed assets**

Group

	Goodwill £	Patents and licences £	Totals £
Cost			
At 1st May 2018	1,715,257	65,000	1,780,257
Additions	-	250,000	250,000
Disposals	-	(100,000)	(100,000)
At 30th April 2019	1,715,257	215,000	1,930,257
Amortisation			
At 1st May 2018	898,041	-	898,041
Amortisation for year	170,098	-	170,098
At 30th April 2019	1,068,139	-	1,068,139
Net book value			
At 30th April 2019	647,118	215,000	862,118
At 30th April 2018	817,216	65,000	882,216

Company

	Goodwill £	Patents and licences £	Totals £
Cost			
At 1st May 2018 and 30th April 2019	868,270	65,000	933,270
Amortisation			
At 1st May 2018	607,789	-	607,789
Amortisation for year	86,827	-	86,827
At 30th April 2019	694,616	-	694,616
Net book value			
At 30th April 2019	173,654	65,000	238,654
At 30th April 2018	260,481	65,000	325,481

continued...

13. Tangible fixed assets

Group

	Freehold property £	Improvements to property £	Plant and machinery £
Cost			
At 1st May 2018	2,173,887	453,856	2,475,991
Additions	-	112,305	482,143
Disposals	-	-	(16,800)
At 30th April 2019	2,173,887	566,161	2,941,334
Depreciation			
At 1st May 2018	166,963	95,243	1,138,477
Charge for year	41,347	37,660	254,525
Eliminated on disposal	-	-	(4,662)
At 30th April 2019	208,310	132,903	1,388,340
Net book value			
At 30th April 2019	1,965,577	433,258	1,552,994
At 30th April 2018	2,006,924	358,613	1,337,514

	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
Cost				
At 1st May 2018	23,965	2,258,664	199,285	7,585,648
Additions	-	302,170	15,143	911,761
Disposals	-	(71,445)	(17,654)	(105,899)
At 30th April 2019	23,965	2,489,389	196,774	8,391,510
Depreciation				
At 1st May 2018	12,874	1,006,200	113,097	2,532,854
Charge for year	3,660	245,738	31,302	614,232
Eliminated on disposal	-	(52,943)	(13,060)	(70,665)
At 30th April 2019	16,534	1,198,995	131,339	3,076,421
Net book value				
At 30th April 2019	7,431	1,290,394	65,435	5,315,089
At 30th April 2018	11,091	1,252,464	86,188	5,052,794

continued...

13. **Tangible fixed assets - continued**

Company

	Freehold property £	Improvements to property £	Plant and machinery £
Cost			
At 1st May 2018	1,425,892	450,700	1,531,612
Additions	-	112,129	363,554
Disposals	-	-	(16,800)
At 30th April 2019	1,425,892	562,829	1,878,366
Depreciation			
At 1st May 2018	96,657	94,952	562,842
Charge for year	26,584	37,431	186,761
Eliminated on disposal	-	-	(4,662)
At 30th April 2019	123,241	132,383	744,941
Net book value			
At 30th April 2019	1,302,651	430,446	1,133,425
At 30th April 2018	1,329,235	355,748	968,770

	Motor vehicles £	Office equipment £	Totals £
Cost			
At 1st May 2018	2,071,509	142,096	5,621,809
Additions	203,880	15,142	694,705
Disposals	(32,817)	(17,654)	(67,271)
At 30th April 2019	2,242,572	139,584	6,249,243
Depreciation			
At 1st May 2018	877,998	64,241	1,696,690
Charge for year	207,991	29,173	487,940
Eliminated on disposal	(22,032)	(13,060)	(39,754)
At 30th April 2019	1,063,957	80,354	2,144,876
Net book value			
At 30th April 2019	1,178,615	59,230	4,104,367
At 30th April 2018	1,193,511	77,855	3,925,119

continued...

