



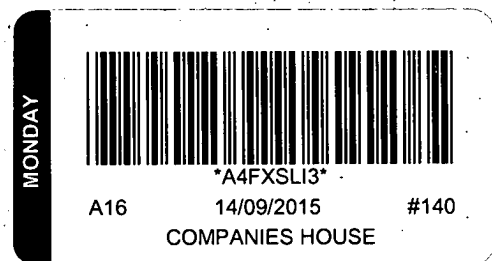
REGISTERED NUMBER: 05219340

Registrar's  
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# UK Fisheries Limited

## Consolidated Financial Statements

31st December 2014



Smailes Goldie

Chartered Accountants

 **UK200Group**  
independent quality assured professionals

# **UK Fisheries Limited (Registered number: 05219340)**

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# UK Fisheries Limited

## Company Information

*for the year ended 31st December 2014*

**DIRECTORS:**

D Parlevliet  
J C Van Der Plas  
T Mar Baldvinsson  
H Gretarsson  
Mrs J Sandell

**SECRETARY:**

Mackinnons

**REGISTERED OFFICE:**

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

**REGISTERED NUMBER:**

05219340 (England and Wales)

**AUDITORS:**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

# UK Fisheries Limited (Registered number: 05219340)

## Group Strategic Report

*for the year ended 31st December 2014*

The principle activity of the group is the operation of fishing and other vessels from the United Kingdom, France and Spain together with the provision of management services and other services to fishing vessel operators.

### REVIEW OF BUSINESS

The group has continued to its fishing operations throughout the year within available fishing quotas.

Turnover has increased by £2,817,014 the principle reason being an increase in selling prices in comparison with the previous year.

The share of profit from the associate in France has reduced. This is partly explained by fluctuations experienced in exchange rate. The associate also experienced a rise in cost of sales which diminished profits.

Pre tax profits are £8,770,601 compared to £7,864,037 in 2013.

The group has net assets at 31 December 2014 of £41,357,868 (2013 £36,393,933).

### PRINCIPAL RISKS AND UNCERTAINTIES

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

### KEY PERFORMANCE INDICATORS

The shareholders are closely involved in the group's operations and therefore the directors believe that an analysis of the group's performance for the year using key performance indicators is not necessary as the shareholders already understand the development, performance and financial position of the group.

### FINANCIAL INSTRUMENTS

The principle financial instruments comprise bank and shareholder loans, trade debtors and trade creditors. The main purpose of these instrument is to raise funds for the group's operations and provide working capital.

Due to the nature of the financial instruments utilised there is no exposure to price risk. Bank loans have variable rates of interest with fixed repayments. Loans from shareholders have fixed rates of interest. The group manages the liquidity risk by ensuring sufficient funds are available to meet obligations when falling due.

Trade debtors are managed for credit given to customers by regular monitoring of amounts outstanding.

The trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet obligations when falling due.

### FUTURE DEVELOPMENTS

The commercial environment in which the group operate is expected to remain competitive and challenging. However the directors remain confident that the group will continue to trade profitably in the future.

### ON BEHALF OF THE BOARD:



D Parlevliet - Director

Date: 27th May 2015

# **UK Fisheries Limited (Registered number: 05219340)**

## **Report of the Directors**

*for the year ended 31st December 2014*

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2014.

### **DIVIDENDS**

No dividends will be distributed for the year ended 31st December 2014.

### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2014 to the date of this report.

D Parlevliet  
J C Van Der Plas  
T Mar Baldvinsson  
H Gretarsson

Other changes in directors holding office are as follows:

Mrs J Sandell was appointed as a director after 31st December 2014 but prior to the date of this report.

N D Atkins ceased to be a director after 31st December 2014 but prior to the date of this report.

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

The directors are responsible for preparing 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

# **UK Fisheries Limited (Registered number: 05219340)**

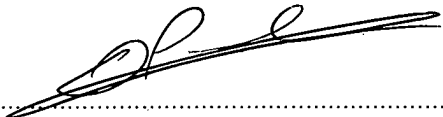
## **Report of the Directors**

*for the year ended 31st December 2014*

### **AUDITORS**

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

### **ON BEHALF OF THE BOARD:**



.....  
D Parlevliet - Director

Date:

27th May 2015

# **Report of the Independent Auditors to the Members of UK Fisheries Limited**

We have audited the financial statements of UK Fisheries Limited for the year ended 31st December 2014 on pages seven to thirty four. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

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

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2014 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.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

# Report of the Independent Auditors to the Members of UK Fisheries Limited

## Matters on which we are required to report by exception

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.



