



Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED NUMBER: 05219340



UK Fisheries Limited

Consolidated Financial Statements

31st December 2020

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UK Fisheries Limited (Registered number: 05219340)

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UK Fisheries Limited

Company Information

for the year ended 31st December 2020

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 2020

The directors present their strategic report of the company and the group for the year ended 31 December 2020. 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, 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 decreased by £21,881,011 in 2020. The principal reason for this being due to the quantity of fish sold during the year.

Pre-tax profits are £9,074,610 compared to £20,879,903 in 2019.

The group has net assets at 31 December 2020 of £109,571,092 compared to £99,231,745 at 2019.

The directors are satisfied with the group performance.

Section 172 Companies Act 2006

The Corporate Governance 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 2019. 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 (KPIs).

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 2020

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.

Brexit has increased uncertainty for virtually all businesses in the UK. Trade with EU member states has become more complex, and non-tariff barriers have increased the administrative burden on the Group. The dynamics of the new relationship between the UK and the EU are still evolving. This is causing a level of volatility and unpredictability for the Group, but this should stabilise as a 'new normal' crystallises in the medium term.

Conversely, the promises made by the UK Government to the fishing industry have proved to be empty. The Trade and Cooperation Agreement with the EU has failed to deliver the anticipated level of additional fishing opportunities and, in some cases, has restricted operations. The first round of negotiating agreements with third countries can only be described as farcical. The UK has failed to secure fisheries agreements with any third country.

Fishing opportunities available to the EU subsidiaries remain consistent with previous years, but those available to the UK parent company have 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.

Due to the geographical spread of fishing opportunities throughout the group in France, Spain, Portugal as well as in the UK, we do not envisage that Group results will be materially impacted by the political environment in the short to medium term.

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

26th July 2021



UK Fisheries Limited (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2020

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2020.

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 2020 to the date of this report.

D Parlevliet

J C Van Der Plas

B Thorsteinsson - (appointed 31 December 2020)

J Sandell

H Gretarsson – (resigned 31 December 2020)

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.

Report of the Directors

for the year ended 31st December 2020

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;
- 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 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.

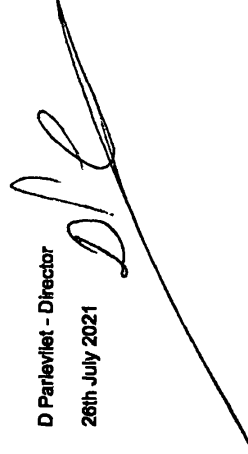
AUDITORS

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

ON BEHALF OF THE BOARD:

D Parlevliet - Director

26th July 2021



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 2020 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 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent 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.

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

26th July 2021

UK Fisheries Limited (Registered number: 05219340)

Consolidated Statement of Comprehensive Income

for the year ended 31st December 2020

	Notes	2020		2019	
		£	£	£	£
TURNOVER	3		60,867,678		82,748,689
Cost of sales			<u>47,838,788</u>		<u>57,451,919</u>
GROSS PROFIT			13,028,890		25,296,770
Administrative expenses			<u>6,092,233</u>		<u>7,493,386</u>
			6,936,657		17,803,384
Other operating income			<u>4,017,203</u>		<u>4,063,547</u>
GROUP OPERATING PROFIT	5		10,953,860		21,866,931
Share of operating profit/(loss) in Associates			301,105		733,713
Interest receivable and similar income		2,699		2,443	
Other finance income	22	<u>-</u>	<u>2,699</u>	<u>229,752</u>	<u>232,195</u>
			11,257,664		22,832,839
Interest payable and similar expenses	6		<u>2,183,054</u>		<u>1,952,936</u>
PROFIT BEFORE TAXATION			9,074,610		20,879,903
Tax on profit	7		<u>1,408,444</u>		<u>4,579,200</u>
PROFIT FOR THE FINANCIAL YEAR			7,666,166		16,300,703
OTHER COMPREHENSIVE INCOME					
Unrealised foreign exchange movements			2,802,951		(2,618,259)
Actuarial losst			(133,000)		(200,000)
Income tax relating to components of other comprehensive income			<u>3,230</u>		<u>16,910</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX			<u>2,673,181</u>		<u>(2,801,349)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			<u>10,339,347</u>		<u>13,499,354</u>
Profit attributable to:					
Owners of the parent			<u>7,666,166</u>		<u>16,300,703</u>
Total comprehensive income attributable to:					
Owners of the parent			<u>10,339,347</u>		<u>13,499,354</u>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Consolidated Balance Sheet

