



Smailes Goldie Group
CREATING ADVANTAGE

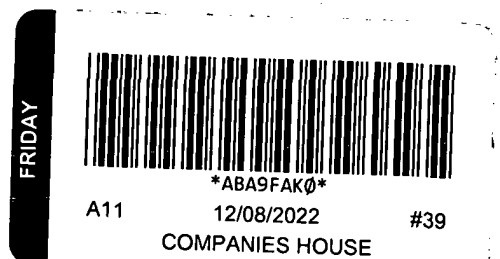
REGISTERED NUMBER: 05219340



UK Fisheries Limited

Consolidated Financial Statements

31st December 2021



UK Fisheries Limited (Registered number: 05219340)

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UK Fisheries Limited

Company Information

for the year ended 31st December 2021

DIRECTORS:

D Parlevliet
J C Van Der Plas
B Thorsteinsson
J Sandell

SECRETARY:

Mackinnons Solicitors

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 2021

The directors present their strategic report of the company and the group for the year ended 31 December 2021. The directors are satisfied with the group's performance and result for the year.

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

REVIEW OF BUSINESS

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

Turnover has increased by £13,825,966 in 2021. The principal reason for this being due to the quantity of fish sold during the year.

Pre-tax profits are £6,665,433 compared to £9,074,610 in 2020.

The group has net assets at 31 December 2021 of £110,688,429 compared to £109,571,92 at 2020.

The directors are satisfied with the group performance.

Section 172 Companies Act 2006

The Corporate Government Principles for Large Private Companies provides a framework for the company to demonstrate how the board makes decisions for the success of the group and its stakeholders whilst complying with the requirements of Section 172 of the Companies Act 2016. This is covered in more detail below in the company's Corporate Governance Report.

Corporate Governance

Under The Companies (Miscellaneous Reporting) Regulations 2018 new corporate governance reporting requirements for Large Private Companies has been introduced for financial years commencing on or after 1 January 2020. The group meets this new reporting criteria and has applied the Corporate Governance Principles for Large Private Companies as published by the Financial Reporting Council.

The principles act as a framework from which the group can disclose its corporate governance arrangements under four principles.

Principle 1 - Purpose and leadership

The board has developed a strategy and business model to generate long-term sustainable value to its stakeholders and is responsible for ensuring this strategy is clearly implemented throughout the organisation, and that it, along with the group values, supports appropriate behaviours and practices.

Principle 2 - Board composition and Director Responsibilities

A list of board members can be found on page three of the financial statements. The composition of the board is balanced to reflect the size and complexity of the group and reflects the diversity of the wider workforce which supports the delivery of the group's strategy.

The directors are fully aware of their responsibilities to promote the success of the group in accordance with section 172 of the Companies Act 2006. The board members have clearly defined responsibilities and accountability ensuring key decisions are made by the individual with the requisite skill and knowledge. The board receives regular financial information supported by Key Performance Indicators (KPI's).

Principle 3 - Opportunity and risk

Strategic opportunities are identified and developed during the regular meetings of the board to support its long-term strategy. The Strategic Report identifies key risks to the business which are monitored by the board on a regular basis allowing for appropriate safeguards to be implemented to manage the risk to an acceptable level.

UK Fisheries Limited (Registered number: 05219340)

Group Strategic Report

for the year ended 31st December 2021

Section 172 Companies Act 2006 (continued)

Principle 4 - Stakeholders

The directors continue to have regard to the interests of the group's employees and other stakeholders, including the impact of its activities on the community, the environment and the group's reputation, when making decisions. Acting in good faith and fairly between members, the directors consider what is most likely to promote the success of the group for its members in the long term. The board engages in effective communication with its stakeholders through, although not exclusively, direct dialogue, regular meetings, and social media announcements

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.

The impact of Brexit is still opaque for most UK businesses, whether they are exporting to the EU or dependent on supplies from it for production. Coupled with the difficulties associated with Covid, trade has become more uncertain across the board. While the 'new normal' is developing, the volatility and unpredictability present in 2020 is still evident but is becoming easier to manage in a timely and cost-effective manner. The Covid effect has begun to diminish and, due to the way the Group operates, has had less of an effect on it than many other fishing businesses. It is anticipated that trading conditions will continue to become easier as businesses are more practiced with the new requirements and Covid restrictions and impacts lessen.