James Sharpley (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

Date: 27<sup>th</sup> May 2015

# UK Fisheries Limited (Registered number: 05219340)

## Consolidated Profit and Loss Account for the year ended 31st December 2014

	Notes	2014 £	2013 £
<b>TURNOVER</b>		<b>49,775,903</b>	46,958,889
Cost of sales		<u>36,520,862</u>	<u>32,336,675</u>
<b>GROSS PROFIT</b>		<b>13,255,041</b>	14,622,214
Administrative expenses		<u>2,689,888</u>	<u>4,527,116</u>
		<b>10,565,153</b>	10,095,098
Other operating income		<u>505,853</u>	<u>3,347</u>
<b>OPERATING PROFIT</b>	3	<b>11,071,006</b>	10,098,445
Share of associate profit		<u>459,551</u>	<u>859,017</u>
		<b>11,530,557</b>	10,957,462
Interest receivable and similar income		<b>4,941</b>	21,165
Other finance income	19	<u>85,000</u>	<u>86,000</u>
		<b>89,941</b>	107,165
		<b>11,620,498</b>	11,064,627
Interest payable and similar charges	4	<u>2,849,897</u>	<u>3,200,590</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>8,770,601</b>	7,864,037
Tax on profit on ordinary activities	5	<u>2,025,524</u>	<u>1,438,979</u>
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<b><u>6,745,077</u></b>	<b><u>6,425,058</u></b>

### CONTINUING OPERATIONS

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

# UK Fisheries Limited (Registered number: 05219340)

## Consolidated Statement of Total Recognised Gains and Losses *for the year ended 31st December 2014*

	2014 £	2013 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>6,745,077</b>	<b>6,425,058</b>
Actuarial loss	(190,000)	(15,000)
Unrealised exchange gains and losses	<u>(1,591,142)</u>	<u>270,891</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b><u>4,963,935</u></b>	<b><u>6,680,949</u></b>

The notes form part of these financial statements

# UK Fisheries Limited (Registered number: 05219340)

## Consolidated Balance Sheet

31st December 2014

		2014		2013	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	7		57,137,431		60,820,349
Tangible assets	8		43,842,096		40,041,123
Investments	9		<u>6,604,765</u>		<u>7,275,701</u>
			107,584,292		108,137,173
<b>CURRENT ASSETS</b>					
Stocks	10	8,695,835		6,889,061	
Debtors: amounts falling due within one year	11	3,518,896		4,981,230	
Cash at bank		<u>3,917,724</u>		<u>1,591,581</u>	
		16,132,455		13,461,872	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>16,714,993</u>		<u>17,992,371</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(582,538)</u>		<u>(4,530,499)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			107,001,754		103,606,674
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(61,942,402)		(63,860,625)
<b>PROVISIONS FOR LIABILITIES</b>	16		(2,937,554)		(2,688,376)
<b>PENSION LIABILITY</b>	19		<u>(763,930)</u>		<u>(663,740)</u>
<b>NET ASSETS</b>			<u>41,357,868</u>		<u>36,393,933</u>

The notes form part of these financial statements

# UK Fisheries Limited (Registered number: 05219340)

## Consolidated Balance Sheet - continued

31st December 2014

	Notes	2014 £	2013 £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	5,000,000	5,000,000
Foreign currency reserves	18	(1,844,324)	(253,182)
Profit and loss account	18	<u>38,202,192</u>	<u>31,647,115</u>
<b>SHAREHOLDERS' FUNDS</b>	23	<u><b>41,357,868</b></u>	<u><b>36,393,933</b></u>

The financial statements were approved by the Board of Directors on 27th May 2015 and were signed on its behalf by:

  
H Gretarsson - Director

  
D Parlevliet - Director

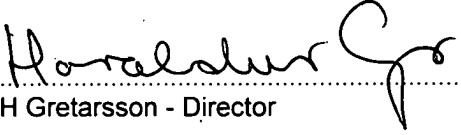
# UK Fisheries Limited (Registered number: 05219340)

## Company Balance Sheet

31st December 2014

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Intangible assets	7	17,510	87,550
Tangible assets	8	-	-
Investments	9	<u>62,279,549</u>	<u>62,279,549</u>
		<b>62,297,059</b>	<b>62,367,099</b>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	11	35,084,136	27,730,828
Debtors: amounts falling due after more than one year	11	8,025,827	10,107,465
Cash at bank		<u>909,909</u>	<u>50,294</u>
		<b>44,019,872</b>	<b>37,888,587</b>
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>38,358,686</u>	<u>35,808,075</u>
<b>NET CURRENT ASSETS</b>		<b>5,661,186</b>	<b>2,080,512</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>67,958,245</b>	<b>64,447,611</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	<u>35,770,257</u>	<u>39,723,691</u>
<b>NET ASSETS</b>		<b>32,187,988</b>	<b>24,723,920</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	5,000,000	5,000,000
Profit and loss account	18	<u>27,187,988</u>	<u>19,723,920</u>
<b>SHAREHOLDERS' FUNDS</b>	23	<b>32,187,988</b>	<b>24,723,920</b>

The financial statements were approved by the Board of Directors on 27th May 2015 and were signed on its behalf by:

