

**UK FISHERIES LIMITED AND SUBSIDIARIES**  
**REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**



**UK FISHERIES LIMITED AND SUBSIDIARIES**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**DIRECTORS:**

Mr D Parlevliet  
Mr J C Van der Plas  
Mr T Mar Baldvinsson  
Mr H Gretarsson  
Mr N D Atkins

**SECRETARY:**

Mackinnons

**REGISTERED OFFICE:**

The Orangery  
Hesslewood Country Office Park  
Ferriby Road  
HESSLE  
East Yorkshire  
HU13 0LH

**REGISTERED NUMBER:**

05219340 (England and Wales)

**AUDITORS:**

Baker Tilly UK Audit LLP  
Chartered Accountants  
Registered Auditors  
Wilberforce Court  
Alfred Gelder Street  
Hull  
HU1 1YH

## **UK FISHERIES LIMITED AND SUBSIDIARIES**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 DECEMBER 2008**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2008.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of holding company.

The principal activity of the group in the year under review was that of operation of fishing and other vessels and the provision of management services and other opportunities to vessel owners.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

The group operates fishing vessels and supplies their quota catch to various customers which operate in the seafood trade. Quota allocations for the year have been in line with previous years resulting in similar catch quantities. Generally the market in which the group operates has been steady; however fish prices have decreased over the later part of the year which together with high fuel prices in the middle of the year has decreased reported results. In addition to this, one of the groups fishing vessels was the subject of refurbishment and survey work resulting in significant exceptional costs and a fall in turnover.

The groups financial operations are carried out through a single subsidiary company. Synergy's and cost savings result from this.

The key financial highlights are as follows:

	2008	2007	2006	2005
	£	£	£	£
Pre-tax profits	2,300,616	4,063,799	1,863,547	1,447,311
	%	%	%	%
Turnover (decline) / growth	(7.34)	16.4	134.6	250.2

The large growth in 2005 was the result of a full 12 month period, actual growth during the period was 6.0%. The growth in 2006 was as a result of the acquisition of the Marr Group, actual growth of continuing operations in this period was 4.75%

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2008.

#### **FUTURE DEVELOPMENTS**

The commercial environment in which the group operates is expected to remain competitive and challenging.

Quota levels overall have remained steady, whilst fuel prices have continued to fall and fish prices have levelled out after the year end. Despite the difficult economic climate, the directors remain confident that the group will continue to trade profitably in the future.

The management of the group's business and the execution of the group's strategies are subject to a number of risks.

The key business risks affecting the group are considered to relate to competition and market dynamics and fishing opportunities in the group's key areas of operation.

## **UK FISHERIES LIMITED AND SUBSIDIARIES**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2008 to the date of this report.

Mr D Parlevliet  
Mr J C Van der Plas  
Mr T Mar Baldvinsson  
Mr H Gretarsson  
Mr N D Atkins

#### **FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprise bank loans, trade debtors and trade creditors. The main purpose of these instruments is to raise funds for the company's operations and to finance the working capital.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank loans these have variable interest rates but the repayments are fixed. The company manages the liquidity risk by ensuring that there are sufficient funds to meet the payments as they fall due.

Trade debtors are managed in respect of the credit offered to customers is regularly monitored for amounts outstanding for both time and credit limits.

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet the payments as they fall due.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

**UK FISHERIES LIMITED AND SUBSIDIARIES**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

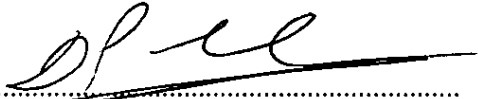
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Baker Tilly UK Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Mr D Parlevliet - Director

Date: ..... *9 March 2009* .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UK FISHERIES LIMITED AND SUBSIDIARIES**

We have audited the financial statements of UK Fisheries Limited and subsidiaries for the year ended 31 December 2008 on pages seven to thirty two. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditors' report 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.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**UK FISHERIES LIMITED AND SUBSIDIARIES**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 31 December 2008 and of the profit of the company and the group for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

*Baker Tilly UK Audit LLP*

Baker Tilly UK Audit LLP  
Chartered Accountants  
Registered Auditors  
Wilberforce Court  
Alfred Gelder Street  
Hull  
HU1 1YH