The fishing opportunities available to the UK catching sector remain as more than a disappointment. The abject failure to deliver the level of opportunities anticipated, and indeed the physical reduction in opportunities compared to 2019, has continued to restrict operations across the board. The second year of negotiations with third countries has been 'spun' by the UK Government to be a success, when in reality the UK has secured a fraction of the catchable opportunities that the UK would have received when in the European Union. In some cases, the UK Government has not started to discuss the opportunities that were available, not only while we were within the EU but, before we joined the EU. In all of these cases, the third country in question receives preferential access to the lucrative UK market. The impact of Brexit and Covid on trade does mean that the UK will have to refocus priorities on food security but there is confidence that it will be prioritised and that improved opportunities will be delivered in the coming years.

Fishing opportunities available to the EU subsidiaries remain consistent with previous years, but those available to the UK group have, again, been seriously impacted by the failed negotiations. Throughout the Brexit process, considerable effort has been expended to ensure that the Board can make informed and timely decisions based on the best possible information available. This will continue and our strong, productive, relationships with both the European Commission and the relevant UK Government departments will be further developed. These channels will enable the Board to mitigate the adverse impacts of Brexit as far as is reasonably possible.

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.

FUTURE DEVELOPMENT AND PERFORMANCE

The commercial environment is expected to remain competitive and challenging but the directors remain confident that the group will continue to trade profitably in the future as demonstrated by the investment in new vessels.

ON BEHALF OF THE BOARD:


B Thorsteinsson - Director
22nd June 2022

UK Fisheries Limited (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2021

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2021.

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2021.

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.

DIRECTORS

The directors shown below have held office during the period from 1st January 2021 to the date of this report.

D Parlevliet
J C Van Der Plas
B Thorsteinsson
J Sandell

GREENHOUSE GAS EMISSIONS AND ENERGY CONSUMPTION

Information not included

UK Fisheries Limited as a company consumes less than 40,000 kWh of energy each year, therefore energy efficiency disclosures under the Streamlined Energy and Carbon Reporting regulations ("SECR") are not disclosed. On a consolidation basis there is no additional disclosure on the basis that all subsidiary companies are not required to report under the SECR in their own right due to either being non-large companies or consuming less than 40,000 kWh of energy annually.

FINANCIAL INSTRUMENTS

The principle financial instruments comprise bank 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. UK Fisheries Limited also has a number for foreign exchange currency swap arrangements to protect the company against the volatility of foreign exchange relating to the large capital expenditure.

Due to the nature of the financial instruments utilised there is no exposure to price risk. Bank loans have fixed rates of interest with fixed repayments. 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.

THIRD PARTY INDEMNITY PROVISIONS

Qualifying third party indemnity provisions as detailed by Section 234 of the Companies Act were in place throughout the year.

UK Fisheries Limited (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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

22nd June 2022

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

Opinion

We have audited the financial statements of UK Fisheries Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st December 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31st December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement on the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the limited liability partnership, including the Companies Act 2006, anti-bribery, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the limited liability partnership's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- agreeing financial statement disclosures to underlying supporting documentation;

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

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the limited liability partnership's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities; including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

22nd June 2022

UK Fisheries Limited (Registered number: 05219340)

Consolidated Statement of Comprehensive Income for the year ended 31st December 2021

	Notes	2021 £	2020 £
TURNOVER	3	74,693,644	60,867,678
Cost of sales		<u>63,919,356</u>	<u>47,838,788</u>
GROSS PROFIT		10,774,288	13,028,890
Administrative expenses		<u>5,631,040</u>	<u>6,092,233</u>
		5,143,248	6,936,657
Other operating income		<u>2,558,031</u>	<u>4,017,203</u>
GROUP OPERATING PROFIT	5	7,701,279	10,953,860
Share of operating profit in Associates		358,117	301,105
Interest receivable and similar income		8,140	2,699
Other finance income	18	<u>177,346</u>	<u>-</u>
		<u>185,486</u>	<u>2,699</u>
		8,244,882	11,257,664
Interest payable and similar expenses	6	<u>1,579,449</u>	<u>2,183,054</u>
PROFIT BEFORE TAXATION		6,665,433	9,074,610
Tax on profit	7	<u>2,142,949</u>	<u>1,408,444</u>
PROFIT FOR THE FINANCIAL YEAR		4,522,484	7,666,166
OTHER COMPREHENSIVE INCOME			
Unrealised foreign exchange movements		(3,689,127)	2,802,951
Actuarial gain/(loss)		335,000	(133,000)
Income tax relating to components of other comprehensive income		<u>(51,020)</u>	<u>3,230</u>
OTHER COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(3,405,147)</u>	<u>2,673,181</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,117,337</u></u>	<u><u>10,339,347</u></u>
Profit attributable to: Owners of the parent		<u><u>4,522,484</u></u>	<u><u>7,666,166</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>1,117,337</u></u>	<u><u>10,339,347</u></u>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Consolidated Balance Sheet