31st December 2020

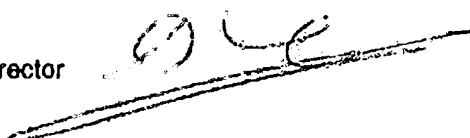
	Notes	£	2020	£	£	2019	£
FIXED ASSETS							
Intangible assets	9		63,041,695			61,913,638	
Tangible assets	10		68,279,730			71,804,584	
Investments	11		<u>9,901,969</u>			<u>9,169,275</u>	
			139,223,294			142,887,497	
CURRENT ASSETS							
Stocks	12	15,578,572			7,720,870		
Debtors	13	15,186,864			19,514,383		
Cash at bank		<u>18,628,418</u>			<u>13,121,503</u>		
		49,403,954			40,356,556		
CREDITORS							
Amounts falling due within one year	14	<u>16,332,324</u>			<u>17,248,181</u>		
NET CURRENT ASSETS			<u>33,071,630</u>			<u>23,108,375</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			172,294,924			165,995,872	
CREDITORS							
Amounts falling due after more than one year	15		<u>(49,301,646)</u>			<u>(52,584,364)</u>	
PROVISIONS FOR LIABILITIES	19		<u>(12,364,186)</u>			<u>(13,138,763)</u>	
PENSION LIABILITY	22		<u>(1,058,000)</u>			<u>(1,041,000)</u>	
NET ASSETS			<u>109,571,092</u>			<u>99,231,745</u>	
CAPITAL AND RESERVES							
Called up share capital	20	5,000,000			5,000,000		
Foreign currency reserves	21	3,988,798			1,185,847		
Retained earnings	21	<u>100,582,294</u>			<u>93,045,898</u>		
SHAREHOLDERS' FUNDS			<u>109,571,092</u>			<u>99,231,745</u>	

The financial statements were approved by the Board of Directors on 28th July 2021 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 2020

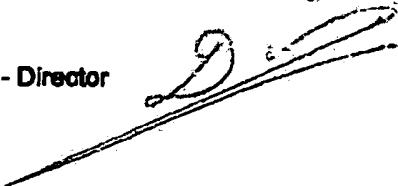
	Notes	£	2020	£	£	2019	£
FIXED ASSETS							
Intangible assets	9			77,337			78,798
Investments	11			<u>68,730,267</u>			<u>68,730,267</u>
				68,807,604			68,809,053
CURRENT ASSETS							
Debtors	13	37,575,438			42,453,372		
Cash at bank		<u>2,290,839</u>			<u>1,258,142</u>		
		39,866,277			43,709,514		
CREDITORS							
Amounts falling due within one year	14	<u>5,581,077</u>			<u>10,355,768</u>		
NET CURRENT ASSETS				<u>34,305,200</u>			<u>33,353,756</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				101,112,794			100,162,809
CREDITORS							
Amounts falling due after more than one year	15			(39,551,877)			(42,885,244)
NET ASSETS				<u>61,560,917</u>			<u>57,277,565</u>
CAPITAL AND RESERVES							
Called up share capital	20			5,000,000			5,000,000
Retained earnings	21			<u>56,560,917</u>			<u>52,277,565</u>
SHAREHOLDERS' FUNDS				<u>61,560,917</u>			<u>57,277,565</u>
Company's profit for the financial year				<u>4,283,352</u>			<u>5,196,884</u>