Date: *20<sup>th</sup> March 2009*

**UK FISHERIES LIMITED AND SUBSIDIARIES****CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	£	2008	£	£	2007	£
<b>TURNOVER</b>				16,030,801		17,301,331	
Cost of sales				<u>11,049,620</u>		<u>10,261,753</u>	
<b>GROSS PROFIT</b>				4,981,181		7,039,578	
Net operating expenses				995,126		1,099,979	
				<u>                    </u>		<u>                    </u>	
<b>OPERATING PROFIT</b>	3			3,986,055		5,939,599	
Interest receivable and similar income			103,625		73,928		
Other finance income	20		<u>11,000</u>		<u>-</u>		
				114,625		73,928	
				<u>                    </u>		<u>                    </u>	
				4,100,680		6,013,527	
Interest payable and similar charges	5		1,800,064		1,930,728		
Other finance costs	20		<u>-</u>		<u>19,000</u>		
				<u>1,800,064</u>		<u>1,949,728</u>	
<b>PROFIT ON ORDINARY ACTIVITIES</b>							
<b>BEFORE TAXATION</b>				2,300,616		4,063,799	
Tax on profit on ordinary activities	6			<u>467,175</u>		<u>1,319,862</u>	
<b>PROFIT FOR THE FINANCIAL YEAR</b>							
<b>AFTER TAXATION</b>				<u>1,833,441</u>		<u>2,743,937</u>	

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements



**UK FISHERIES LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 £	2007 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,833,441	2,743,937
Actuarial gain (see note 20)	<u>143,000</u>	<u>232,000</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u><u>1,976,441</u></u>	<u><u>2,975,937</u></u>

The notes form part of these financial statements

**UK FISHERIES LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 £	2007 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>415,852</u>	<u>1,751,092</u>
<b>OPERATING LOSS</b>	3	(415,852)	(1,751,092)
Income from shares in group undertakings		3,980,000	3,000,000
Interest receivable and similar income		<u>28</u>	<u>9</u>
		<u>3,980,028</u>	<u>3,000,009</u>
		3,564,176	1,248,917
Interest payable and similar charges	5	<u>1,793,075</u>	<u>1,930,611</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,771,101	(681,694)
Tax on profit/(loss) on ordinary activities	6	<u>(635,717)</u>	<u>(704,873)</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><u>2,406,818</u></u>	<u><u>23,179</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

# UK FISHERIES LIMITED AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEET 31 DECEMBER 2008

	Notes	2008 £	2007 £
<b>FIXED ASSETS</b>			
Intangible assets	7	29,878,185	30,268,185
Tangible assets	8	<u>5,613,420</u>	<u>6,465,749</u>
		35,491,605	36,733,934
<b>CURRENT ASSETS</b>			
Stocks	10	911,438	1,071,221
Debtors	11	759,940	2,520,499
Cash at bank and in hand		<u>3,827,382</u>	<u>2,288,715</u>
		5,498,760	5,880,435
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>4,724,466</u>	<u>5,258,541</u>
<b>NET CURRENT ASSETS</b>		<u>774,294</u>	<u>621,894</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		36,265,899	37,355,828
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(21,251,982)	(23,752,414)
<b>PROVISIONS FOR LIABILITIES</b>	17	(1,823,611)	(2,273,529)
<b>PENSION ASSET</b>	20	<u>295,920</u>	<u>179,900</u>
<b>NET ASSETS</b>		<u>13,486,226</u>	<u>11,509,785</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	5,000,000	5,000,000
Profit and loss account	19	<u>8,486,226</u>	<u>6,509,785</u>
<b>SHAREHOLDERS' FUNDS</b>	23	<u>13,486,226</u>	<u>11,509,785</u>

The financial statements on pages 7 to 32 were approved by the Board of Directors and authorised for issue on 9 March 2009 and were signed on its behalf by:

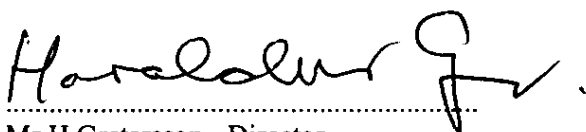
  
Mr H Gretarsson - Director

The notes form part of these financial statements

**UK FISHERIES LIMITED AND SUBSIDIARIES****COMPANY BALANCE SHEET**  
**31 DECEMBER 2008**

	Notes	2008 £	2007 £
<b>FIXED ASSETS</b>			
Intangible assets	7	-	-
Investments	9	<u>26,416,861</u>	<u>26,416,861</u>
		26,416,861	26,416,861
<b>CURRENT ASSETS</b>			
Debtors	11	14,264,542	9,974,814
Cash at bank		<u>1,120</u>	<u>1,092</u>
		14,265,662	9,975,906
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>13,583,397</u>	<u>9,200,459</u>
<b>NET CURRENT ASSETS</b>		<u>682,265</u>	<u>775,447</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		27,099,126	27,192,308
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	<u>21,250,000</u>	<u>23,750,000</u>
<b>NET ASSETS</b>		<u>5,849,126</u>	<u>3,442,308</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	5,000,000	5,000,000
Profit and loss account	19	<u>849,126</u>	<u>(1,557,692)</u>
<b>SHAREHOLDERS' FUNDS</b>	23	<u>5,849,126</u>	<u>3,442,308</u>

The financial statements on pages 7 to 32 were approved by the Board of Directors and authorised for issue on 2 March 2009 and were signed on its behalf by:



Mr H Gretarsson - Director

The notes form part of these financial statements

**UK FISHERIES LIMITED AND SUBSIDIARIES****CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	£	2008	£	£	2007	£
<b>Net cash inflow from operating activities</b>	1			6,531,212			7,152,544
<b>Returns on investments and servicing of finance</b>	2			(1,693,218)			(1,881,880)
<b>Taxation</b>				(1,111,274)			(1,144,117)
<b>Capital expenditure</b>	2			<u>311,947</u>			<u>(51,054)</u>
				4,038,667			4,075,493
<b>Financing</b>	2			<u>(2,500,000)</u>			<u>(2,500,000)</u>
<b>Increase in cash in the period</b>				<u>1,538,667</u>			<u>1,575,493</u>
<hr/>							
<b>Reconciliation of net cash flow to movement in net debt</b>	3						
Increase in cash in the period			1,538,667			1,575,493	
Cash outflow from decrease in debt			<u>2,500,000</u>			<u>2,500,000</u>	
Change in net debt resulting from cash flows				<u>4,038,667</u>			<u>4,075,493</u>
<b>Movement in net debt in the period</b>				4,038,667			4,075,493
<b>Net debt at 1 January</b>				<u>(23,961,285)</u>			<u>(28,036,778)</u>
<b>Net debt at 31 December</b>				<u>(19,922,618)</u>			<u>(23,961,285)</u>

The notes form part of these financial statements

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008****1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM  
OPERATING ACTIVITIES**

	2008	2007
	£	£
Operating profit	3,986,055	5,939,599
Depreciation and amortisation charges	1,000,381	983,608
Profit on disposal of fixed assets	(70,000)	-
Government grants	(432)	(432)
Decrease/(Increase) in stocks	159,783	(221,910)
Decrease/(Increase) in debtors	1,760,559	(105,340)
(Decrease)/Increase in creditors	(305,134)	575,019
Difference between pension charge and cash contributions	-	(18,000)
<b>Net cash inflow from operating activities</b>	<b><u>6,531,212</u></b>	<b><u>7,152,544</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW  
STATEMENT**

	2008	2007
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	103,625	73,928
Interest paid	<u>(1,796,843)</u>	<u>(1,955,808)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(1,693,218)</u></b>	<b><u>(1,881,880)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(88,053)	(51,054)
Sale of intangible fixed assets	<u>400,000</u>	-
<b>Net cash inflow/(outflow) for capital expenditure</b>	<b><u>311,947</u></b>	<b><u>(51,054)</u></b>
<b>Financing</b>		
Loan repayments in year	<u>(2,500,000)</u>	<u>(2,500,000)</u>
<b>Net cash outflow from financing</b>	<b><u>(2,500,000)</u></b>	<b><u>(2,500,000)</u></b>