  
H Gretarsson - Director

  
D Parlevliet - Director

The notes form part of these financial statements

# UK Fisheries Limited (Registered number: 05219340)

## Consolidated Cash Flow Statement

for the year ended 31st December 2014

	Notes	2014 £	2013 £
<b>Net cash inflow/(outflow) from operating activities</b>	1	<b>18,925,128</b>	<b>(2,637,837)</b>
<b>Returns on investments and servicing of finance</b>	2	<b>(2,439,386)</b>	<b>(3,083,132)</b>
<b>Taxation</b>		<b>(1,242,969)</b>	<b>(731,782)</b>
<b>Capital expenditure</b>	2	<b><u>(8,917,159)</u></b>	<b><u>(1,071,284)</u></b>
		<b>6,325,614</b>	<b>(7,524,035)</b>
<b>Financing</b>	2	<b><u>(318,045)</u></b>	<b><u>5,787,049</u></b>
<b>Increase/(decrease) in cash in the period</b>		<b><u>6,007,569</u></b>	<b><u>(1,736,986)</u></b>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase/(decrease) in cash in the period		<b>6,007,569</b>	<b>(1,736,986)</b>
Cash outflow/(inflow) from decrease/(increase) in debt		<b><u>318,047</u></b>	<b><u>(5,785,886)</u></b>
Change in net debt resulting from cash flows		<b>6,325,616</b>	<b>(7,522,872)</b>
Foreign exchange differences		<b><u>1,290,433</u></b>	<b><u>21,419</u></b>
<b>Movement in net debt in the period</b>		<b>7,616,049</b>	<b>(7,501,453)</b>
<b>Net debt at 1st January</b>		<b><u>(73,174,031)</u></b>	<b><u>(65,672,578)</u></b>
<b>Net debt at 31st December</b>		<b><u>(65,557,982)</u></b>	<b><u>(73,174,031)</u></b>

The notes form part of these financial statements

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Cash Flow Statement

for the year ended 31st December 2014

### 1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	11,071,006	10,098,445
Depreciation charges	6,202,831	6,259,130
Profit on disposal of fixed assets	(657)	(5,387,967)
Exchange differences	687,017	(680,417)
Increase in stocks	(2,140,478)	(305,959)
Decrease in debtors	1,188,462	860,958
Increase/(decrease) in creditors	1,916,947	(13,482,027)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>18,925,128</b>	<b>(2,637,837)</b>

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

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	4,941	21,165
Interest paid	(2,849,897)	(3,200,590)
Dividends received	405,570	96,293
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(2,439,386)</b>	<b>(3,083,132)</b>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(78,050)	(10,725)
Purchase of tangible fixed assets	(8,859,396)	(8,215,565)
Sale of tangible fixed assets	20,287	7,155,006
<b>Net cash outflow for capital expenditure</b>	<b>(8,917,159)</b>	<b>(1,071,284)</b>
<b>Financing</b>		
New loans in year	8,139,520	29,983,952
Loan repayments in year	(8,457,565)	(24,196,903)
<b>Net cash (outflow)/inflow from financing</b>	<b>(318,045)</b>	<b>5,787,049</b>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Cash Flow Statement for the year ended 31st December 2014

### 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.14 £	Cash flow £	Foreign exchange differences £	At 31.12.14 £
Net cash:				
Cash at bank	1,591,581	2,394,585	(68,442)	3,917,724
Bank overdraft	<u>(3,612,984)</u>	<u>3,612,984</u>	<u>-</u>	<u>-</u>
	<u>(2,021,403)</u>	<u>6,007,569</u>	<u>(68,442)</u>	<u>3,917,724</u>
Debt:				
Debts falling due within one year	(7,292,003)	(420,268)	178,966	(7,533,305)
Debts falling due after one year	<u>(63,860,625)</u>	<u>738,315</u>	<u>1,179,908</u>	<u>(61,942,402)</u>
	<u>(71,152,628)</u>	<u>318,047</u>	<u>1,358,874</u>	<u>(69,475,707)</u>
Total	<u>(73,174,031)</u>	<u>6,325,616</u>	<u>1,290,432</u>	<u>(65,557,983)</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements

for the year ended 31st December 2014

### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Basis of consolidation

The consolidation accounts include the accounts of the company, its subsidiary undertakings and its associate made up to the group financial year end at 31 December 2014. The consolidated profit and loss account includes the results of its subsidiary undertakings and its share of the associate from the date of their acquisition and up to the date of disposal.

The results and assets and liabilities of associates are included in the consolidation accounts using the equity method of accounting.

One subsidiary in which the group holds a 73% shareholding is not included in the consolidated accounts. Inclusion is not considered material for the purposes of giving a true and fair view.

#### Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The financial position of the group, its cash flows, liquidity position and borrowing facilities are shown in the consolidated balance sheet.

The directors are confident that the group's relations with its customers and suppliers, and its current trading, leave the group well placed to manage its business risks successfully. The group meets its day to day working capital requirement through bank and group borrowings. The group's forecasts and projections backed by solid trading and market conditions shows that the group should be able to operate within the level of its current facilities for the foreseeable future.

The directors believe that the group 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 annual financial statements

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

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 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 2006, which requires intangible assets to be amortised.