The financial statements were approved by the Board of Directors on 26th July 2021 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 2020

	Called up share capital £	Retained earnings £	Foreign currency reserves £	Total equity £
Balance at 1st January 2019	5,000,000	76,928,285	3,804,106	85,732,391
Changes in equity				
Total comprehensive income	-	16,117,613	(2,618,259)	13,499,354
Balance at 31st December 2019	<u>5,000,000</u>	<u>93,045,898</u>	<u>1,185,847</u>	<u>99,231,745</u>
Changes in equity				
Total comprehensive income	-	7,536,396	2,802,951	10,339,347
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>

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 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st January 2019	5,000,000	47,080,901	52,080,901
Changes in equity			
Total comprehensive income	<u>-</u>	<u>5,196,664</u>	<u>5,196,664</u>
Balance at 31st December 2019	<u>5,000,000</u>	<u>52,277,565</u>	<u>57,277,565</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<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>

The notes form part of these financial statements

UK Fisheries Limited (Registered number: 05219340)

Consolidated Cash Flow Statement

for the year ended 31st December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	16,296,106	19,332,186
Tax paid		<u>(3,758,008)</u>	<u>(3,326,579)</u>
Net cash from operating activities		<u>12,538,098</u>	<u>16,005,607</u>
Cash flows from investing activities			
Interest received		2,699	2,443
Dividends received		45,710	107,892
Net (loss)/gain on financial derivative instrument		(423,165)	229,752
Payments to acquire tangible fixed assets		(640,727)	(982,083)
Receipts from sale of tangible fixed assets		-	395,859
Purchase of subsidiary undertaking		(1,268,701)	-
Net overdraft acquired with subsidiary undertaking		<u>(655,736)</u>	<u>-</u>
Net cash from investing activities		<u>(2,939,920)</u>	<u>(246,137)</u>
Cash flows from financing activities			
New loans in year		76,075	-
Loan repayment in year		(4,931,493)	(6,542,538)
Interest paid		<u>(1,740,889)</u>	<u>(1,952,936)</u>
Net cash from financing activities		<u>(6,596,307)</u>	<u>(8,495,474)</u>
Increase in cash and cash equivalents		3,001,871	7,263,996
Cash and cash equivalents at beginning of year	2	10,830,704	3,266,299
Effect of foreign exchange rate changes		<u>1,018,566</u>	<u>300,409</u>
Cash and cash equivalents at end of year	2	<u>14,851,141</u>	<u>10,830,704</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 2020

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

	2020 £	2019 £
Profit before taxation	9,074,610	20,879,903
Amortisation charge	1,500,358	1,434,141
Depreciation charges	7,524,739	7,831,244
(Loss)/profit on disposal of fixed assets	9,621	(381,636)
Exchange differences	(36,582)	(21,527)
Share of associates profit	(288,047)	(663,350)
Defined benefit pension scheme	(135,000)	(111,000)
Finance costs	2,183,054	1,952,936
Finance income	(2,699)	(232,195)
	<u>19,830,054</u>	<u>30,688,516</u>
 (Increase)/decrease in stocks	 (7,626,305)	 3,285,842
Decrease/(increase) in trade and other debtors	5,835,009	(15,532,457)
(Decrease)/increase in trade and other creditors	<u>(1,742,652)</u>	<u>890,285</u>
 Cash generated from operations	 <u><u>16,296,106</u></u>	 <u><u>19,332,186</u></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 2020

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

Year ended 31st December 2019

	31.12.19 £	1.1.19 £
Cash and cash equivalents	<u>10,830,704</u>	<u>3,266,299</u>

Cash and cash equivalents consist of:

	2020 £	2019 £
Cash at bank and in hand	18,628,418	13,121,503
Bank overdraft	<u>(3,777,277)</u>	<u>(2,290,799)</u>
Cash and cash equivalents	<u><u>14,851,141</u></u>	<u><u>10,830,704</u></u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements

for the year ended 31st December 2020

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 2020. 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 2020

