



REGISTERED NUMBER 05219340

UK Fisheries Limited and Subsidiaries

Consolidated Financial Statements

31st December 2011



Smailes Goldie

Chartered Accountants

 **UK200Group**
independent quality assured professionals

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

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for the year ended 31st December 2011

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UK Fisheries Limited and Subsidiaries

Company Information

for the year ended 31st December 2011

DIRECTORS

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

SECRETARY

Mackinnons

REGISTERED OFFICE

The Orangery
Hesslewood Country Office Park
Ferryby 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 and Subsidiaries (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2011

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2011

PRINCIPAL ACTIVITY

The principle activity of the company in the year under review was that of a holding company

The principle activity of the group in the year under review was that of operation of fishing and other vessels and the provision of management services and other opportunities to vessel owners

REVIEW OF BUSINESS

The results for the year and financial position of the group are as shown in the annexed financial statements

The financial statements for the year ended 31 December 2011 include the results of the subsidiary and joint venture companies in Spain and France which were acquired in December 2010 together with the continuing businesses in the United Kingdom. There is therefore a significant increase in turnover and operating costs compared to the previous year.

The results for the U K operations continued to reflect the favourable markets conditions especially sales prices resulting in increases in turnover and operating profits. The results from the French and Spanish subsidiaries are encouraging and improvements are expected as these businesses continue to integrate into the group.

The company has continued to benefit from low interest rates. The bank loans are linked to either LIBOR or EURIBOR. Other loans have an interest rate of 5 % per annum.

The key financial highlights are as follows

	Year ended 31 12 11	Year ended 31 12 10 £	Year ended 31 12 08 £
Pre-tax profits	10,447,974	5,312,227	3,327,202
Turnover growth / (decline) (like for like basis)	7.24%	(36.47%)	(2.85%)

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2011

FUTURE DEVELOPMENTS

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

The management of the company's business and the execution of its strategies are subject to a number of risks.

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

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2011

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2011 to the date of this report

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

FINANCIAL INSTRUMENTS

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

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank loans these have variable interest rates but the repayments are fixed. The company manages the liquidity risk by ensuring that there are sufficient funds to meet the payments as they fall due.

Trade debtors are managed in respect of the credit offered to customers is regularly monitored for amounts outstanding for both time and credit limits.

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Report of the Directors

for the year ended 31st December 2011

AUDITORS

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

ON BEHALF OF THE BOARD



D Parlevliet - Director

Date

2/4/12

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

We have audited the financial statements of UK Fisheries Limited and Subsidiaries for the year ended 31st December 2011 on pages seven to thirty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements 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 group's and of the parent company's affairs as at 31st December 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Matters on which we are required to report by exception

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

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

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

Date 2/4/12

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Consolidated Profit and Loss Account for the year ended 31st December 2011

	Notes	2011 £	2010 £
TURNOVER		51,291,882	21,254,985
Cost of sales		<u>35,652,008</u>	<u>13,769,724</u>
GROSS PROFIT		15,639,874	7,485,261
Administrative expenses		<u>3,134,976</u>	<u>1,715,012</u>
		12,504,898	5,770,249
Other operating income		<u>2,587</u>	<u>8,092</u>
OPERATING PROFIT	3	12,507,485	5,778,341
Share of Joint venture		<u>75,994</u>	<u>-</u>
		12,431,491	5,778,341
Interest receivable and similar income		<u>10,179</u>	<u>17,675</u>
		12,441,670	5,796,016
Interest payable and similar charges	4	1,905,548	435,789
Other finance costs	19	<u>50,000</u>	<u>48,000</u>
		<u>1,955,548</u>	<u>483,789</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,486,122	5,312,227
Tax on profit on ordinary activities	5	<u>1,815,890</u>	<u>1,495,756</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u><u>8,670,232</u></u>	<u><u>3,816,471</u></u>

CONTINUING OPERATIONS

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

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Consolidated Statement of Total Recognised Gains and Losses

for the year ended 31st December 2011

	2011 £	2010 £
PROFIT FOR THE FINANCIAL YEAR	8,670,232	3,816,471
Actuarial loss	(254,000)	(75,000)
Unrealised exchange gains and losses	<u>(277,508)</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>8,138,724</u>	<u>3,741,471</u>