31st December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	58,947,231	63,041,595
Tangible assets	10	67,724,561	66,279,730
Investments	11	<u>9,414,497</u>	<u>9,901,969</u>
		136,086,289	139,223,294
CURRENT ASSETS			
Stocks	12	9,202,295	15,578,572
Debtors	13	11,668,339	15,196,964
Cash at bank		<u>22,319,293</u>	<u>18,628,418</u>
		43,189,927	49,403,954
CREDITORS			
Amounts falling due within one year	14	<u>12,781,602</u>	<u>16,332,324</u>
NET CURRENT ASSETS		<u>30,408,325</u>	<u>33,071,630</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		166,494,614	172,294,924
CREDITORS			
Amounts falling due after more than one year	15	(42,154,681)	(49,301,646)
PROVISIONS FOR LIABILITIES	19	(13,051,504)	(12,364,186)
PENSION LIABILITY	22	<u>(600,000)</u>	<u>(1,058,000)</u>
NET ASSETS		<u>110,688,429</u>	<u>109,571,092</u>
CAPITAL AND RESERVES			
Called up share capital	20	5,000,000	5,000,000
Foreign currency reserves	21	299,671	3,988,798
Retained earnings	21	<u>105,388,758</u>	<u>100,582,294</u>
SHAREHOLDERS' FUNDS		<u>110,688,429</u>	<u>109,571,092</u>

The financial statements were approved by the Board of Directors on 22nd June 2022 and were signed on its behalf by:


B Thorsteinsson - Director


D Parlevliet - Director

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Company Balance Sheet

31st December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	75,878	77,337
Investments	11	<u>66,730,257</u>	<u>66,730,257</u>
		66,806,135	66,807,594
CURRENT ASSETS			
Debtors	13	32,195,524	37,575,438
Cash at bank		<u>4,037,172</u>	<u>2,290,839</u>
		36,232,696	39,866,277
CREDITORS			
Amounts falling due within one year	14	<u>7,325,240</u>	<u>5,561,077</u>
NET CURRENT ASSETS		<u>28,907,456</u>	<u>34,305,200</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		95,713,591	101,112,794
CREDITORS			
Amounts falling due after more than one year	15	<u>(33,546,210)</u>	<u>(39,551,877)</u>
NET ASSETS		<u>62,167,381</u>	<u>61,560,917</u>
CAPITAL AND RESERVES			
Called up share capital	20	5,000,000	5,000,000
Retained earnings	21	<u>57,167,381</u>	<u>56,560,917</u>
SHAREHOLDERS' FUNDS		<u>62,167,381</u>	<u>61,560,917</u>
Company's profit for the financial year		<u>606,464</u>	<u>4,283,352</u>

The financial statements were approved by the Board of Directors on 22nd June 2022 and were signed on its behalf by:


B Thorsteinsson - Director


D Parlevliet - Director

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Consolidated Statement of Changes in Equity

for the year ended 31st December 2021

	Called up share capital £	Retained earnings £	Foreign currency reserves £	Total equity £
Balance at 1st January 2020	5,000,000	93,045,898	1,185,847	99,231,745
Changes in equity				
Total comprehensive income	<u>-</u>	<u>7,536,396</u>	<u>2,802,951</u>	<u>10,339,347</u>
Balance at 31st December 2020	<u>5,000,000</u>	<u>100,582,294</u>	<u>3,988,798</u>	<u>109,571,092</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>4,806,464</u>	<u>(3,689,127)</u>	<u>1,117,337</u>
Balance at 31st December 2021	<u>5,000,000</u>	<u>105,388,758</u>	<u>299,671</u>	<u>110,688,429</u>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Company Statement of Changes in Equity for the year ended 31st December 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st January 2020	5,000,000	52,277,565	57,277,565
Changes in equity			
Total comprehensive income	-	<u>4,283,352</u>	<u>4,283,352</u>
Balance at 31st December 2020	<u>5,000,000</u>	<u>56,560,917</u>	<u>61,560,917</u>
Changes in equity			
Total comprehensive income	-	<u>606,464</u>	<u>606,464</u>
Balance at 31st December 2021	<u>5,000,000</u>	<u>57,167,381</u>	<u>62,167,381</u>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Consolidated Cash Flow Statement