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 2020

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 2020

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 2020 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 2020

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:

	2020 £	2019 £
United Kingdom	25,965,989	48,276,090
Europe	<u>34,901,689</u>	<u>34,472,599</u>
	<u>60,867,678</u>	<u>82,748,689</u>

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	12,721,217	14,675,137
Social security costs	1,889,647	1,746,299
Other pension costs	<u>136,751</u>	<u>31,248</u>
	<u>14,747,615</u>	<u>16,452,684</u>

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

	2020	2019
Management	9	8
Administration	<u>35</u>	<u>38</u>
	44	46
Crew	<u>177</u>	<u>163</u>
	<u>221</u>	<u>209</u>

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

	2020 £	2019 £
Directors' remuneration	<u>390,896</u>	<u>325,625</u>

Information regarding the highest paid director is as follows:

	2020 £	2019 £
Emoluments etc	<u>273,321</u>	<u>217,863</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

5. OPERATING PROFIT

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

	2020 £	2019 £
Other operating leases	19,611	19,200
Depreciation - owned assets	7,524,739	7,831,244
Loss/(profit) on disposal of fixed assets	9,621	(381,636)
Amortisation of intangible fixed assets	1,500,358	1,434,141
Auditors' remuneration	39,950	30,150
Auditors remuneration - subsidiaries	14,300	14,300
Auditors' remuneration for non-audit services	1,565	7,500
Auditors' remuneration for other taxation services	8,250	7,550
Foreign exchange differences	(36,582)	(21,527)
Overseas Auditors' remuneration	<u>49,568</u>	<u>45,539</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Bank loan interest	1,725,510	1,777,709
Other interest	614	23,089
Interest on taxation	14,765	128,138
Net interest on pension scheme liability (note 22)	<u>19,000</u>	<u>24,000</u>
	<u>1,759,889</u>	<u>1,952,936</u>

7. TAXATION

Analysis of the tax charge

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

	2020 £	2019 £
Current tax:		
UK corporation tax	1,574,092	2,579,112
Overseas taxation	284,396	1,712,568
Prior year under provision	164,601	674,769
Share of associate tax	<u>33,122</u>	<u>38,674</u>
Total current tax	<u>2,056,211</u>	<u>5,005,123</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(647,767)</u>	<u>(425,923)</u>
Total deferred tax	<u>(647,767)</u>	<u>(425,923)</u>
Tax on profit	<u>1,408,444</u>	<u>4,579,200</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2020

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:

	2020 £	2019 £
Profit before tax	<u>9,074,610</u>	<u>20,879,903</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,724,176	3,967,182
Effects of:		
Expenses not deductible for tax purposes	376,229	408,337
Depreciation in excess of capital allowances	(4,416)	17,822
Adjustments to tax charge in respect of previous periods	164,601	674,769
Tax charge adjustments in overseas jurisdictions	<u>(852,146)</u>	<u>(488,913)</u>
Total tax charge	<u>1,408,444</u>	<u>4,579,200</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2020 Tax £	Net £
Unrealised foreign exchange movements	2,802,951	-	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>
	Gross £	2019 Tax £	Net £
Unrealised foreign exchange movements	(2,618,259)	-	(2,618,259)
Actuarial loss	<u>(200,000)</u>	<u>16,910</u>	<u>(183,090)</u>
	<u>(2,818,259)</u>	<u>16,910</u>	<u>(2,801,349)</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 2020