14. Fixed asset investments

Group

	Listed investments £
Cost	
At 1st May 2018	130,000
Additions	80,000
At 30th April 2019	210,000
Net book value	
At 30th April 2019	210,000
At 30th April 2018	130,000

Company

	Shares in group undertakings £	Listed investments £	Totals £
Cost			
At 1st May 2018	123,825	100,000	223,825
Additions	1,807	80,000	81,807
At 30th April 2019	125,632	180,000	305,632
Net book value			
At 30th April 2019	125,632	180,000	305,632
At 30th April 2018	123,825	100,000	223,825

Details of investment in which the group and the parent company hold 20% or more of the nominal value of any class of share capital are as follows:

Name of Company	Holding	Proportion of voting rights and shares held	Nature of business
Boat Investments Limited	Ordinary shares	100%	Fishing
Sea Harvest Scotland Limited	Ordinary shares	60%	Shellfish & seafood processing
D. R. Collin (Scotland) Limited	Ordinary shares	100%	Non-trading
D. R. Collin (Fish) Limited	Ordinary shares	100%	Fish retail and wholesale
Coquet Island Shellfish Limited	Ordinary shares	75%	Shellfish & seafood processing
Keltic Seafare (Scotland) Limited	Ordinary shares	60%	Fish retail and wholesale

continued...

15. Investment property

Group

	Total
	£
Fair value	
At 1st May 2018	
and 30th April 2019	180,633
Net book value	
At 30th April 2019	180,633
At 30th April 2018	180,633

Company

	Total
	£
Fair value	
At 1st May 2018	
and 30th April 2019	180,633
Net book value	
At 30th April 2019	180,633
At 30th April 2018	180,633

16. Stocks

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Stocks	1,170,932	1,162,469	697,401	463,225

17. Debtors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	6,117,024	4,639,073	2,774,635	1,944,899
Other debtors	80,218	62,090	10,000	14,691
Amounts due to related parties	-	-	1,027,531	729,275
Directors' current accounts	12,481	-	381	-
Tax	1,012	1,012	-	-
VAT	193,854	99,270	87,683	53,066
Prepayments	102,374	111,453	67,965	73,654
	6,506,963	4,912,898	3,968,195	2,815,585

18. Current asset investments

	Group	
	2019	2018
	£	£
Unlisted investments	10,000	-

continued...

19. Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts (see note 21)	1,292,152	1,106,440	122,444	161,958
Hire purchase contracts (see note 22)	232,031	204,547	209,504	199,547
Trade creditors	1,889,119	1,781,120	463,193	541,512
Amounts owed to group undertakings	-	-	-	37,851
Tax	220,662	280,996	133,650	247,290
Social security and other taxes	90,631	89,893	48,658	37,107
Other creditors	659,184	542,819	435,923	226,386
Directors' current accounts	-	36,492	-	36,492
	4,383,779	4,042,307	1,413,372	1,488,143

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans (see note 21)	579,125	740,547	262,976	336,487
Hire purchase contracts (see note 22)	183,530	197,330	149,826	192,746
	762,655	937,877	412,802	529,233

21. Loans

An analysis of the maturity of loans is given below:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	1,050,562	874,640	10,421	57,497
Bank loans	241,590	231,800	112,023	104,461
	1,292,152	1,106,440	122,444	161,958
Amounts falling due between one and two years:				
Bank loans - 1-2 years	241,590	283,810	112,023	104,461
Amounts falling due between two and five years:				
Bank loans - 2-5 years	337,535	447,213	150,953	222,502
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans due after five years	-	9,524	-	9,524

continued...

22. Leasing agreements

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2019	**2018**
	£	**£**
Net obligations repayable:		
Within one year	232,031	204,547
Between one and five years	183,530	197,330
	415,561	401,877

Company

	Hire purchase contracts	
	2019	**2018**
	£	**£**
Net obligations repayable:		
Within one year	209,504	199,547
Between one and five years	149,826	192,746
	359,330	392,293

Group

	Non-cancellable operating leases	
	2019	**2018**
	£	**£**
Within one year	111,974	118,900
Between one and five years	92,151	149,203
In more than five years	1,227	-
	205,352	268,103

Company

	Non-cancellable operating leases	
	2019	**2018**
	£	**£**
Within one year	67,263	60,501
Between one and five years	53,413	68,376
In more than five years	1,227	-
	121,903	128,877

continued...