for the year ended 31st December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	24,976,274	16,296,106
Tax paid		<u>(1,390,402)</u>	<u>(3,758,008)</u>
Net cash from operating activities		23,585,872	12,538,098
Cash flows from investing activities			
Interest received		8,140	2,699
Dividends received		42,992	45,710
Net gain/(loss) on financial derivative instrument		177,346	(423,165)
Payments to acquire tangible fixed assets		(9,672,465)	(640,727)
Receipts from sale of tangible fixed assets		124,410	-
Purchase of subsidiary undertaking		-	(1,268,701)
Net overdraft acquired with subsidiary undertaking		<u>-</u>	<u>(655,736)</u>
Net cash from investing activities		<u>(9,319,577)</u>	<u>(2,939,920)</u>
Cash flows from financing activities			
New loans in year		-	76,075
Loan repayment in year		(4,868,416)	(4,931,493)
Interest paid		<u>(1,567,449)</u>	<u>(1,740,889)</u>
Net cash from financing activities		<u>(6,435,865)</u>	<u>(6,596,307)</u>
Increase in cash and cash equivalents		7,830,430	3,001,871
Cash and cash equivalents at beginning of year	2	14,851,141	10,830,704
Effect of foreign exchange rate changes		<u>(1,939,511)</u>	<u>1,018,566</u>
Cash and cash equivalents at end of year	2	<u>20,742,060</u>	<u>14,851,141</u>

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 2021

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	6,665,433	9,074,610
Amortisation of intangible fixed assets	1,212,916	1,500,357
Impairment of intangible fixed assets	512,261	-
Depreciation charges	6,821,121	7,524,739
(Profit)/loss on disposal of fixed assets	(86,549)	9,621
Exchange differences	(94,555)	(36,582)
Share of associates profit	(358,117)	(288,047)
Defined benefit pension scheme	(135,000)	(135,000)
Finance costs	1,579,449	2,183,054
Finance income	(185,486)	(2,699)
	<u>15,931,473</u>	<u>19,830,054</u>
Decrease/(increase)/ in stocks	6,376,277	(7,626,305)
Decrease in trade and other debtors	3,623,614	5,835,009
(Decrease) in trade and other creditors	<u>(955,090)</u>	<u>(1,742,652)</u>
Cash generated from operations	<u>24,976,274</u>	<u>16,296,106</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	<u>20,742,060</u>	<u>14,851,141</u>

Year ended 31st December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	<u>14,851,141</u>	<u>10,830,704</u>

Cash and cash equivalents consist of:

	2021 £	2020 £
Cash at bank and in hand	22,319,293	18,628,418
Bank overdraft	<u>(1,577,233)</u>	<u>(3,777,277)</u>
Cash and cash equivalents	<u>20,742,060</u>	<u>14,851,141</u>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements for the year ended 31st December 2021

1. STATUTORY INFORMATION

UK Fisheries Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidation financial statements include the financial statements of the company, its subsidiary undertakings and its associate made up to the group financial year end at 31 December 2021. 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 cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

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 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

Significant judgements and estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The future quota and licence environment in which the group operates. Quota and licences are estimated to have a useful economic life of between 10 and 30 years with residual values of up to 50%.

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

2. ACCOUNTING POLICIES - continued

Turnover

Group turnover represents the amounts receivable for goods and services net of VAT provided to third parties in the normal course of business. The policies adopted for the recognition of turnover are as follows:

Fishing operations

Turnover from the sale of fish and fishing operations is recognised when significant risks and rewards of ownership of the goods and services are transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on the date of the sales invoice.

Interest and other income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

Fishing quota and licences

Fishing quotas and licences acquired separately from a business are capitalised at cost. Fishing quota and licences acquired on business combinations are capitalised at fair value on initial recognition. Fishing quotas are amortised on a straight-line basis, less residual values, over their useful lives.

The useful life of fishing quotas and licences is between 10 and 30 years.

Intellectual property

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

Goodwill

Goodwill is capitalised and written off evenly over 10 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

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 calculated using a first in first out formula. 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. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued *for the year ended 31st December 2021*

2. ACCOUNTING POLICIES - continued

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred taxation

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

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.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation shall be treated as assets and liabilities of the foreign operation. Thus, they shall be expressed in the functional currency of the foreign operation and shall be translated at the closing rate of exchange.

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.

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

2. 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 income.

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 are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in associates are measured at cost less impairment.

Impairments

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit and loss.

Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit and loss using hedge accounting.

The group uses derivatives to protect themselves against fluctuations in fuel prices. The fair value of these are determined by valuations of the agreements at 31 December 2021 and explain fully in note 18 of the accounts.

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

3. TURNOVER

The turnover is attributable to the one principal activity of the group being the fishing operations.

The turnover by geographical area is as follows:

	2021 £	2020 £
United Kingdom	30,973,277	25,965,989
Europe	<u>43,720,367</u>	<u>34,901,689</u>
	<u>74,693,644</u>	<u>60,867,678</u>

4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	12,081,812	12,721,217
Social security costs	968,759	1,889,647
Other pension costs	<u>147,936</u>	<u>136,751</u>
	<u>13,198,507</u>	<u>14,747,615</u>

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

	2021	2020
Management	8	9
Administration	<u>34</u>	<u>35</u>
	42	44
Crew	<u>195</u>	<u>177</u>
	<u>237</u>	<u>221</u>

In the UK all crew members are self-employed share fishermen. In other jurisdictions in which the group operates crew members are employed.

	2021 £	2020 £
Directors' remuneration	<u>65,744</u>	<u>390,896</u>

Information regarding the highest paid director is as follows:

	2021 £	2020 £
Emoluments etc	<u>65,744</u>	<u>273,321</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

5. OPERATING PROFIT

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

	2021 £	2020 £
Other operating leases	23,694	19,611
Depreciation - owned assets	6,821,121	7,524,739
(Profit)/loss on disposal of fixed assets	(86,549)	9,621
Amortisation of intangible fixed assets	1,212,916	1,500,358
Impairment of intangible fixed assets	512,261	-
Auditors' remuneration	40,500	39,950
Auditors' remuneration - subsidiaries	17,500	14,300
Auditors' remuneration for non-audit services	2,000	1,565
Auditors' remuneration for other taxation services	9,100	8,250
Foreign exchange differences	(94,555)	(36,582)
Overseas Auditors' remuneration	<u>48,511</u>	<u>49,568</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank loan interest	1,567,449	1,725,510
Other interest	-	614
Interest on taxation	-	14,765
Net interest on pension scheme liability (note 22)	12,000	19,000
Fuel hedge derivative (note 18)	-	423,165
	<u>1,579,449</u>	<u>2,183,054</u>

7. TAXATION

Analysis of the tax charge

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

	2021 £	2020 £
Current tax:		
UK corporation tax	981,760	1,574,092
Overseas taxation	466,287	284,396
Prior year under provision	61,473	164,601
Share of associate tax	<u>152,185</u>	<u>33,122</u>
Total current tax	<u>1,661,705</u>	<u>2,056,211</u>
Deferred tax:		
Origination and reversal of timing differences	<u>481,244</u>	<u>(647,767)</u>
Total deferred tax	<u>481,244</u>	<u>(647,767)</u>
Tax on profit	<u>2,142,949</u>	<u>1,408,444</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2021 £	2020 £
Profit before tax	<u>6,665,433</u>	<u>9,074,610</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,266,432	1,724,176
Effects of:		
Expenses not deductible for tax purposes	181	376,229
Income not allowable for tax purposes	(23,370)	-
Depreciation in excess of capital allowances	-	(4,416)
Change in tax rate	941,304	-
Adjustments to tax charge in respect of previous periods	61,743	164,601
Tax charge adjustments in overseas jurisdictions	<u>(103,341)</u>	<u>(852,146)</u>
Total tax charge	<u>2,142,949</u>	<u>1,408,444</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2021 Tax £	Net £
Unrealised foreign exchange movements	(3,689,127)	-	(3,689,127)
Actuarial gain	<u>335,000</u>	<u>(51,020)</u>	<u>283,980</u>
	<u>(3,354,127)</u>	<u>(51,020)</u>	<u>(3,405,147)</u>
	Gross £	2020 Tax £	Net £
Unrealised foreign exchange movements	2,808,951	-	2,802,951
Actuarial loss	<u>(133,000)</u>	<u>3,230</u>	<u>(129,770)</u>
	<u>(2,669,951)</u>	<u>3,230</u>	<u>2,673,181</u>