9. INTANGIBLE FIXED ASSETS

Group	Fishing quota £	Fishing licences £	Intellectual property £	Goodwill £	Totals £
COST					
At 1st January 2020	60,046,708	12,850,638	2,141,353	-	75,038,699
Additions	-	-	-	656,303	656,303
Exchange differences	<u>1,783,971</u>	<u>617,376</u>	<u>121,389</u>	<u>-</u>	<u>2,522,736</u>
At 31st December 2020	<u>61,830,679</u>	<u>13,468,014</u>	<u>2,262,742</u>	<u>656,303</u>	<u>78,217,738</u>
AMORTISATION					
At 1st January 2020	8,568,927	2,682,449	1,873,685	-	13,125,061
Amortisation for year	975,015	196,490	279,624	49,228	1,500,358
Exchange differences	<u>300,903</u>	<u>140,389</u>	<u>109,433</u>	<u>-</u>	<u>550,724</u>
At 31st December 2020	<u>9,844,845</u>	<u>3,019,328</u>	<u>2,262,742</u>	<u>49,228</u>	<u>15,176,143</u>
NET BOOK VALUE					
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>
At 31st December 2019	<u>51,477,781</u>	<u>10,168,189</u>	<u>267,668</u>	<u>-</u>	<u>61,913,638</u>
Company					Fishing quota £
COST					
At 1st January 2020 and 31st December 2020					<u>350,200</u>
AMORTISATION					
At 1st January 2020					271,404
Amortisation for year					<u>1,459</u>
At 31st December 2020					<u>272,863</u>
NET BOOK VALUE					
At 31st December 2020					<u>77,337</u>
At 31st December 2019					<u>78,796</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

10. TANGIBLE FIXED ASSETS

Group

	Property & related industrial equipment £	Leasehold improvements £	Plant, fixtures & fittings £
COST			
At 1st January 2020	372,008	58,232	535,827
Additions	84,244	-	281,211
Disposals	-	-	(32,632)
Exchange differences	22,562	-	44,388
At 31st December 2020	478,814	58,232	828,794
DEPRECIATION			
At 1st January 2020	289,457	51,645	355,997
Charge for year	23,644	2,550	104,469
Eliminated on disposal	-	-	(32,615)
Exchange differences	16,704	-	31,446
At 31st December 2020	329,805	54,195	459,297
NET BOOK VALUE			
At 31st December 2020	149,009	4,037	369,497
At 31st December 2019	82,551	6,587	179,830
	Fishing vessels £	Computer equipment £	Totals £
COST			
At 1st January 2020	109,832,830	22,970	110,821,867
Additions	499,047	1,440	865,942
Disposals	(8,358)	-	(40,990)
Exchange differences	2,628,767	-	2,695,717
At 31st December 2020	112,952,286	24,410	114,342,536
DEPRECIATION			
At 1st January 2020	38,302,476	17,708	39,017,283
Charge for year	7,390,483	3,593	7,524,739
Eliminated on disposal	(1,865)	-	(34,480)
Exchange differences	1,507,114	-	1,555,264
At 31st December 2020	47,198,208	21,301	48,062,806
NET BOOK VALUE			
At 31st December 2020	65,754,078	3,109	66,279,730
At 31st December 2019	71,530,354	5,262	71,804,584

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

11. FIXED ASSET INVESTMENTS

Group

	Shares in associated undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2020	9,012,610	156,665	9,169,275
Share of profit	209,215	-	209,215
Exchange differences	514,598	8,881	523,479
	<u>9,736,423</u>	<u>165,546</u>	<u>9,901,969</u>
At 31 st December 2020	<u>9,736,423</u>	<u>165,546</u>	<u>9,901,969</u>
NET BOOK VALUE			
At 31st December 2020	<u>9,736,423</u>	<u>165,546</u>	<u>9,901,969</u>
At 31st December 2019	<u>9,012,610</u>	<u>156,665</u>	<u>9,169,275</u>

Company

	Shares in group undertakings £
COST	
At 1st January 2020 and 31st December 2020	<u>66,730,257</u>
NET BOOK VALUE	
At 31st December 2020	<u>66,730,257</u>
At 31st December 2019	<u>66,730,257</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

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.