The notes form part of these financial statements

**UK FISHERIES LIMITED AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.08 £	Cash flow £	At 31.12.08 £
Net cash:			
Cash at bank and in hand	<u>2,288,715</u>	<u>1,538,667</u>	<u>3,827,382</u>
	<u>2,288,715</u>	<u>1,538,667</u>	<u>3,827,382</u>
Debt:			
Debts falling due within one year	(2,500,000)	-	(2,500,000)
Debts falling due after one year	<u>(23,750,000)</u>	<u>2,500,000</u>	<u>(21,250,000)</u>
	<u>(26,250,000)</u>	<u>2,500,000</u>	<u>(23,750,000)</u>
Total	<u>(23,961,285)</u>	<u>4,038,667</u>	<u>(19,922,618)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Basis of consolidation**

The consolidated accounts include the accounts of the company and its subsidiary undertakings made up to the group financial year end at 31 December 2008. The consolidated profit and loss account includes the results of subsidiary undertakings for the period from the date of their acquisition and up to the date of disposal. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is amortised through the profit and loss account in equal instalments over its estimated useful life.

In the company's accounts fixed asset investments are stated at cost and in the consolidated accounts investments in subsidiary undertakings are valued using the acquisition method of accounting for the period.

**Turnover**

**The group**

Turnover represents the amounts receivable for goods and services provided to third parties in the normal course of business, net of discounts, VAT and other sales related taxes.

**Fishing Quota**

Fishing quota held within group fixed assets is stated at fair value on acquisition. Having no finite economic life, no systematic amortisation is applied, but provision is made for any permanent impairment in value. As permitted under FRS10, this represents a departure for the purposes of giving a true and fair view, from the requirements of the Companies Act 1985, which requires intangible assets to be amortised.

Fishing quota subsequently purchased is stated at cost less amortisation. Amortisation is charged over 5 years.

**Fishing licences**

Fishing licences held within group fixed assets are stated at fair value on acquisition. Having no finite economic life, no systematic amortisation is applied, but provision is made for any permanent impairment in value. As permitted under FRS10, this represents a departure for the purposes of giving a true and fair view, from the requirements of the Companies Act 1985, which requires intangible assets to be amortised.

**Tangible fixed assets**

Depreciation of tangible fixed assets is charged by reference to cost at rates estimated to write off their cost less any residual value over their expected useful lives. The rates or lives applied are as follows:

Fishing vessels	Between 10 and 17 years
Plant and equipment	25% on cost and 20% reducing balance
Fixtures and fittings	15% on cost and 15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	33% on cost



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Fish stocks include all direct costs incurred on each fishing trip. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

For defined benefit schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs.

Defined benefit schemes are funded, with the assets held separately from the group in separate trustee administered funds. A liability is recognised in the balance sheet in respect of the defined benefit plan which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. A full valuation of the liability is calculated by an independent actuary every 3 years and updated on an annual basis using the projected unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in reserves in the year in which they arise. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the group has a legal or constructive obligation to settle the liability.

The group also operates a defined contribution pension scheme. The assets of this scheme are held separately to those of the company. The annual contributions payable are charged to the profit and loss account in the period to which they relate.

## **UK FISHERIES LIMITED AND SUBSIDIARIES**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **1. ACCOUNTING POLICIES - continued**

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

##### **Investments**

Investments held as fixed assets are stated at cost or valuation, less provision for any permanent diminution in value.

##### **Grants**

Sea Fish Authority grants are credited to the profit and loss account over the expected useful life of the relevant fixed asset.

#### **2. STAFF COSTS**

##### **Group**

	2008	2007
	£	£
Wages and salaries	307,114	377,540
Social security costs	40,402	45,987
Other pension costs	<u>8,251</u>	<u>(11,368)</u>
	<u>355,767</u>	<u>412,159</u>

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

	2008	2007
Office and management	<u>10</u>	<u>11</u>

##### **Company**

There were no staff costs for the year ended 31 December 2008 nor for the year ended 31 December 2007.

