

NOLAN SEAFOODS (UK) LIMITED

No. SC239960

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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COMPANIES HOUSE

NOLAN SEAFOODS (UK) LIMITED

COMPANY INFORMATION

Directors	G V Nolan D R Hutchins C. G. Hanratty
Secretary	C Mackie
Company number	SC239960
Registered office	Craigshaw Drive West Tullos Industrial Estate Aberdeen AB12 3AN
Business address	Craigshaw Drive West Tullos Industrial Estate Aberdeen AB12 3AN
Auditors	Hall Morrice LLP 6 & 7 Queens Terrace Aberdeen AB10 1XL
Bankers	Allied Irish Bank 19 Charlotte Square Edinburgh EH2 4DE Clydesdale Bank Unit 19 North Esplanade West Aberdeen AB11 5RJ
Solicitors	Stronachs LLP 34 Albyn Place Aberdeen AB10 1FW

NOLAN SEAFOODS (UK) LIMITED

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NOLAN SEAFOODS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present the strategic report and audited financial statements for the year ended 31 March 2014.

Review of the business

During the year the company's turnover increase by approximately £7million. This was mainly due to increased demand and higher customer base.

There have been no dividends paid or proposed in respect of the year ended 31 March 2014 (2013 - £nil).

The main regulation issues relate to health and safety which are continually monitored by the company. The company has retained its BRC Accreditation Certificate.

The balance sheet shows that the company's financial position at the year end as, in net asset terms, increased as expected given the profits for the year. The company continues to fund its operations internally with no external finance having been used in the current or comparative year.

Principal risks and uncertainties

The company's activities expose it to a number of financial risks including credit risk and foreign exchange risk.

Credit risk

The company's credit risk is primarily attributable to trade debtors. The amounts in the balance sheet are net of any provisions required for bad debts. The company does carry out credit checks on customers as and when required and generally the risk is spread over a wide customer base.

Foreign exchange risk

The company's activities expose it to the financial risks in the movement of foreign currency exchange rates. The directors monitor the exposure and minimise this exposure where possible.

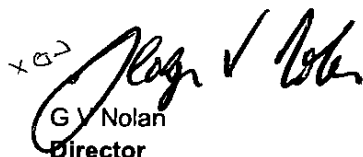
Development and performance

The company continues to develop its customer base. The years results show a lower gross margin due to extreme weather conditions in early 2014 affecting the price of fish.

Financial key performance indicators

The net current asset ratio is key for the directors, and this again shows a significant improvement on previous year.

On behalf of the board

x GJ 
G V Nolan
Director

30 June 2014

NOLAN SEAFOODS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and audited financial statements for the year ended 31 March 2014.

Principal activity

The principal activity of the company is that of fish merchants. There have not been any significant changes in the company's principal activity in the year under review. The directors are not aware, at the date of this report, of any likely changes in the company's activities in the next year.

Directors

The following directors have held office since 1 April 2013:

G V Nolan
D R Hutchins
C. G. Hanratty

Auditors

The auditors, Hall Morrice LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Directors' responsibilities

The directors are responsible for preparing the Directors' 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). 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:

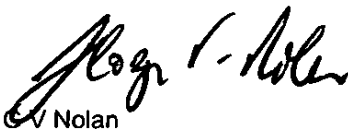
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board


G V Nolan

Director

30 June 2014

NOLAN SEAFOODS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOLAN SEAFOODS (UK) LIMITED

We have audited the financial statements of Nolan Seafoods (UK) Limited for the year ended 31 March 2014 which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' responsibilities statement as set out in the Directors' report the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NOLAN SEAFOODS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NOLAN SEAFOODS (UK) LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Shonagh Fraser MA, CA
Senior Statutory Auditor
For and on behalf of Hall Morrice LLP
Statutory Auditor
Aberdeen
30 June 2014