	2020 £	2019 £
Carrying value of investment	<u>9,736,423</u>	<u>9,012,610</u>
Represented by:		
Intangible fixed assets	438,193	294,087
Tangible fixed assets	9,066,922	9,971,706
Fixed asset investments	209,381	258,224
Current assets	<u>17,416,188</u>	<u>14,947,646</u>
	27,130,684	25,471,663
Current liabilities	(14,674,082)	(14,028,777)
Minority Interest	<u>(2,720,179)</u>	<u>(2,430,276)</u>
	<u>9,736,423</u>	<u>9,012,610</u>
Share of associate results for the year		
Turnover	<u>19,001,850</u>	<u>24,701,180</u>
Profit/(Loss) before tax	288,047	663,350
Taxation	<u>(33,122)</u>	<u>(38,674)</u>
Profit/(Loss) after tax	<u>254,925</u>	<u>624,676</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 2020

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 Compagnie 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

Acquisition of a subsidiary

On 10 March 2020, the group acquired 100% of the trade and assets of Hesselholt Fisk Eksport A/S for a cash consideration of £1,186,264.

The goodwill arising on the acquisition is considered to have a useful life of 10 years.

At 10 March 2020 (the 'acquisition date'), the assets acquired and liabilities assumed were recognised at their fair value to the group, as set out below:

	Fair value £
Tangible assets	228,327
Stocks	231,597
Debtors (including deferred taxation of £68,032)	1,227,593
Cash at bank	13,651
Creditors due within one year (including bank overdraft of £669,387)	(1,051,061)
Provisions	(37,709)
Net assets	612,398
Goodwill arising on acquisition	656,303
Total consideration	1,268,701
Satisfied by:	
Cash	1,186,264
Costs associated with the acquisition	82,437
	1,268,701

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

12. STOCKS

	Group	
	2020 £	2019 £
Fish	12,477,892	4,429,199
Fuel, gear and provisions	3,100,680	3,291,471
	<u>15,578,572</u>	<u>7,720,670</u>

13. DEBTORS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	9,792,067	14,547,961	-	-
Amounts owed by group undertakings	-	-	15,672,457	18,690,718
Other debtors	5,241,729	4,840,271	-	-
Prepayments and accrued income	163,168	126,151	183,517	203,426
	<u>15,196,964</u>	<u>19,514,383</u>	<u>15,855,974</u>	<u>18,894,144</u>

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	21,719,464	23,559,228
	<u>-</u>	<u>-</u>	<u>21,719,464</u>	<u>23,559,228</u>
Aggregate amounts	<u>15,196,964</u>	<u>19,514,383</u>	<u>37,575,438</u>	<u>42,453,372</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Bank loans and overdraft (see note 16)	9,562,055	7,711,252	4,626,694	4,357,688
Trade creditors	2,633,927	3,475,235	-	-
Amounts owed to group undertakings	-	-	877,257	5,811,015
Corporation tax	417,499	1,860,890	-	-
Social security and other taxes	1,536,252	523,847	-	-
Other creditors	548,707	679,831	-	-
Accruals and deferred income	1,633,884	2,997,126	57,126	187,055
	<u>16,332,324</u>	<u>17,248,181</u>	<u>5,561,077</u>	<u>10,355,758</u>

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Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans (see note 16)	<u>49,301,646</u>	<u>52,584,364</u>	<u>39,551,877</u>	<u>42,885,244</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans and overdraft	<u>9,562,055</u>	<u>7,711,252</u>	<u>4,626,694</u>	<u>4,357,688</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>5,884,626</u>	<u>5,508,889</u>	<u>4,765,545</u>	<u>4,487,929</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>38,022,840</u>	<u>17,364,737</u>	<u>34,786,332</u>	<u>14,301,857</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 years by instalments	<u>5,394,180</u>	<u>29,710,738</u>	<u>-</u>	<u>24,095,458</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	
	2020	2019
	£	£
Bank overdraft	3,777,277	2,290,799
Bank loans	<u>55,086,424</u>	<u>58,004,817</u>
	<u>58,863,701</u>	<u>60,295,616</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 2020