The notes form part of these financial statements

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Consolidated Balance Sheet

31st December 2011

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Intangible assets	7		43,308,144		43,560,881
Tangible assets	8		20,759,242		24,024,423
Investments	9		<u>6,498,466</u>		<u>6,675,331</u>
			70,565,852		74,260,635
CURRENT ASSETS					
Stocks	10	6,086,596		3,099,206	
Debtors	11	4,979,466		5,508,586	
Cash at bank		<u>3,424,517</u>		<u>1,558,115</u>	
		14,490,579		10,165,907	
CREDITORS					
Amounts falling due within one year	12	<u>10,632,130</u>		<u>11,891,139</u>	
NET CURRENT ASSETS/(LIABILITIES)					
			<u>3,858,449</u>		<u>(1,725,232)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			74,424,301		72,535,403
CREDITORS					
Amounts falling due after more than one year	13		(43,901,430)		(46,710,668)
PROVISIONS FOR LIABILITIES					
	16		(2,269,813)		(5,934,781)
PENSION (LIABILITY)/ASSET					
	19		<u>(203,500)</u>		<u>20,880</u>
NET ASSETS					
			<u>28,049,558</u>		<u>19,910,834</u>
CAPITAL AND RESERVES					
Called up share capital	17		5,000,000		5,000,000
Profit and loss account	18		<u>23,049,558</u>		<u>14,910,834</u>
SHAREHOLDERS' FUNDS					
	22		<u>28,049,558</u>		<u>19,910,834</u>

The financial statements were approved by the Board of Directors on
were signed on its behalf by

2/4/12

and



H Gretarsson - Director

The notes form part of these financial statements

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Company Balance Sheet

31st December 2011

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Intangible assets	7		227,630		297,670
Tangible assets	8		-		-
Investments	9		<u>58,847,926</u>		<u>59,015,280</u>
			59,075,556		59,312,950
CURRENT ASSETS					
Debtors	11	11,316,543		22,314,506	
Cash at bank		<u>32</u>		<u>32</u>	
		11,316,575		22,314,538	
CREDITORS					
Amounts falling due within one year	12	<u>12,338,672</u>		<u>24,717,550</u>	
NET CURRENT LIABILITIES			<u>(1,022,097)</u>		<u>(2,403,012)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			58,053,459		56,909,938
CREDITORS					
Amounts falling due after more than one year	13		<u>43,031,183</u>		<u>44,769,870</u>
NET ASSETS			<u>15,022,276</u>		<u>12,140,068</u>
CAPITAL AND RESERVES					
Called up share capital	17		5,000,000		5,000,000
Profit and loss account	18		<u>10,022,276</u>		<u>7,140,068</u>
SHAREHOLDERS' FUNDS	22		<u>15,022,276</u>		<u>12,140,068</u>

The financial statements were approved by the Board of Directors on
were signed on its behalf by

2/4/12

and

Haraldur Jr.

H Gretarsson - Director

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Consolidated Cash Flow Statement

for the year ended 31st December 2011

	Notes	2011		2010	
		£	£	£	£
Net cash inflow from operating activities	1		6,464,536		7,324,508
Returns on investments and servicing of finance	2		(1,796,575)		(418,114)
Taxation			(1,374,996)		(1,520,369)
Capital expenditure and financial investment	2		1,631,581		(6,896,251)
Acquisitions and disposals	2		-		(25,450,937)
			4,924,546		(26,961,163)
Financing	2		(3,058,144)		26,019,870
Increase/(Decrease) in cash in the period			<u>1,866,402</u>		<u>(941,293)</u>
Reconciliation of net cash flow to movement in net debt					
	3				
Increase/(Decrease) in cash in the period		1,866,402		(941,293)	
Cash outflow/(inflow) from decrease/(increase) in debt		<u>3,058,144</u>		<u>(29,236,346)</u>	
Change in net debt resulting from cash flows			<u>4,924,546</u>		<u>(30,177,639)</u>
Movement in net debt in the period			4,924,546		(30,177,639)
Net debt at 1st January			<u>(48,928,231)</u>		<u>(18,750,592)</u>
Net debt at 31st December			<u>(44,003,685)</u>		<u>(48,928,231)</u>

The notes form part of these financial statements

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Cash Flow Statement

for the year ended 31st December 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	12,507,485	5,778,341
Depreciation charges	3,103,040	1,076,002
Profit on disposal of fixed assets	(1,411,006)	-
Exchange differences	(85,492)	-
Decease in provisions	(3,809,685)	-
Government grants	(432)	(432)
(Increase)/Decrease in stocks	(2,987,390)	290,165
Decrease/(Increase) in debtors	529,120	(1,060,375)
(Decrease)/Increase in creditors	<u>(1,381,104)</u>	<u>1,240,807</u>
Net cash inflow from operating activities	<u>6,464,536</u>	<u>7,324,508</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	10,179	17,675
Interest paid	(1,905,548)	(435,789)
Dividends received	<u>98,794</u>	<u>-</u>
Net cash outflow for returns on investments and servicing of finance	<u>(1,796,575)</u>	<u>(418,114)</u>
Capital expenditure and financial investment		
Purchase of intangible fixed assets	167,354	(350,200)
Purchase of tangible fixed assets	(338,515)	(48,274)
Purchase of fixed asset investments	-	(6,497,777)
Sale of tangible fixed assets	<u>1,802,742</u>	<u>-</u>
Net cash inflow/(outflow) for capital expenditure and financial investment	<u>1,631,581</u>	<u>(6,896,251)</u>
Acquisitions and disposals		
Purchase of subsidiaries	-	(26,100,642)
Cash acquired with subsidiaries	<u>-</u>	<u>649,705</u>
Net cash outflow for acquisitions and disposals	<u>-</u>	<u>(25,450,937)</u>
Financing		
New loans in year	-	28,519,870
Loan repayments in year	<u>(3,058,144)</u>	<u>(2,500,000)</u>
Net cash (outflow)/inflow from financing	<u>(3,058,144)</u>	<u>26,019,870</u>