NOLAN SEAFOODS (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
Turnover	2	28,443,260	21,094,809
Cost of sales		(19,647,072)	(12,961,228)
Gross profit		8,796,188	8,133,581
Distribution costs		(1,075,568)	(855,945)
Administrative expenses		(7,156,953)	(6,407,486)
Other operating income		75,198	83,167
Operating profit	3	638,865	953,317
Other interest receivable and similar income	4	129	76
Interest payable and similar charges	5	(10,970)	(5,133)
Profit on ordinary activities before taxation		628,024	948,260
Tax on profit on ordinary activities	6	(117,386)	(202,800)
Profit for the financial year	14	510,638	745,460

The profit and loss account has been prepared on the basis that all operations are continuing operations.

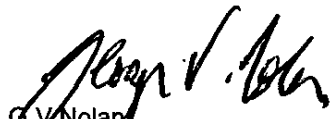
There are no recognised gains and losses other than those passing through the profit and loss account.

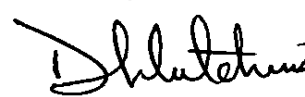
NOLAN SEAFOODS (UK) LIMITED

BALANCE SHEET AS AT 31 MARCH 2014

	Notes	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	7		2,583,993		2,640,300
Current assets					
Stocks	8	663,628		720,134	
Debtors	9	3,648,943		3,208,141	
Cash at bank and in hand		76,399		26,827	
			4,388,970	3,955,102	
Creditors: amounts falling due within one year	10	(2,807,168)		(2,910,315)	
Net current assets			1,581,802		1,044,787
Total assets less current liabilities			4,165,795		3,685,087
Creditors: amounts falling due after more than one year	11		(183,639)		(236,179)
Provisions for liabilities	12		(166,197)		(143,587)
Net assets			3,815,959		3,305,321
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		3,814,959		3,304,321
Equity shareholders' funds	15		3,815,959		3,305,321

The financial statements were authorised for issue and approved by the Board on 30 June 2014


G V Nolan
Director


D R Hutchins
Director

NOLAN SEAFOODS (UK) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		386,255		652,819
Returns on investments and servicing of finance				
Interest received	129		76	
Interest paid	(10,970)		(5,133)	
Net cash outflow for returns on investments and servicing of finance		(10,841)		(5,057)
Taxation		(262,685)		(115,544)
Capital expenditure				
Payments to acquire tangible assets	(283,560)		(1,026,239)	
Receipts from sales of tangible assets	69,549		25,094	
Receipts from sales of investments	-		44,800	
Net cash outflow for capital expenditure		(214,011)		(956,345)
Net cash outflow before management of liquid resources and financing		(101,282)		(424,127)
Financing				
Increase in asset finance debt	-		318,146	
Capital element of hire purchase contracts	(116,332)		(59,532)	
Net cash (outflow)/inflow from financing		(116,332)		258,614
Decrease in cash in the year		(217,614)		(165,513)

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1 Reconciliation of operating profit to net cash outflow from operating activities

	2014 £	2013 £
Operating profit	638,865	953,317
Depreciation of tangible assets	424,001	402,424
Profit on disposal of tangible assets	(28,583)	(4,998)
Profit on disposal of investments	-	(44,800)
Decrease/(increase) in stocks	56,506	(368,980)
Increase in debtors	(440,802)	(1,065,256)
(Decrease)/increase in creditors within one year	(263,732)	781,112
Net cash inflow from operating activities	386,255	652,819

2 Analysis of net debt	1 April 2013 £	Cash flow £	Other non- cash changes £	31 March 2014 £
Net cash:				
Cash at bank and in hand	26,827	49,572	-	76,399
Bank overdrafts	(340,969)	(267,186)	-	(608,155)
	<u>(314,142)</u>	<u>(217,614)</u>	<u>-</u>	<u>(531,756)</u>
Debt:				
Finance leases	(258,614)	116,332	-	(142,282)
Net debt	<u>(572,756)</u>	<u>(101,282)</u>	<u>-</u>	<u>(674,038)</u>