23. Secured debts

The following secured debts are included within creditors:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank overdrafts	1,050,562	874,640	10,421	57,497
Bank loans	820,715	972,347	374,999	440,948
Hire purchase contracts	415,561	401,877	359,330	392,293
	2,286,838	2,248,864	744,750	890,738

The loans are secured by fixed and floating charges over the assets of the group.
The hire purchase creditors are secured against the assets to which they related.

24. Provisions for liabilities

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred tax				
Tax losses carried forward	-	(33,836)	-	-
Deferred tax	254,325	217,941	220,337	194,390
	254,325	184,105	220,337	194,390

Group

	Deferred tax
	£
Balance at 1st May 2018	184,105
Provided during year	70,220
Balance at 30th April 2019	254,325

Company

	Deferred tax
	£
Balance at 1st May 2018	194,390
Provided during year	25,947
Balance at 30th April 2019	220,337

25. Accruals and deferred income

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred government grants	241,362	259,101	90,761	100,821

continued...

26. **Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
700	Ordinary	£1	700	700
300	Ordinary	£1	300	300
			1,000	1,000

27. **Reserves**

The share premium account contains the premium arising on issue of equity shares, net of issue expense.

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

28. **Pension commitments**

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £93,525 (2018 - £55,079).

Contribution totalling £12,677 (2018 - £3,897) were payable to the scheme at the end of the year and included in creditors.

continued...

29. Related party disclosures

Group

At the year end there was a loan due to the group from a director of £381 (2018 - due from the group £36,492). This amount was unsecured, interest free and repayable on demand.

At the year end a director of Coquet Island Shellfish Limited owed £12,100 (2018 - £nil) to the group. This amount was unsecured, interest free and repayable on demand.

Company

A director had an interest in the company's transactions with the following:

Joe Russell International Transport Ltd. - Sales to Joe Russel International Transport Ltd of £92,652 (2018 - £114,376) and purchases of £144,000 (2018 - £144,000). Amount due to DR Collin & Son at the year end totalling £nil (2018 - £nil).

J. & D. Cook Properties Ltd. - Sales to J. & D. Cook Properties Ltd of £18,107 (2018 - £3,294) and purchases of £42,000 (2018 - £42,000).

Freya (the business) - Sales to Freya of £nil (2018 - £1,840) and purchases from the business of £6,727 (2018 - £27,354).

Eyemouth Lift Truck Training Centre - Purchases from the business of £2,500 (2018 - £3,000).

At the year end there was a loan due to the company from a director of £381 (2018 - due from the company £36,492). This amount was unsecured, interest free and repayable on demand.

Summary of transactions with subsidiaries

Coquet Island Shellfish Ltd (75% Subsidiary) - Sales to Coquet Island Shellfish Ltd of £521,484 (2018 - £89,713) and purchase of £1,340,284 (2018 - £645,634). Amount due from Coquet Island Shellfish Ltd at the year end of £304,480 (2018 - £293,292).

Keltic Seafare (Scotland) Ltd (60% Subsidiary) - Sales to Keltic Seafare (Scotland) Ltd of £222,473 (2018 - £119,183) and purchase of £842,213 (2018 - £369,749). Amount due from Keltic Seafare (Scotland) Ltd at the year of £15,261 (2018 - £12,851).

Sea Harvest (Scotland) Ltd. (60% Subsidiary) - Sales to Sea Harvest (Scotland) Ltd of £1,177,553 (2018 - £1,719,520). Amount due from Sea Harvest (Scotland) Ltd of £112,639 (2018 - £113,237).

All the above transactions were carried out at arms length.