Fishing quota subsequently purchased is stated at cost less amortisation. Amortisation is charged over 5 - 8 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 2006, which requires intangible assets to be amortised.

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 1. ACCOUNTING POLICIES - continued

#### Intellectual property

Intellectual property is stated at fair value on acquisition. It is amortised over its estimated useful life of 8 years.

#### 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:

Property and related industrial equipment	20 years
Fishing vessels	Between 5 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

#### 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 company'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.

Assets and Liabilities of overseas subsidiaries included within the consolidated group accounts are translated into sterling at the rates of exchange ruling at the balance sheet date. Transitions of overseas subsidiaries are translated at the average rate of exchange during the financial period in which they relate. Transaction differences arising on consolidation are dealt with in the foreign exchange reserve.

#### 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.

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 1. ACCOUNTING POLICIES - continued

#### **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 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 legal or constructive obligation to settle the liability.

The group also operates a defined contribution pension scheme. The assets of this scheme are held to 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.

#### **Investments**

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

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 2. STAFF COSTS

#### Group

	2014 £	2013 £
Wages and salaries	9,632,442	8,573,294
Social security costs	1,271,276	1,183,865
Other pension costs	<u>146,179</u>	<u>145,854</u>
	<u>11,049,897</u>	<u>9,903,013</u>

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

	2014	2013
Management	10	10
Administration	<u>34</u>	<u>32</u>
	<u>44</u>	<u>42</u>

In the UK all crew members are self employed share fishermen. In other jurisdictions in which the group operates crew members are employed. The number of crew members employed by the group were:

	2014	2013
Crew	<u>167</u>	<u>148</u>
	<u>167</u>	<u>148</u>

#### Company

There were no staff costs for the year ended 31 December 2014 (2013 £Nil)

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 3. OPERATING PROFIT

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

	2014 £	2013 £
Other operating leases	10,506	10,036
Depreciation - owned assets	3,789,229	3,671,020
Profit on disposal of fixed assets	(657)	(5,387,967)
Fishing quota amortisation	2,160,081	2,309,549
Fishing licence amortisation	8,853	16,396
Intellectual property amortisation	244,668	262,165
Auditors' remuneration	56,000	53,200
Auditors remuneration - overseas subsidiaries	34,113	29,763
Auditors' remuneration for non audit	4,082	3,000
Other non- audit services	-	14,002
Foreign exchange differences	(1,460,316)	(96,525)
Pension costs	<u>146,179</u>	<u>145,854</u>
Directors' remuneration	<u>245,560</u>	<u>179,441</u>

Information regarding the highest paid director for the year ended 31st December 2014 is as follows:

	2014 £
Emoluments etc	<u>176,895</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Bank interest	1,738,850	1,314,714
Other interest	1,105,007	1,885,876
Interest on taxation	6,040	-
	<u>2,849,897</u>	<u>3,200,590</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 5. TAXATION

#### Analysis of the tax charge

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

	2014 £	2013 £
Current tax:		
UK corporation tax	1,258,677	804,825
Overseas taxation	431,095	268,472
Prior year under/(over) provision	2,375	(32,723)
Share of associate tax	115,972	277,501
Total current tax	<u>1,808,119</u>	<u>1,318,075</u>
Deferred tax:		
Origination and reversal of timing differences	222,215	95,244
Pension deficit/surplus	(4,810)	25,660
Total deferred tax	<u>217,405</u>	<u>120,904</u>
Tax on profit on ordinary activities	<u>2,025,524</u>	<u>1,438,979</u>

#### Factors affecting the tax charge

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

	2014 £	2013 £
Profit on ordinary activities before tax	<u>8,770,601</u>	<u>7,864,037</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2013 - 23%)	1,841,826	1,808,729
Effects of:		
Expenses not deductible for tax purposes	17,184	151,093
Income not taxable for tax purposes	(46,200)	(248,484)
Capital allowances in excess of depreciation	-	(931,106)
Depreciation in excess of capital allowances	42,566	-
Adjustments to tax charge in respect of previous periods	2,375	(25,088)
Effect of Differing rates of taxation	193,671	8,881
Effect of Losses in foreign subsidiaries	(243,303)	449,900
Other Short term timing difference	-	104,150
Current tax charge	<u>1,808,119</u>	<u>1,318,075</u>

