

Halicilla Limited

Annual report and financial statements

Registered number 9564643

31 December 2020



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Directors' report

The directors present their report and the financial statements of Halicilla Limited ("the Company") for the year ended 31 December 2020. The directors have taken advantage of the small companies' exemption in preparing the Directors' report.

Principal activities

The principal activity of the Company is as a holding company, which is expected to continue going forward.

Review of business and future developments

Halicilla Limited holds investments in Icelandic based subsidiaries which in turn have made investments in land rights with the aim of supporting the conservation of Atlantic Salmon in the region.

Directors

The directors who were appointed on incorporation and held office during the year were as follows:

J F Ginns

WB Reid (resigned 30 June 2020)

Y S Ali (appointed 6 July 2020)

Proposed dividend

The directors do not recommend the payment of a dividend.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual report 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), including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102).

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 of the profit or loss of the Company 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board


J F Ginns

Director

Halicilla Limited

23rd September 2021

Profit and Loss Account
for period ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	<u>£'000</u>	
Administrative expenses	<u>(269)</u>	<u>(246)</u>
Loss before taxation	<u>(269)</u>	<u>(246)</u>
Tax on loss	<u>-</u>	<u>-</u>
Profit for the financial year	<u>(269)</u>	<u>(246)</u>

All activities of the Company relate to continuing operations.

The Company has no recognised other comprehensive income and therefore no separate statement of other comprehensive income has been presented.

The notes on pages 7 to 11 are an integral part of the financial statements.

Balance Sheet
at 31 December 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		£'000	
Non-current assets			
Investments	3	<u>37,277</u>	<u>36,197</u>
Total non-current assets		<u>37,277</u>	<u>36,197</u>
Current assets			
Cash and cash equivalents		<u>129</u>	<u>32</u>
		<u>129</u>	<u>32</u>
Creditors: amounts falling due within one year		<u>(24)</u>	<u>-</u>
Net current assets		<u>105</u>	<u>32</u>
Net assets		<u>37,382</u>	<u>36,229</u>
Equity attributable to owners of the parent			
Called up share capital	4	-	-
Shareholder loans	5	<u>37,897</u>	<u>36,475</u>
Accumulated losses		<u>(515)</u>	<u>(246)</u>
Total equity		<u>37,382</u>	<u>36,229</u>

The notes on pages 7 to 11 are an integral part of the financial statements.

Audit Exemption Statement

For the period ending 31 December 2020 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- these accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime

These financial statements on pages 4 to 11 were approved and authorised for issue by the board of directors on 23rd September 2021 and signed on its behalf by:



J F Ginns
Director

Company registered number: 9564643

Statement of Changes in Equity
at 31 December 2020

	Share capital	Shareholder loans	Accumulated losses	Total equity
	£'000			
Balance at 1 January 2019	-	32,313	-	32,313
Loss for the financial year	-	-	(246)	(246)
Transactions with owners, recorded directly in equity:				
Shareholder loan to equity	-	4,162	-	4,162
Balance at 31 December 2019	-	36,475	(246)	36,229
 Loss for the financial year	-	-	(269)	(269)
Transactions with owners, recorded directly in equity:				
Shareholder loan to equity	-	1,422	-	1,422
Balance at 31 December 2020	-	37,897	(515)	37,382

The notes on pages 7 to 11 are an integral part of the financial statements.

Notes to the Financial Statements for the year ended 31 December 2020

1 Accounting policies

Halicilla Ltd (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The company is exempt by virtue of the small companies regime of the Companies Act 2006 from the requirement to prepare group Financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2015.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("*Adopted IFRSs*"), but makes amendments where necessary in order to comply with Companies Act 2006 provisions applicable to companies subject to the small companies' regime.

These Company financial statements are presented in pound sterling, which is the functional currency of the majority of operations.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.2 Measurement convention

The Company financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 102 *Reduced Disclosure Framework* ("*FRS 102*").

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment in value. Where market conditions exist which, in the opinion of the directors, represents an impairment in value, a charge is made to the profit and loss account in the corresponding period. If circumstances arise which lead to the value increasing, this will be credited to the profit and loss account to a maximum of cost price if management believe the value is sustainable.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

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

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

1.6 Critical accounting estimates / judgements

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not consider there to be any critical judgements or key sources of estimation uncertainty within the accounts.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

2 Employees and directors' remuneration

The Company had no employees during the financial year (2019: none). The directors did not receive any emoluments during the year in respect of their services to the Company (2019: £nil).