3 Reconciliation of net cash flow to movement in net debt

	2014 £	2013 £
Decrease in cash in the year	(217,614)	(165,513)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	116,332	(258,614)
Movement in net debt in the year	(101,282)	(424,127)
Opening net debt	(572,756)	(148,629)
Closing net debt	<u>(674,038)</u>	<u>(572,756)</u>

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Tenants improvements	20% Reducing balance
Plant and machinery	20% Reducing balance
Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	20% Reducing balance

1.4 Stock

Stock valued at the lower of cost and net realisable value.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.7 Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current taxation rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets and liabilities are not discounted.

1.8 Government grants

Government grants received in respect of capital expenditure are deferred and included in the profit and loss account by instalments over the expected useful lives of the assets. Government grants received in respect of revenue expenditure are credited directly to the profit and loss account.

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

2 Turnover

In the opinion of the directors it would be seriously prejudicial to disclose segmental information.

3 Operating profit

2014

2013

£

£

Operating profit is stated after charging:

Depreciation of tangible assets

424,001

402,424

Auditors' remuneration (including expenses and benefits in kind)

8,340

8,330

and after crediting:

Government grants

46,615

33,369

Profit on disposal of tangible assets

28,583

4,998

Profit on disposal of investments

-

44,800

4 Other interest receivable and similar income

2014

2013

£

£

Bank interest

18

66

Other interest

111

10

129

76

5 Interest payable

2014

2013

£

£

Hire purchase interest

10,970

5,133

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

6	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	94,776	191,727
	Total current tax	94,776	191,727
	Deferred tax		
	Deferred tax charge/credit current year	22,610	11,073
		117,386	202,800
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	628,024	948,260
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23% (2013 - 24%)	144,446	227,582
	Effects of:		
	Non deductible expenses	893	(7,666)
	Depreciation add back	90,946	95,382
	Capital allowances	(140,664)	(112,819)
	Chargeable disposals	-	(10,752)
	Other tax adjustments	(845)	-
		(49,670)	(35,855)
	Current tax charge for the year	94,776	191,727

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

7 Tangible fixed assets

	Tenants improvements £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2013	147,021	3,010,660	647,846	194,473	4,000,000
Additions	-	334,251	62,925	11,484	408,660
Disposals	-	(60,000)	-	(5,195)	(65,195)
At 31 March 2014	147,021	3,284,911	710,771	200,762	4,343,465
Depreciation					
At 1 April 2013	40,380	1,036,227	166,264	116,829	1,359,700
Charge for the year	10,664	327,025	69,206	17,106	424,001
On disposals	-	(21,867)	-	(2,362)	(24,229)
At 31 March 2014	51,044	1,341,385	235,470	131,573	1,759,472
Net book value					
At 31 March 2014	95,977	1,943,526	475,301	69,189	2,583,993
At 31 March 2013	106,641	1,974,433	481,582	77,644	2,640,300

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Net book values			
At 31 March 2014	371,778	30,906	402,684
At 31 March 2013	308,848	38,633	347,481
Depreciation charge for the year			
At 31 March 2014	82,570	7,727	90,297
At 31 March 2013	73,372	8,867	82,239

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

8	Stocks	2014 £	2013 £
	Finished goods and goods for resale	<u>663,628</u>	<u>720,134</u>
 9	 Debtors	 2014 £	 2013 £
	Trade debtors	3,390,576	3,027,415
	Amounts owed by subsidiary undertakings	178,985	132,451
	Other debtors	70,024	36,533
	Prepayments and accrued income	9,358	11,742
		<u>3,648,943</u>	<u>3,208,141</u>
 10	 Creditors: amounts falling due within one year	 2014 £	 2013 £
	Bank loans and overdrafts	608,155	340,969
	Net obligations under hire purchase contracts	136,982	105,782
	Trade creditors	1,358,641	1,330,141
	Amounts owed to parent and fellow subsidiary undertakings	77,121	280,529
	Corporation tax	23,818	191,727
	Other taxes and social security costs	97,154	129,150
	Directors' current accounts	295,719	348,850
	Other creditors	121,232	88,387
	Accruals and deferred income	88,346	94,780
		<u>2,807,168</u>	<u>2,910,315</u>

The Clydesdale Bank holds a floating charge over the assets of the company.