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

	2008	2007
Management	<u>5</u>	<u>5</u>

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2008****3. OPERATING PROFIT****Group**

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

	2008 £	2007 £
Hire of equipment	-	5,688
Other operating leases	11,330	13,257
Depreciation - owned assets	940,381	923,608
Profit on disposal of fixed assets	(70,000)	-
Fishing Quota amortisation	60,000	60,000
Auditors' remuneration	42,417	41,833
Auditors' remuneration for non audit work	1,500	1,000
Foreign exchange differences	(72,337)	12,647
Pension costs	8,251	(11,368)
Sea Fish Authority grant release	(432)	(432)

Directors' emoluments	<u>164,153</u>	<u>234,034</u>
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**OPERATING LOSS****Company**

The operating loss is stated after charging:

	2008 £	2007 £
Auditors' remuneration	<u>9,120</u>	<u>13,033</u>
Directors' emoluments	<u>-</u>	<u>-</u>

**4. EXCEPTIONAL ITEMS****Group**

Included within cost of sales are the following exceptional items:-

	2008 £	2007 £
Fines	-	176,575
Foreign exchange translation of creditor for fine	60,549	-

The average annual expenditure on repairs and maintenance for the last 2-3 years on one of the group vessels has been in the region of £800,000. In the current year that vessel was the subject of refurbishment and survey work resulting in a total expenditure of £1,667,977.

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****5. INTEREST PAYABLE AND SIMILAR CHARGES****Group**

	2008	2007
	£	£
Bank loans and overdrafts	1,793,195	1,930,634
Other loans	<u>6,869</u>	<u>94</u>
	<u>1,800,064</u>	<u>1,930,728</u>

**Company**

	2008	2007
	£	£
Bank loans and overdrafts	<u>1,793,075</u>	<u>1,930,611</u>

**6. TAXATION****Group****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2008	2007
	£	£
Current tax:		
UK corporation tax	829,092	1,448,225
Under / (Over) provision in prior years	<u>50,020</u>	<u>4,897</u>
Total current tax	<u>879,112</u>	<u>1,453,122</u>
Deferred tax:		
Origination and reversal of timing differences	(449,918)	(202,560)
Pension (deficit)/surplus	<u>37,981</u>	<u>69,300</u>
Total deferred tax	<u>(411,937)</u>	<u>(133,260)</u>
Tax on profit on ordinary activities	<u>467,175</u>	<u>1,319,862</u>

UK corporation tax has been charged at 28% (2007 - 30%).

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****6. TAXATION (continued)****Factors affecting the tax charge**

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

	2008 £	2007 £
Profit on ordinary activities before tax	<u>2,300,616</u>	<u>4,063,799</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2007 - 30%)	644,172	1,219,140
Effects of:		
Expenses not deductible for tax purposes	(15,261)	61,644
Capital allowances in excess of depreciation	169,507	167,441
Prior year underprovision	50,020	4,897
Capital gain	16,705	-
Rate adjustment	<u>13,969</u>	<u>-</u>
Current tax charge	<u>879,112</u>	<u>1,453,122</u>

**Factors that may affect future tax charges**

Based on current investment plans, the group expects to continue to be able to claim capital allowances in excess of depreciation in future years.

**Company****Analysis of the tax credit**

The tax credit on the profit on ordinary activities for the year was as follows:

	2008 £	2007 £
Current tax:		
Prior years under/(over) provision	(6,466)	-
Group relief	<u>(629,251)</u>	<u>(704,873)</u>
Tax on profit/(loss) on ordinary activities	<u>(635,717)</u>	<u>(704,873)</u>

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2008****6. TAXATION (continued)****Factors affecting the tax charge**

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

	2008 £	2007 £
Profit / (Loss) on ordinary activities before tax	<u>1,771,101</u>	<u>(681,694)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2007 - 30%)	495,908	(204,508)
Effects of:		
Expenses not deductible for tax purposes	280	399,635
Non taxable income	(1,114,400)	(900,000)
Prior year underprovision	(6,466)	-
Rate adjustment	<u>(11,039)</u>	<u>-</u>
Current tax credit	<u>(635,717)</u>	<u>(704,873)</u>

**7. INTANGIBLE FIXED ASSETS****Group**

	Fishing Quota £	Fishing licences £	Totals £
<b>COST</b>			
At 1 January 2008	28,226,405	2,161,780	30,388,185
Disposals	<u>-</u>	<u>(330,000)</u>	<u>(330,000)</u>
At 31 December 2008	<u>28,226,405</u>	<u>1,831,780</u>	<u>30,058,185</u>
<b>AMORTISATION</b>			
At 1 January 2008	120,000	-	120,000
Amortisation for year	<u>60,000</u>	<u>-</u>	<u>60,000</u>
At 31 December 2008	<u>180,000</u>	<u>-</u>	<u>180,000</u>
<b>NET BOOK VALUE</b>			
At 31 December 2008	<u>28,046,405</u>	<u>1,831,780</u>	<u>29,878,185</u>
At 31 December 2007	<u>28,106,405</u>	<u>2,161,780</u>	<u>30,268,185</u>