### 6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £7,464,068 (2013 - £9,666,296).

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 7. INTANGIBLE FIXED ASSETS

Group	Fishing quota £	Fishing licence £	Intellectual property £	Totals £
<b>COST</b>				
At 1st January 2014	59,775,386	2,102,922	2,097,322	63,975,630
Additions	-	78,050	-	78,050
Exchange differences	(1,195,742)	(14,759)	(139,978)	(1,350,479)
At 31st December 2014	<u>58,579,644</u>	<u>2,166,213</u>	<u>1,957,344</u>	<u>62,703,201</u>
<b>AMORTISATION</b>				
At 1st January 2014	2,802,159	90,957	262,165	3,155,281
Amortisation for year	2,160,081	8,853	244,668	2,413,602
Exchange differences	-	(3,113)	-	(3,113)
At 31st December 2014	<u>4,962,240</u>	<u>96,697</u>	<u>506,833</u>	<u>5,565,770</u>
<b>NET BOOK VALUE</b>				
At 31st December 2014	<u>53,617,404</u>	<u>2,069,516</u>	<u>1,450,511</u>	<u>57,137,431</u>
At 31st December 2013	<u>56,973,227</u>	<u>2,011,965</u>	<u>1,835,157</u>	<u>60,820,349</u>
<b>Company</b>				
				Fishing quota £
<b>COST</b>				
At 1st January 2014 and 31st December 2014				<u>350,200</u>
<b>AMORTISATION</b>				
At 1st January 2014				262,650
Amortisation for year				<u>70,040</u>
At 31st December 2014				<u>332,690</u>
<b>NET BOOK VALUE</b>				
At 31st December 2014				<u>17,510</u>
At 31st December 2013				<u>87,550</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 8. TANGIBLE FIXED ASSETS

#### Group

	Property & related industrial equipment £	Motor vehicles £	Plant, fixtures & fittings £
<b>COST</b>			
At 1st January 2014	394,440	45,655	520,814
Additions	-	-	32,124
Disposals	(64,047)	(4,055)	(6,982)
Exchange differences	(26,325)	-	(34,215)
At 31st December 2014	<u>304,068</u>	<u>41,600</u>	<u>511,741</u>
<b>DEPRECIATION</b>			
At 1st January 2014	181,466	44,635	188,562
Charge for year	25,328	843	108,563
Eliminated on disposal	(45,091)	(3,879)	(6,484)
Exchange differences	(12,956)	-	(15,663)
At 31st December 2014	<u>148,747</u>	<u>41,599</u>	<u>274,978</u>
<b>NET BOOK VALUE</b>			
At 31st December 2014	<u>155,321</u>	<u>1</u>	<u>236,763</u>
At 31st December 2013	<u>212,974</u>	<u>1,020</u>	<u>332,252</u>
	Fishing vessels £	Computer equipment £	Totals £
<b>COST</b>			
At 1st January 2014	51,286,553	30,577	52,278,039
Additions	8,827,272	-	8,859,396
Disposals	-	-	(75,084)
Exchange differences	(1,783,965)	-	(1,844,505)
At 31st December 2014	<u>58,329,860</u>	<u>30,577</u>	<u>59,217,846</u>
<b>DEPRECIATION</b>			
At 1st January 2014	11,791,680	30,573	12,236,916
Charge for year	3,654,495	-	3,789,229
Eliminated on disposal	-	-	(55,454)
Exchange differences	(566,322)	-	(594,941)
At 31st December 2014	<u>14,879,853</u>	<u>30,573</u>	<u>15,375,750</u>
<b>NET BOOK VALUE</b>			
At 31st December 2014	<u>43,450,007</u>	<u>4</u>	<u>43,842,096</u>
At 31st December 2013	<u>39,494,873</u>	<u>4</u>	<u>40,041,123</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 9. FIXED ASSET INVESTMENTS

#### Group

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1st January 2014	7,115,591	160,110	7,275,701
Share of associate	(61,213)	(778)	(61,991)
Exchange differences	<u>(598,259)</u>	<u>(10,686)</u>	<u>(608,945)</u>
At 31st December 2014	<u>6,456,119</u>	<u>148,646</u>	<u>6,604,765</u>
<b>NET BOOK VALUE</b>			
At 31st December 2014	<u>6,456,119</u>	<u>148,646</u>	<u>6,604,765</u>
At 31st December 2013	<u>7,115,591</u>	<u>160,110</u>	<u>7,275,701</u>

#### Company

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2014 and 31st December 2014	<u>62,279,549</u>
<b>NET BOOK VALUE</b>	
At 31st December 2014	<u>62,279,549</u>
At 31st December 2013	<u>62,279,549</u>

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 9. FIXED ASSET INVESTMENTS - continued

#### Group

The associate holding comprises a 50% holding in Groupe Compagnie des Pesches Saint Malo, a company registered in France.

	2014 £	2013 £
Carrying value of investment	<u>6,456,119</u>	<u>7,115,591</u>
Represented by:		
Intangible fixed assets	180,471	192,234
Tangible fixed assets	2,576,901	1,989,914
Fixed asset investments	160,619	177,134
Current assets	<u>8,706,396</u>	<u>10,651,229</u>
	11,624,387	13,010,511
Current liabilities	(3,176,393)	(3,705,754)
Long term liabilities	(281,517)	(389,425)
Provisions for liabilities	(6,367)	(36,075)
Minority Interest	<u>(1,703,991)</u>	<u>(1,763,666)</u>
	<u>6,456,119</u>	<u>7,115,591</u>
Share of associate results for the year		
Turnover	<u>15,546,418</u>	<u>16,311,301</u>
Profit before tax	459,551	859,017
Taxation	<u>(115,972)</u>	<u>(277,501)</u>
Profit after tax	<u>343,579</u>	<u>581,516</u>

The unlisted investments includes a 73% shareholding in GIE Plasticofres a company held by Euronor SAS. The relevant assets and liabilities have not been included in the consolidation as inclusion is not considered material for the purpose of giving a true and fair view.