3 Loss before taxation

Included in loss before taxation are the following:

	<u>2020</u>	<u>2019</u>
	<u>£'000</u>	
Legal and professional fees	<u>269</u>	<u>246</u>
	<u>269</u>	<u>246</u>

4 Taxation

Reconciliation of effective tax rate

Tax charge for the year differs from the standard rate of corporation tax in the UK for the year ended 31 December 2020 of 19% (2019: 19%) as explained below:

	<u>2020</u>	<u>2019</u>
	<u>£'000</u>	
Loss before taxation	<u>269</u>	<u>246</u>
Loss before taxation multiplied by the standard rate of tax in the UK of 19% (2019: 19%)	(51)	(47)
Disallowable expenses	<u>51</u>	<u>47</u>
Total taxation charge/(credit)	<u>-</u>	<u>-</u>

In the 2021 UK Budget on 3 March 2021, the UK Government announced that the headline rate of UK corporation will increase to 25% from 1 April 2023. This change is expected to form part of the Finance Bill 2021. For IFRS purposes, the new rate will be used once substantively enacted, to measure deferred taxes to the extent that temporary differences will reverse after 1 April 2023. A UK corporation tax rate of 19% has been used to calculate deferred tax balances for the year ended 31 December 2020 as this is the rate enacted at the balance sheet date. A detailed assessment of the impact of this on the deferred tax balances is yet to be performed.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

5 Investments

Investments in subsidiaries are carried at cost. The subsidiary and undertakings of the Company and the percentage of equity share capital held are set out below. The principal country of operation is generally indicated by the Company's country of incorporation or by its name. The directors believe the carrying value of the investments is supported by the underlying net assets and expected future cash flows of the subsidiaries.

The following information relates to the subsidiary undertakings of the Company.

	Subsidiaries
	£'000
Balance at 1 January 2019	32,313
Additions	3,884
Balance at 31 December 2019	36,197
Additions	1,080
Balance at 31 December 2020	37,277

Company	Class of shares held	Country of incorporation	Percentage held 31 December 2020	Percentage held 31 December 2019	Principal activities
Falkathing ehf*	Ordinary	Iceland	100%	100%	Investment
Grenisalir ehf	Ordinary	Iceland	-	100%	Investment
Lómaþing ehf	Ordinary	Iceland	-	100%	Investment
Hegraþing ehf	Ordinary	Iceland	-	100%	Investment
Sunnudalur ehf	Ordinary	Iceland	-	100%	Investment
Grænaþing ehf	Ordinary	Iceland	-	100%	Investment
Góuþing ehf	Ordinary	Iceland	-	100%	Investment
Sólarsalir ehf	Ordinary	Iceland	100%	100%	Investment
Fremri-Nýpur ehf	Ordinary	Iceland	-	100%	Investment
Kverkártunga ehf	Ordinary	Iceland	26%	26%	Investment
Veiðiklúbburinn	Ordinary	Iceland	87%	87%	Investment
Strengur ehf	Ordinary	Iceland	87%	87%	Investment
Hámundarstaðir ehf	Ordinary	Iceland	50%	50%	Investment

*Directly held.

During 2020 the group underwent a reorganisation to simplify the group structure whereby several merger activities took place within the pre-existing group subsidiary companies.

6 Creditors: Amounts falling due within one year

	2020	2019
	£'000	
Trade and Other Payables	24	0

7 Called up share capital

	2020	2019
	£	
Fully paid		
Allotted 100 (2019: 100) shares of £1.00 each	100	100

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

8 Shareholders' loan

	<u>2020</u>	<u>2019</u>
	<u>£'000</u>	
Loan from shareholder	<u>37,897</u>	<u>36,475</u>

The shareholder loan is unsecured, interest free and has no specified date of repayment. For the purposes of these accounts, this loan is classified under capital and reserves as, in the opinion of the directors, it forms part of the long-term funding of the Company. The shareholder has indicated that repayment will not be sought in the future nor would it be expected that any interest would become payable.

9 Controlling parties

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his shareholding in the Company.