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

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

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

9. INTANGIBLE FIXED ASSETS

Group	Fishing quota £	Fishing licences £	Intellectual property £	Goodwill £	Totals £
COST					
At 1st January 2021	61,830,679	13,468,014	2,262,742	656,303	78,217,738
Exchange differences	<u>(2,173,094)</u>	<u>(752,040)</u>	<u>(147,866)</u>	<u>(34,169)</u>	<u>(3,107,169)</u>
At 31st December 2021	<u>59,657,585</u>	<u>12,715,974</u>	<u>2,114,876</u>	<u>622,134</u>	<u>75,110,569</u>
AMORTISATION					
At 1st January 2021	9,844,845	3,019,328	2,262,742	49,228	15,176,143
Amortisation for year	957,554	190,818	-	63,544	1,211,916
Impairment	-	-	-	513,261	513,261
Exchange differences	<u>(403,274)</u>	<u>(182,943)</u>	<u>(147,866)</u>	<u>(3,899)</u>	<u>(737,982)</u>
At 31st December 2021	<u>10,399,125</u>	<u>3,027,203</u>	<u>2,114,876</u>	<u>622,134</u>	<u>16,163,338</u>
NET BOOK VALUE					
At 31st December 2021	<u>49,258,460</u>	<u>9,688,771</u>	<u>-</u>	<u>-</u>	<u>58,947,231</u>
At 31st December 2020	<u>51,985,834</u>	<u>10,448,686</u>	<u>-</u>	<u>607,075</u>	<u>63,041,595</u>

Company

	Fishing quota £
COST	
At 1st January 2021 and 31st December 2021	<u>350,200</u>
AMORTISATION	
At 1st January 2021	272,863
Amortisation for year	<u>1,459</u>
At 31st December 2021	<u>274,322</u>
NET BOOK VALUE	
At 31st December 2021	<u>75,878</u>
At 31st December 2020	<u>77,337</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

10. TANGIBLE FIXED ASSETS

Group

	Property & related industrial equipment £	Leasehold improvements £	Plant, fixtures & fittings £
COST			
At 1st January 2021	478,814	58,232	828,794
Additions	7,485	-	40,223
Disposals	-	-	(26,990)
Exchange differences	(31,400)	-	(63,794)
At 31st December 2021	<u>454,899</u>	<u>58,232</u>	<u>778,233</u>
DEPRECIATION			
At 1st January 2021	329,805	54,195	459,297
Charge for year	27,427	2,550	142,139
Eliminated on disposal	-	-	(26,990)
Exchange differences	(22,119)	-	(42,071)
At 31st December 2021	<u>335,113</u>	<u>56,745</u>	<u>532,375</u>
NET BOOK VALUE			
At 31st December 2021	<u>119,786</u>	<u>1,487</u>	<u>245,858</u>
At 31st December 2020	<u>149,009</u>	<u>4,037</u>	<u>369,497</u>
	Fishing vessels £	Computer equipment £	Totals £
COST			
At 1st January 2021	112,952,286	24,410	114,342,536
Additions	9,624,757	-	9,672,465
Disposals	(1,828,778)	-	(1,855,768)
Exchange differences	(3,390,986)	-	(3,486,180)
At 31st December 2021	<u>117,357,279</u>	<u>24,410</u>	<u>118,673,053</u>
DEPRECIATION			
At 1st January 2021	47,198,208	21,301	48,062,806
Charge for year	6,647,293	1,712	6,821,121
Eliminated on disposal	(1,790,917)	-	(1,817,907)
Exchange differences	(2,053,338)	-	(2,117,528)
At 31st December 2021	<u>50,001,246</u>	<u>23,013</u>	<u>50,948,492</u>
NET BOOK VALUE			
At 31st December 2021	<u>67,356,033</u>	<u>1,397</u>	<u>67,724,561</u>
At 31st December 2020	<u>65,754,078</u>	<u>3,109</u>	<u>66,279,730</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

11. FIXED ASSET INVESTMENTS

Group

	Shares in associated undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2021	9,736,423	165,546	9,901,969
Share of profit	162,940	-	162,940
Exchange differences	(639,593)	(10,819)	650,412
At 31 st December 2021	<u>9,259,770</u>	<u>154,727</u>	<u>9,414,497</u>
NET BOOK VALUE			
At 31st December 2021	<u>9,259,770</u>	<u>154,727</u>	<u>9,414,497</u>
At 31st December 2020	<u>9,736,423</u>	<u>165,546</u>	<u>9,901,969</u>

Company

	Shares in group undertakings £
COST	
At 1st January 2021 and 31st December 2021	<u>66,730,257</u>
NET BOOK VALUE	
At 31st December 2021	<u>66,730,257</u>
At 31st December 2020	<u>66,730,257</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