Details of the investments in subsidiaries and associates in which the company holds any class of share capital are as follows:

Name of company	Country of incorporation	Proportion of voting rights and shares held	Nature of business
Boyd Line Limited	England and Wales	100%	Holding company
J Marr (Fishing) Limited	England and Wales	100%	Holding company
Armana Limited	England and Wales	100% *	Vessel owners and operators

**Notes to the Consolidated Financial Statements - continued**  
*for the year ended 31st December 2014*

**9. FIXED ASSET INVESTMENTS - continued**

Jacinta Limited	England and Wales	100%	*	Vessel owners and operators
Lionman Limited	England and Wales	100%	*	Vessel owners and operators
Kirkella Limited	England and Wales	100%	*	Vessel owners and operators
Swanella Limited	England and Wales	100%	*	Dormant
Marr Management Limited	England and Wales	100%	*	Management services
Pesqura Ancora S.L.	Spain	100%		Vessel owners and operators
Euronor S.A.S.	France	100%		Vessel owners and operators
Euronor Distribution	France	100%	*	Support services
Groupe Compagnie des Peches Saint Malo S.A.S.	France	50%		Holding company
Compagnie des Peches Saint Malo S.A	France	39.27%	**	Vessel owners and operators
Compagnie des Peches Distribution S.A.S	France	39.27%	**	seafood processing
Compagnie des Peches Production S.A.S.	France	39.27%	**	seafood processing
Compagnie des Peches Sante S.A.	France	39.27%	**	Research and development

\* Held by subsidiary undertakings

\*\* Held by associate

**10. STOCKS**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Fish	<b>6,598,092</b>	4,797,997
Fuel, gear and provisions	<b>2,097,743</b>	2,091,064
	<b><u>8,695,835</u></b>	<b><u>6,889,061</u></b>

**11. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
Trade debtors	<b>2,694,399</b>	2,189,583	-	-
Amounts owed by group undertakings	<b>105,358</b>	1,818,213	<b>35,084,136</b>	27,730,828
Other debtors	<b>693,021</b>	883,440	-	-
Prepayments and accrued income	<b>26,118</b>	89,994	-	-
	<b><u>3,518,896</u></b>	<b><u>4,981,230</u></b>	<b><u>35,084,136</u></b>	<b><u>27,730,828</u></b>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31st December 2014

**11. DEBTORS - continued**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	<b>8,025,827</b>	10,107,465
	<u>-</u>	<u>-</u>	<u><b>8,025,827</b></u>	<u>10,107,465</u>
Aggregate amounts	<b>3,518,896</b>	4,981,230	<b>43,109,963</b>	37,838,293

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

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 14)	<b>7,533,305</b>	10,904,987	<b>3,517,650</b>	8,496,574
Trade creditors	<b>3,195,527</b>	1,376,673	-	477,688
Amounts owed to group undertakings	<b>2,024,940</b>	1,329,108	<b>34,810,859</b>	26,814,540
Corporation tax	<b>935,492</b>	501,824	<b>5,454</b>	-
Social security and other taxes	<b>430,569</b>	506,052	-	-
Other creditors	<b>272,310</b>	389,472	-	-
Accruals and deferred income	<b>2,322,850</b>	2,984,255	<b>24,723</b>	19,273
	<u><b>16,714,993</b></u>	<u>17,992,371</u>	<u><b>38,358,686</b></u>	<u>35,808,075</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans (see note 14)	<b>39,676,596</b>	41,159,035	<b>13,504,451</b>	17,022,101
Other loans (see note 14)	<b>22,265,806</b>	22,701,590	<b>22,265,806</b>	22,701,590
	<u><b>61,942,402</b></u>	<u>63,860,625</u>	<u><b>35,770,257</b></u>	<u>39,723,691</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31st December 2014

**14. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:				
Bank overdrafts	-	3,612,984	-	3,886,052
Bank loans	<u>7,533,305</u>	<u>7,292,003</u>	<u>3,517,650</u>	<u>4,610,522</u>
	<u>7,533,305</u>	<u>10,904,987</u>	<u>3,517,650</u>	<u>8,496,574</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>8,284,305</u>	<u>8,348,391</u>	<u>3,663,951</u>	<u>3,517,650</u>
Other loans - 1-2 years	<u>22,265,806</u>	<u>22,701,590</u>	<u>22,265,806</u>	<u>22,701,590</u>
	<u>30,550,111</u>	<u>31,049,981</u>	<u>25,929,757</u>	<u>26,219,240</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>24,342,872</u>	<u>26,807,526</u>	<u>9,840,500</u>	<u>13,504,451</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>7,049,419</u>	<u>6,003,118</u>	-	-

The bank loan interest rate is 4.09% per annum for the duration of the term of the loan.