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

11 Creditors: amounts falling due after more than one year	2014 £	2013 £
Other creditors	53,239	83,347
Net obligations under hire purchase contracts	130,400	152,832
	<u>183,639</u>	<u>236,179</u>
Net obligations under hire purchase contracts		
Repayable within one year	150,357	115,549
Repayable between one and five years	144,196	166,772
	<u>294,553</u>	<u>282,321</u>
Finance charges and interest allocated to future accounting periods	(27,171)	(23,707)
	<u>267,382</u>	<u>258,614</u>
Included in liabilities falling due within one year	(136,982)	(105,782)
	<u>130,400</u>	<u>152,832</u>

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 April 2013	143,587
Profit and loss account	22,610
Balance at 31 March 2014	<u>166,197</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>166,197</u>	<u>143,587</u>

13 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

14 Statement of movements on profit and loss account

**Profit and
loss
account
£**

Balance at 1 April 2013	3,304,321
Profit for the financial year	510,638
Balance at 31 March 2014	<u>3,814,959</u>

15 Reconciliation of movements in shareholders' funds

**2014
£**

**2013
£**

Profit for the financial year	510,638	745,460
Opening shareholders' funds	<u>3,305,321</u>	<u>2,559,861</u>
Closing shareholders' funds	<u>3,815,959</u>	<u>3,305,321</u>

16 Contingent liabilities

As at 31 March 2014 there were guarantees in favour of Fishsalesmans Association for £220,000 covering indemnities held by the Clydesdale Bank (2013 - £220,000).

17 Directors' remuneration

**2014
£**

**2013
£**

Remuneration for qualifying services	<u>69,900</u>	<u>82,905</u>
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NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

18 Employees

Number of employees

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

	2014 Number	2013 Number
Administrative staff	8	8
Factory staff	216	234
	<u>224</u>	<u>242</u>
Employment costs	2014	2013
	£	£
Wages and salaries	4,453,018	3,954,033
Social security costs	363,340	339,638
	<u>4,816,358</u>	<u>4,293,671</u>

19 Related party relationships and transactions

During the year sales totalling £999,179 (2013 - £898,571) were made by the company to the parent company, H J Nolan (Dublin) Limited, purchases of £34,310 (2013 - £8,903) were made from the parent company. The parent company also charged management fees of £80,000 (2013 - £80,000) during the year to the company. As at 31 March 2014 the company was due H J Nolan (Dublin) Limited £77,121 (2013 - £280,529) and this is included within Note 10 to the Accounts.

During the year the company made sales of £680 (2013 - £3,966) to D & G Nolan Limited, a company owned by the directors Derek Hutchins and George Nolan and made purchases of £795,046 (2013 - £641,534) from D & G Nolan Limited. D & G Nolan Limited also charged management fees of £nil (2013 - £40,000) during the year to the company. As at 31 March 2014 D & G Nolan Limited was due the company £178,985 (2013 - £132,451) and this is included within Note 9 to the Accounts.

As at 31 March 2014 the company was due the directors:

	2014 £	2013 £
D. R. Hutchins	51,800	70,800
C. G. Hanratty	24,850	24,850
G. V. Nolan	219,069	253,200

NOLAN SEAFOODS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

20 Control

The company was controlled throughout the current and previous year by H J Nolan (Dublin) Limited, a company incorporated in Ireland by virtue of its 60% holding of the issued shares of the company. There is no ultimate controlling party.