11. FIXED ASSET INVESTMENTS - continued

Group

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

	2021 £	2020 £
Carrying value of investment	<u>9,259,770</u>	<u>9,736,423</u>
Represented by:		
Intangible fixed assets	454,758	438,193
Tangible fixed assets	7,046,184	9,066,922
Fixed asset investments	184,055	209,381
Current assets	<u>15,208,392</u>	<u>17,416,188</u>
	22,893,389	27,130,684
Current liabilities	(11,059,178)	(14,674,082)
Minority Interest	<u>(2,574,441)</u>	<u>(2,720,179)</u>
	<u>9,259,770</u>	<u>9,736,423</u>
Share of associate results for the year		
Turnover	<u>20,328,372</u>	<u>19,001,850</u>
Profit before tax	358,117	288,047
Taxation	<u>(152,185)</u>	<u>(33,122)</u>
Profit after tax	<u>205,932</u>	<u>254,925</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
Kirkella Limited	England and Wales	100% *	Vessel owners and operators
Jacinta Limited	England and Wales	100% *	Vessel owners and operators
Marr Management Limited	England and Wales	100% *	Management services
Lionman Limited	England and Wales	100% *	Dormant
Armana Limited	England and Wales	100% *	Dormant
Swanella Limited	England and Wales	100% *	Dormant

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

11. FIXED ASSET INVESTMENTS - continued

Pesqura Ancora S.L.	Spain	100%		Vessel owners and operators
Absolutely Genuine - Unipessoal, Lda	Portugal	100%		Vessel owners and operators
Euronor S.A.S.	France	100%		Vessel owners and operators
Euronor Distribution	France	100%	*	Support services
Hesselholt Fisk Eksport A/S	Denmark	100%	*	Seafood processing
Copropriete du Navir Emeraude France	France	75%	*/**	Dormant
Groupe Compangnie des Peches Saint Malo S.A.S.	France	50%		Holding company
Compagnie des Peches Saint Malo S.A	France	39.38%	**	Vessel owners and operators
Compagnie des Peches Distribution S.A.S	France	39.38%	**	Seafood processing
Compagnie des Peches Production S.A.S.	France	39.38%	**	Seafood processing
Unipeche	France	33.27%	**	Seafood processing
Compagnie des Peches Sante	France	39.38%	**	Operations

* Held by subsidiary undertakings

** Held by associate

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

12. STOCKS

	Group	
	2021	2020
	£	£
Fish	6,014,769	12,477,892
Fuel, gear and provisions	<u>3,187,526</u>	<u>3,100,680</u>
	<u>9,202,295</u>	<u>15,578,572</u>

13. DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	7,795,267	9,792,067	-	-
Amounts owed by group undertakings	-	-	16,649,634	15,672,457
Other debtors	3,713,944	5,241,729	-	-
Prepayments and accrued income	<u>159,128</u>	<u>163,168</u>	<u>164,956</u>	<u>183,517</u>
	<u>11,668,339</u>	<u>15,196,964</u>	<u>16,814,590</u>	<u>15,855,974</u>

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due after more than one year:				
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>15,380,934</u>	<u>21,719,464</u>
	<u>-</u>	<u>-</u>	<u>15,380,934</u>	<u>21,719,464</u>
Aggregate amounts	<u>11,668,339</u>	<u>15,196,964</u>	<u>32,195,524</u>	<u>37,575,438</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdraft (see note 16)	6,701,296	9,562,055	4,595,471	4,626,694
Trade creditors	2,860,538	2,633,927	-	-
Amounts owed to group undertakings	-	-	2,645,300	877,257
Corporation tax	682,626	417,499	-	-
Social security and other taxes	1,057,113	1,536,252	-	-
Other creditors	624,184	548,707	-	-
Accruals and deferred income	<u>855,845</u>	<u>1,633,884</u>	<u>84,469</u>	<u>57,126</u>
	<u>12,781,602</u>	<u>16,332,324</u>	<u>7,325,240</u>	<u>5,561,077</u>

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Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (see note 16)	<u>42,154,681</u>	<u>49,301,646</u>	<u>33,546,210</u>	<u>39,551,877</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans and overdraft	<u>6,701,296</u>	<u>9,562,055</u>	<u>4,595,471</u>	<u>4,626,694</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>5,780,619</u>	<u>5,884,626</u>	<u>4,734,668</u>	<u>4,765,545</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>31,836,550</u>	<u>38,022,840</u>	<u>28,811,542</u>	<u>34,786,332</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 years by instalments	<u>4,537,512</u>	<u>5,394,180</u>	<u>-</u>	<u>-</u>

The bank loan interest rate varies between 1.80% and 3.70% per annum for the duration of the term of the loan.