The other loans (due in more than one year) have no fixed repayment date and attract interest at a rate of 5% per annum (or such other rate as may be agreed from time to time).

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	3,612,984
Bank loans	<u>47,209,901</u>	<u>48,451,038</u>
	<u>47,209,901</u>	<u>52,064,022</u>

Bank borrowings are secured by mortgages on certain vessels together with their fishing quotes and fishing licences.

**Notes to the Consolidated Financial Statements - continued**  
*for the year ended 31st December 2014*

**16. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Deferred tax	<u><b>2,937,554</b></u>	<u><b>2,688,376</b></u>
<b>Group</b>		
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1st January 2014		<b>2,688,376</b>
Charge to profit and loss		<b>222,215</b>
Exchange differences		<b>26,963</b>
Balance at 31st December 2014		<u><b>2,937,554</b></u>

Deferred tax is principally in respect of accelerated capital allowances.

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	<b>2014</b>	<b>2013</b>
			<b>£</b>	<b>£</b>
5,000,000	Ordinary	£1	<u><b>5,000,000</b></u>	<u><b>5,000,000</b></u>

**18. RESERVES**

<b>Group</b>	<b>Profit and loss account</b>	<b>Foreign currency reserves</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1st January 2014	<b>31,647,115</b>	<b>(253,182)</b>	<b>31,393,933</b>
Profit for the year	<b>6,745,077</b>	<b>-</b>	<b>6,745,077</b>
Actuarial loss	<b>(190,000)</b>	<b>-</b>	<b>(190,000)</b>
Unrealised exchange gains	<b>-</b>	<b>(1,591,142)</b>	<b>(1,591,142)</b>
At 31st December 2014	<u><b>38,202,192</b></u>	<u><b>(1,844,324)</b></u>	<u><b>36,357,868</b></u>
Profit and loss account excluding pension liability	<b>38,966,122</b>		
Pension deficit	<u><b>(763,930)</b></u>		
Profit and loss account	<u><b>38,202,192</b></u>		

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 18. RESERVES - continued

#### Company

	Profit and loss account £
At 1st January 2014	19,723,920
Profit for the year	<u>7,464,068</u>
At 31st December 2014	<u><u>27,187,988</u></u>

### 19. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 6 April 2012 and updated to 31 December 2014 by a qualified independent actuary. The scheme was closed to new members and is wholly for past directors and employees. 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	
	2014	2013
	£	£
Present value of funded obligations	(2,912,000)	(2,702,000)
Fair value of plan assets	<u>1,945,000</u>	<u>1,840,000</u>
	<u>(967,000)</u>	<u>(862,000)</u>
Present value of unfunded obligations	-	-
Deficit	(967,000)	(862,000)
Deferred tax asset	<u>203,070</u>	<u>198,260</u>
Net liability	<u><u>(763,930)</u></u>	<u><u>(663,740)</u></u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Current service cost	-	-
Interest cost	115,000	113,000
Expected return	(65,000)	(64,000)
Past service cost	-	-
	<u>50,000</u>	<u>49,000</u>
Actual return on plan assets	<u>59,000</u>	<u>65,000</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 19. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2014	2013
	£	£
Opening defined benefit obligation	2,702,000	2,710,000
Interest cost	115,000	113,000
Actuarial losses/(gains)	184,000	16,000
Benefits paid	(49,000)	(44,000)
Change in secured pensioners value due to scheme experience	(40,000)	(93,000)
	<u>2,912,000</u>	<u>2,702,000</u>

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

	Defined benefit pension plans	
	2014	2013
	£	£
Opening fair value of scheme assets	1,840,000	1,777,000
Contributions by employer	135,000	135,000
Expected return	65,000	64,000
Actuarial gains/(losses)	(6,000)	1,000
Benefits paid	(49,000)	(93,000)
Change in secured pensioners value due to scheme experience	(40,000)	(44,000)
	<u>1,945,000</u>	<u>1,840,000</u>

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

	Defined benefit pension plans	
	2014	2013
	£	£
Actual return less expected return on pension scheme assets	(6,000)	1,000
Experience and assumption losses underlying the present value of the scheme	(184,000)	(16,000)
	<u>(190,000)</u>	<u>(15,000)</u>
Cumulative amount of actuarial gains/(losses)	<u>(812,000)</u>	<u>(622,000)</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 19. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	<b>Defined benefit pension plans</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other assets	<b><u>1,945,000</u></b>	<b><u>1,840,000</u></b>
	<b><u>1,945,000</u></b>	<b><u>1,840,000</u></b>

The expected return on scheme assets was as follows:

	<b>Long term expected return</b>		<b>Actual return over the year</b>	
		<b>p.a.</b>		
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Other - cash	0.5%	1.0%	0.5%	0.5%
Other - annuities	4.4%	4.3%	3.7%	3.6%