# **UK FISHERIES LIMITED AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 DECEMBER 2008**

### **8. TANGIBLE FIXED ASSETS**

#### **Group**

	Fishing vessel £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2008	8,739,983	8,138	42,000	13,208	8,803,329
Additions	<u>88,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,053</u>
At 31 December 2008	<u>8,828,036</u>	<u>8,138</u>	<u>42,000</u>	<u>13,208</u>	<u>8,891,382</u>
<b>DEPRECIATION</b>					
At 1 January 2008	2,304,191	3,869	20,125	9,396	2,337,581
Charge for year	<u>925,067</u>	<u>1,396</u>	<u>10,500</u>	<u>3,418</u>	<u>940,381</u>
At 31 December 2008	<u>3,229,258</u>	<u>5,265</u>	<u>30,625</u>	<u>12,814</u>	<u>3,277,962</u>
<b>NET BOOK VALUE</b>					
At 31 December 2008	<u>5,598,778</u>	<u>2,873</u>	<u>11,375</u>	<u>394</u>	<u>5,613,420</u>
At 31 December 2007	<u>6,435,792</u>	<u>4,269</u>	<u>21,875</u>	<u>3,812</u>	<u>6,465,748</u>

### **9. FIXED ASSET INVESTMENTS**

#### **Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2008 and 31 December 2008	<u>26,416,861</u>
<b>NET BOOK VALUE</b>	
At 31 December 2008	<u>26,416,861</u>
At 31 December 2007	<u>26,416,861</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

#### **Subsidiaries**

##### **Boyd Line Limited**

Nature of business: Fishing support services

	% holding
Class of shares:	
Ordinary shares of £1 each	100.00

## **UK FISHERIES LIMITED AND SUBSIDIARIES**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **9. FIXED ASSET INVESTMENTS - continued**

##### **Lionman Limited\***

Nature of business: Vessel owners and operators

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **J Marr (Fishing) Limited**

Nature of business: Holding company

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Armana Limited\***

Nature of business: Vessel owners and operators

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Jacinta Limited\***

Nature of business: Vessel owners and operators

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Kirkella Limited\***

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Swanella Limited\***

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Marr Management Limited\***

Nature of business: Management support services

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Thornella Limited\***

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

##### **Lancella Limited\***

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00



# **UK FISHERIES LIMITED AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2008**

### **9. FIXED ASSET INVESTMENTS - continued**

#### **Southella Limited\***

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary shares of £1 each	100.00

\*held by subsidiary undertakings

All the above companies are registered in England and Wales.

In the opinion of the directors, the aggregate value of the company's investments in its subsidiaries is not less than the amount at which they are included in the balance sheet.

### **10. STOCKS**

	Group	
	2008	2007
	£	£
Fish	579,327	834,486
Fuel, gear and provisions	<u>332,111</u>	<u>236,735</u>
	<u>911,438</u>	<u>1,071,221</u>

### **11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2008	2007	2008	2007
	£	£	£	£
Trade debtors	631,320	2,451,419	-	-
Amounts owed by group undertakings	35,362	53	14,264,542	9,974,814
Other debtors	62,356	51,950	-	-
Prepayments and accrued income	<u>30,902</u>	<u>17,077</u>	<u>-</u>	<u>-</u>
	<u>759,940</u>	<u>2,520,499</u>	<u>14,264,542</u>	<u>9,974,814</u>

### **12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2008	2007	2008	2007
	£	£	£	£
Bank loans and overdrafts (see note 14)	2,500,000	2,500,000	2,500,000	2,500,000
Trade creditors	653,482	1,240,483	3,525	-
Amounts owed to group undertakings	-	-	11,055,950	6,667,757
Corporation tax	640,588	872,750	-	-
Social security and other taxes	12,017	11,070	-	-
Other creditors	427	10,262	-	-
Accruals and deferred income	<u>917,952</u>	<u>623,976</u>	<u>23,922</u>	<u>32,702</u>
	<u>4,724,466</u>	<u>5,258,541</u>	<u>13,583,397</u>	<u>9,200,459</u>