18. FINANCIAL INSTRUMENTS

Fuel Hedge

UK Fisheries Limited entered into a fuel hedge arrangement to protect the company against the price of fuel increasing during the year ended 31 December 2020. 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 £ (423,165) (2019 - £229,752)

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>12,364,186</u>	<u>13,138,763</u>	<u>-</u>	<u>-</u>

Group

	Deferred tax £
Balance at 1st January 2020	13,138,763
Credit to profit and loss	(647,767)
Exchange rate differences	(123,580)
Charged to other comprehensive income	(3,230)
	<u>-</u>
Balance at 31st December 2020	<u>12,364,186</u>

Company

	Deferred tax £
Balance at 1st January 2020	-
Utilised during year	-
	<u>-</u>
Balance at 31st December 2020	<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:	2020	2019
			£	£
5,000,000	Ordinary	£1	<u>5,000,000</u>	<u>5,000,000</u>

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Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

21. RESERVES

Group

	Retained earnings £	Foreign currency reserves £	Totals £
At 1st January 2020	93,045,898	1,185,847	94,231,745
Profit for the year	7,666,166	-	7,666,166
Actuarial loss	(129,770)	-	(129,770)
Unrealised exchange losses	-	2,802,951	2,802,951
	<u>100,582,294</u>	<u>3,998,798</u>	<u>104,571,092</u>
At 31st December 2020			

Company

	Retained earnings £
At 1st January 2020	52,277,565
Profit for the year	<u>4,283,352</u>
At 31st December 2020	<u>56,560,917</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2020

22. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 6 April 2018 and updated to 31 December 2020 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	
	2020	2019
	£	£
Present value of funded obligations	(3,322,000)	(3,170,000)
Fair value of plan assets	<u>2,264,000</u>	<u>2,128,000</u>
	(1,058,000)	(1,041,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(1,058,000)</u>	<u>(1,041,000)</u>
Net liability	<u>(1,058,000)</u>	<u>(1,041,000)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost:		
Net interest from net defined benefit liability	<u>19,000</u>	<u>24,000</u>
Actual return on plan assets	<u>207,000</u>	<u>103,000</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2020

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	3,170,000	3,040,000
Past service cost	-	-
Interest cost	61,000	81,000
Actuarial losses	297,000	247,000
Benefits paid	<u>(206,000)</u>	<u>(198,000)</u>
	<u>3,322,000</u>	<u>3,170,000</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Opening fair value of scheme assets	2,129,000	2,088,000
Contributions by employer	135,000	135,000
Expected return	42,000	57,000
Actuarial gains	164,000	47,000
Benefits paid	<u>(206,000)</u>	<u>(198,000)</u>
	<u>2,264,000</u>	<u>2,129,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Actual return less expected return on pension scheme assets	164,000	47,000
Experience and assumption losses underlying the present value of the scheme	<u>(297,000)</u>	<u>(247,000)</u>
	<u>(133,000)</u>	<u>(200,000)</u>

UK Fisheries Limited (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2020

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2020	2019
	£	£
Other assets	2,264,000	2,129,000
	<u>2,264,000</u>	<u>2,129,000</u>

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

	2020	2019
Discount rate	1.20%	2.00%
Inflation	3.00%	3.00%
Future pension increases	2.90%	2.90%

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

Post-retirement mortality is based 100% of the SAPS 'S2' Normal tables, based on members' year of birth, improving in line with CMI 2019 projections with a 1.25% long term trend rate.

Included in other creditors is a pension liability of £264,743 (2019: £245,099) relating to one of the overseas subsidiaries.

23. 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 £1,425,970 (2019 £1,297,326).

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

	2020	2019
	£	£
Sales	35,442,269	54,119,701
Purchases	7,847,726	9,954,661
Management Charges	844,400	837,290
Year end Debtors	8,061,979	13,297,761
Year end Creditors	<u>999,211</u>	<u>3,530,786</u>