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):

	<b>2014</b>	<b>2013</b>
Discount rate	<b>3.40%</b>	4.40%
Inflation	<b>3.00%</b>	3.50%
Future pension increases	<b>2.90%</b>	3.50%

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

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Defined benefit pension plans</b>					
Defined benefit obligation	<b>(2,912,000)</b>	(2,702,000)	(2,710,000)	(3,241,000)	(6,051,000)
Fair value of scheme assets	<b>1,945,000</b>	1,840,000	1,777,000	2,966,000	6,080,000
Deficit	<b>(967,000)</b>	(862,000)	(933,000)	(275,000)	29,000
Experience adjustments on scheme liabilities	<b>(144,000)</b>	(77,000)	(71,000)	175,000	(11,000)
Experience adjustments on scheme assets	<b>(40,000)</b>	(93,000)	(97,000)	(50,000)	(62,000)

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 19. EMPLOYEE BENEFIT OBLIGATIONS - continued

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 improvements 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% for all members.

Under this mortality assumption, the expected future lifetime for a member retiring at age 65 at the accounting date would be 22.3 years for males and 23.7 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 the age 65 in 20 years' time would be 23.6 years for males and 24.8 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.

Included in other creditors is a pension liability of £180,000 relating to one of the foreign subsidiaries.

### 20. CAPITAL COMMITMENTS

	2014 £	2013 £
Contracted but not provided for in the financial statements	<u>2,574,930</u>	<u>13,300,000</u>

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 21. RELATED PARTY DISCLOSURES

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

The company is under the joint control of Onward Fishing Company Limited (owned by Samherji hf a company registered in Iceland) and Tory B.V. (owned by Parlevliet & Van Der Plas B.V), both companies are registered in the Netherlands.

Deutsche Fischfang-Union GmbH & Co is a wholly owned subsidiary of Samherji hf. During the year the group paid Deutsche Fischfang-Union GmbH & Co £381,021 (2013 £407,850) for management services provided.

During the year the group paid Parlevliet & Van Der Plas B.V. £381,021 (2013 £407,850) for management services provided.

The company has a loan outstanding of £22,701,590 from Onward Fishing Company Limited and Tory B.V. At 31st December 2014 the loan is included in creditors due after more than one year. Interest has been charged at 5% amounting to £1,105,007.

During the year UK Fisheries Limited and its subsidiaries traded with subsidiaries of Samherji hf and Parlevliet & Van Der Plas B.V. The transactions are as follows:

	Sales £	Purchases £	Year end debtor £	Year end creditor £
CCH Bosch GmbH	-	734,644	-	5,949
Doggerbank Seefischerei GmbH	-	81,961	-	107
German Seafood GmbH	3,111,424	5,145	88,563	2,045
Mecklenburger Hochseefischerei GmbH	-	3,033	-	-
Parlevliet & Van Der Plas GmbH	13	359,163	-	857,131
Deutsche Fischfang-Union GmbH	35,350	3,033,881	14,952	1,029,164
Icefresh GmbH	55,059	-	-	-
Ice Fresh Seafood Sarl	7,265	-	23	-
Elke GmbH	-	269,573	-	129,282
Onward Fishing Company Limited	138,117	1,968	11,844	517
Samherji IT	-	1,755	-	350
Samherji Island	1,382	133,573	-	19,027
Seagold Limited	19,372,383	34,798	4,316	1,617
Cuxhavener Reederei GmbH	-	218	-	-
Utgerdarfelag Akureyringa	75,633	-	-	-
Total	<u>22,796,627</u>	<u>4,659,711</u>	<u>119,699</u>	<u>2,045,190</u>

### 22. POST BALANCE SHEET EVENTS

On 11 March 2015 Absolutely Genuine - Unipessoal Lda., a Portuguese subsidiary set up by UK Fisheries Limited, completed the purchase of three Portuguese registered fishing vessels with their fishing licenses and quotas for a total price of €20,250,000.

# UK Fisheries Limited (Registered number: 05219340)

## Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2014

### 23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

#### Group

	2014 £	2013 £
Profit for the financial year	6,745,077	6,425,058
Other recognised gains and losses relating to the year (net)	<u>(1,781,142)</u>	<u>255,891</u>
<b>Net addition to shareholders' funds</b>	<b>4,963,935</b>	<b>6,680,949</b>
Opening shareholders' funds	<u>36,393,933</u>	<u>29,712,984</u>
<b>Closing shareholders' funds</b>	<b><u>41,357,868</u></b>	<b><u>36,393,933</u></b>

#### Company

	2014 £	2013 £
Profit for the financial year	<u>7,464,068</u>	<u>9,666,296</u>
<b>Net addition to shareholders' funds</b>	<b>7,464,068</b>	<b>9,666,296</b>
Opening shareholders' funds	<u>24,723,920</u>	<u>15,057,624</u>
<b>Closing shareholders' funds</b>	<b><u>32,187,988</u></b>	<b><u>24,723,920</u></b>