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Bank overdraft	1,577,233	3,777,277
Bank loans	<u>47,278,744</u>	<u>55,086,424</u>
	<u>48,855,977</u>	<u>58,863,701</u>

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

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Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

18. FINANCIAL INSTRUMENTS

Fuel Hedge

UK Fisheries Limited entered into a fuel hedge arrangement to protect the group against the price of fuel increasing during the year ended 31 December 2021. This contract had expired by the year end:

The excess of the fair value of the hedging instrument over the change in the fair value of the expected cash flows recognised in the profit and loss for the period was £177,346 gain (2021 - £423,165 Loss)

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deferred tax	<u>13,051,504</u>	<u>12,364,186</u>	<u>-</u>	<u>-</u>

Group

	Deferred tax £
Balance at 1st January 2021	12,364,186
Debit to profit and loss	481,244
Exchange rate differences	155,054
Charged to other comprehensive income	<u>51,020</u>
Balance at 31st December 2021	<u>13,051,504</u>

Company

	Deferred tax £
Balance at 1st January 2021	-
Utilised during year	<u>-</u>
Balance at 31st December 2021	<u>-</u>

Deferred tax is principally in respect of accelerated capital allowances.

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
5,000,000	Ordinary	£1	<u>5,000,000</u>	<u>5,000,000</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

21. RESERVES

Group

	Retained earnings £	Foreign currency reserves £	Totals £
At 1st January 2021	100,582,294	3,998,798	104,571,092
Profit for the year	4,522,484	-	4,522,484
Actuarial gain	283,980	-	283,980
Unrealised exchange gains	-	(3,689,127)	(3,689,127)
At 31st December 2021	<u>105,388,758</u>	<u>299,671</u>	<u>105,688,429</u>

Company

	Retained earnings £
At 1st January 2021	56,560,917
Profit for the year	<u>606,464</u>
At 31st December 2021	<u>57,167,381</u>

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Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

22. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 6 April 2021 and updated to 31 December 2021 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 expected contributions to be paid to the scheme over the next accounting year are £135,000.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(3,296,000)	(3,322,000)
Fair value of plan assets	<u>2,696,000</u>	<u>2,264,000</u>
	(600,000)	(1,058,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(600,000)</u>	<u>(1,058,000)</u>
Net liability	<u>(600,000)</u>	<u>(1,058,000)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost:		
Net interest from net defined benefit liability	<u>12,000</u>	<u>19,000</u>
Actual return on plan assets	<u>483,000</u>	<u>207,000</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	3,322,000	3,170,000
Interest cost	39,000	61,000
Actuarial losses	121,000	297,000
Benefits paid	(186,000)	(206,000)
	<u>3,296,000</u>	<u>3,322,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	2,264,000	2,129,000
Contributions by employer	135,000	135,000
Expected return	27,000	42,000
Actuarial gains	456,000	164,000
Benefits paid	(186,000)	(206,000)
	<u>2,696,000</u>	<u>2,264,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actual return less expected return on pension scheme assets	456,000	164,000
Experience and assumption losses underlying the present value of the scheme	(121,000)	(297,000)
	<u>335,000</u>	<u>(133,000)</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2021

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Other assets	<u>2,696,000</u>	<u>2,264,000</u>
	<u>2,696,000</u>	<u>2,264,000</u>

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

	2021	2020
Discount rate	1.85%	1.20%
Inflation	3.55%	3.00%
Future pension increases	3.40%	2.90%

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

Post-retirement mortality is based 100% of the SAPS 'S3' Normal tables, based on members' year of birth, improving in line with CMI 2020 projections with a 1.25% long term trend rate.

Included in other creditors is a pension liability of £199,399 (2020: £264,743) relating to one of the overseas subsidiaries.

23. CONTINGENT LIABILITY

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 in certain vessels. The amount relating to the joint guarantee is £33,546,210 (2020: £39,551,877).

24. 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.

Key management remuneration in the year totalled £1,249,007 (2020 £1,425,970).

Information about related party transactions and outstanding balances relating to these transactions is outlined below:

Entities with control, joint control or significant influence over the entity

	2021	2020
	£	£
Sales	35,374,426	35,442,269
Purchases	4,694,972	7,847,726
Management Charges	829,128	844,400
Year end Debtors	5,527,601	8,061,979
Year end Creditors	<u>858,590</u>	<u>999,211</u>