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2008****13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2008	2007	2008	2007
	£	£	£	£
Bank loans (see note 14)	21,250,000	23,750,000	21,250,000	23,750,000
Accruals and deferred income	<u>1,982</u>	<u>2,414</u>	<u>-</u>	<u>-</u>
	<u>21,251,982</u>	<u>23,752,414</u>	<u>21,250,000</u>	<u>23,750,000</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	2008	2007	2008	2007
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
Amounts falling due between one and two years:				
Bank loans	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
Amounts falling due between two and five years:				
Bank loans	<u>7,500,000</u>	<u>7,500,000</u>	<u>7,500,000</u>	<u>7,500,000</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>11,250,000</u>	<u>13,750,000</u>	<u>11,250,000</u>	<u>13,750,000</u>

The bank loan is repayable by quarterly instalments of £625,000 and attracts a variable interest rate of 1.15% above the LIBOR.

**UK FISHERIES LIMITED AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**15. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

**Group**

	Land and buildings		Other operating leases	
	2008	2007	2008	2007
	£	£	£	£
Expiring:				
Within one year	-	-	6,587	-
Between one and five years	-	-	-	13,661
In more than five years	-	16,900	-	-
	<u>-</u>	<u>16,900</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>16,900</u>	<u>6,587</u>	<u>13,661</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	2008	2007	2008	2007
	£	£	£	£
Bank loans	<u>23,750,000</u>	<u>26,250,000</u>	<u>23,750,000</u>	<u>26,250,000</u>

Bank borrowings are secured by a debenture over the group's assets and undertakings.

**17. PROVISIONS FOR LIABILITIES**

**Group**

	2008	2007
	£	£
Deferred tax	<u>1,823,611</u>	<u>2,273,529</u>
		Deferred tax
		£
Balance at 1 January 2008		2,273,529
Profit and loss account		<u>(449,918)</u>
Balance at 31 December 2008		<u>1,823,611</u>

# **UK FISHERIES LIMITED AND SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2008**

### **17. PROVISIONS FOR LIABILITIES - continued**

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2008	2007
	£	£
Accelerated capital allowances claimed in excess of depreciation charged	<u>1,823,611</u>	<u>2,273,529</u>

### **18. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008	2007
			£	£
5,000,000	£1 ordinary	£1	<u>5,000,000</u>	<u>5,000,000</u>

### **19. RESERVES**

#### **Group**

	Profit and loss account £
At 1 January 2008	6,509,785
Profit for the year	1,833,441
Actuarial profit	<u>143,000</u>
At 31 December 2008	<u>8,486,226</u>
Profit and loss account excluding pension asset	8,190,306
Pension reserve	<u>295,920</u>
Profit and loss account	<u>8,486,226</u>

#### **Company**

	Profit and loss account £
At 1 January 2008	(1,557,692)
Profit for the year	<u>2,406,818</u>
At 31 December 2008	<u>849,126</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**20. EMPLOYEE BENEFIT OBLIGATIONS**

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 6 April 2006 and updated to 31 December 2008 by a qualified independent actuary. The scheme was closed to new members and is wholly for past directors. The assets are held separately from those of the company in an independently administered fund.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Present value of funded obligations	(2,610,000)	(2,772,000)
Fair value of plan assets	<u>3,021,000</u>	<u>3,029,000</u>
	411,000	257,000
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Surplus	411,000	257,000
Deferred tax liability	<u>(115,080)</u>	<u>(77,100)</u>
Net asset	<u>295,920</u>	<u>179,900</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Current service cost	-	-
Interest cost	154,000	205,000
Expected return	(165,000)	(186,000)
Past service cost	<u>-</u>	<u>-</u>
	<u>(11,000)</u>	<u>19,000</u>
Actual return on plan assets	<u>151,000</u>	<u>37,000</u>

**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2008****20. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Opening defined benefit obligation	2,772,000	4,122,000
Interest cost	154,000	205,000
Actuarial losses/(gains)	(269,000)	(381,000)
Benefits paid	<u>(47,000)</u>	<u>(1,174,000)</u>
	<u>2,610,000</u>	<u>2,772,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Opening fair value of scheme assets	3,029,000	4,148,000
Contributions by employer	-	19,000
Death in service insurance premiums paid	-	(1,000)
Expected return	165,000	186,000
Actuarial gains/(losses)	(126,000)	(149,000)
Benefits paid	<u>(47,000)</u>	<u>(1,174,000)</u>
	<u>3,021,000</u>	<u>3,029,000</u>

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Actuarial gains/(losses)	(14,000)	(50,000)
Experience gains/(losses) on changes in assumptions	<u>157,000</u>	<u>282,000</u>
	<u>143,000</u>	<u>232,000</u>
Cumulative amount of actuarial gains/(losses)	<u>(14,000)</u>	<u>(157,000)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**20. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2008	2007
	£	£
Other assets	3,021,000	3,029,000
	<u>3,021,000</u>	<u>3,029,000</u>

The expected return on scheme assets was as follows

	Long term expected return p.a.		Actual return over the year	
	2008	2007	2008	2007
Other - cash	5.5%	6.0%	5.1%	12.0%
Other - annuities	5.7%	5.1%	(1.5%)	(4.8%)

Applying these rates to the value of assets held by the scheme at the beginning of the accounting year and allowing for changes in the scheme assets during the year as a result of contributions paid into and benefits paid out of the scheme.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2008	2007
Discount rate	6.50%	5.70%
Inflation	3.00%	3.60%
Future pension increases	3.00%	3.60%

The mortality assumptions used in the valuation of the pensions liabilities were :-

The post-retirement mortality is based on the mortality table known as PCMA00 for males and PCFA00 for females with reference to members' years of birth. Allowance for improvement in mortality experienced in the recent past and currently expected in the future has been made using 100% for males and 70% for females of the "Medium Cohort" improvement table, subject to a minimum improvement rate of 0.6% p.a. for all members.

Under this mortality assumption, the expected future lifetime for a member retiring at age 65 at the accounting date would be 21.7 years for males and 23.3 years for females. As a result of expected improvements to mortality in the future, the future expectation of life at retirement for a member retiring at age 65 in 20 years' time would be 23.3 years for males and 24.5 years for females.

It is assumed that members will exchange 100% of the maximum permissible pension for cash at retirement. This is based on the post "A-day" definition of maximum cash.

## **UK FISHERIES LIMITED AND SUBSIDIARIES**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **20. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Amounts for the current and previous four periods are as follows:

	2008 £	2007 £	2006 £	2005 £	2004 £
Defined benefit obligation	(2,610,000)	(2,772,000)	(4,122,000)	(3,800,000)	-
Fair value of scheme assets	3,021,000	3,029,000	4,148,000	3,665,000	-
Surplus/(deficit)	411,000	257,000	26,000	(135,000)	-
Experience adjustments on scheme liabilities	(269,000)	(381,000)	-	-	-
Experience adjustments on scheme assets	(112,000)	(99,000)	-	-	-

#### **21. CONTINGENT LIABILITIES**

The company is party to a joint guarantee with its subsidiary undertakings in respect of the group borrowings which are secured, in part, by mortgages on certain vessels.

#### **22. RELATED PARTY DISCLOSURES**

Details of related party transactions occurring during the year are as follows:

The group is under the joint control of Onward Fishing Company Limited and Tory B. V. of the Netherlands.

During the year the group sold a fishing licence for £400,000 to Onward Fishing Company Limited



**UK FISHERIES LIMITED AND SUBSIDIARIES****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS****Group**

	2008	2007
	£	£
Profit for the financial year	1,833,441	2,743,937
Other recognised gains and losses relating to the year (net)	<u>143,000</u>	<u>232,000</u>
<b>Net addition to shareholders' funds</b>	<b>1,976,441</b>	<b>2,975,937</b>
Opening shareholders' funds	<u>11,509,785</u>	<u>8,533,848</u>
<b>Closing shareholders' funds</b>	<b><u>13,486,226</u></b>	<b><u>11,509,785</u></b>

**Company**

	2008	2007
	£	£
Profit for the financial year	<u>2,406,818</u>	<u>23,179</u>
<b>Net addition to shareholders' funds</b>	<b>2,406,818</b>	<b>23,179</b>
Opening shareholders' funds	<u>3,442,308</u>	<u>3,419,129</u>
<b>Closing shareholders' funds</b>	<b><u>5,849,126</u></b>	<b><u>3,442,308</u></b>