The notes form part of these financial statements

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Cash Flow Statement

for the year ended 31st December 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 11 £	Cash flow £	At 31 12 11 £
Net cash			
Cash at bank	<u>1,558,115</u>	<u>1,866,402</u>	<u>3,424,517</u>
	<u>1,558,115</u>	<u>1,866,402</u>	<u>3,424,517</u>
Debt			
Debts falling due within one year	(3,776,796)	249,338	(3,527,458)
Debts falling due after one year	<u>(46,709,550)</u>	<u>2,808,806</u>	<u>(43,900,744)</u>
	<u>(50,486,346)</u>	<u>3,058,144</u>	<u>(47,428,202)</u>
Total	<u>(48,928,231)</u>	<u>4,924,546</u>	<u>(44,003,685)</u>

The notes form part of these financial statements

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements

for the year ended 31st December 2011

1 ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The consolidation accounts include the accounts of the company, its subsidiary undertakings and its joint venture made up to the group financial year end at 31 December 2011. The consolidated profit and loss account includes the results of its subsidiary undertakings and its share of the joint venture from the date of their acquisition and up to the date of disposal.

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.

Turnover

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

Group turnover represents the amounts receivable for goods and services provided to third parties in the normal course of business, net of discounts, VAT and other sales related taxes.

Fishing Quota

Fishing quota held within group fixed assets are stated at fair value on acquisition. Having no finite economic life, no systematic amortisation is applied, but provision is made for any permanent impairment in value. As permitted under FRS10, this represents a departure for the purposes of giving a true and fair view, from the requirements of the Companies Act 2006, which requires intangible assets to be amortised.

Fishing quota subsequently purchased is stated at cost less amortisation. Amortisation is charged over 5 years.

Fishing licences

Fishing licences held within group fixed assets are stated at fair value on acquisition. Having no finite economic life, no systematic amortisation is applied, but provision is made for any permanent impairment in value. As permitted under FRS10, this represents a departure for the purposes of giving a true and fair view, from the requirements of the Companies Act 2006, which requires intangible assets to be amortised.

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 10 and 17 years
Plant and equipment	25% on cost and 20% reducing balance
Fixtures and fittings	15% on cost and 15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Fish stocks include all direct costs incurred on each fishing trip. Net realisable value is based on estimated selling price less the estimated cost of disposal.

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

1 ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Pension costs and other post-retirement benefits

For defined benefit schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs.

Defined benefit schemes are funded, with the assets held separately from the group in separate trustee administered funds. A liability is recognised in the balance sheet in respect of the defined benefit plan which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. A full valuation of the liability is calculated by an independent actuary every 3 years and updated on an annual basis using the projected unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the group has legal or constructive obligation to settle the liability.

The group also operates a defined contribution pension scheme. The assets of this scheme are held separately to those of the company. The annual contributions payable are charged to the profit and loss account in the period to which they relate.

Investments

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

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

2 STAFF COSTS

Group

	2011 £	2010 £
Wages and salaries	10,317,441	388,921
Social security costs	1,385,366	45,655
Other pension costs	<u>9,306</u>	<u>8,900</u>
	<u>11,712,113</u>	<u>443,476</u>

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

	2011	2010
Management	10	5
Administration	<u>35</u>	<u>1</u>
	<u>45</u>	<u>6</u>

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

	2011	2010
Crew	<u>187</u>	<u>-</u>
	<u>187</u>	<u>-</u>

Company

There were no staff costs for the year ended 31 December 2011 (2010 nil)

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Other operating leases	7,138	10,897
Depreciation - owned assets	3,018,040	953,472
Profit on disposal of fixed assets	(1,411,006)	-
Fishing quota amortisation	70,040	112,530
Fishing licence amortisation	14,960	10,000
Auditors' remuneration	38,450	18,180
Auditors remuneration - overseas subsidiaries	17,794	-
Auditors' remuneration for non audit	6,000	2,950
Foreign exchange differences	(595,442)	142,059
Pension costs	<u>9,306</u>	<u>8,900</u>

Directors' remuneration	<u>326,841</u>	<u>261,789</u>
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Information regarding the highest paid director is as follows

	2011 £	2010 £
Emoluments etc	<u>286,841</u>	<u>224,052</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Bank loan interest	441,640	370,688
Other interest	<u>1,463,908</u>	<u>65,101</u>
	<u>1,905,548</u>	<u>435,789</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

5 TAXATION

Analysis of the tax charge

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

	2011 £	2010 £
Current tax		
UK corporation tax	2,376,063	1,766,974
Prior year under/(over) provision	(629,845)	(60,071)
Share of Joint Venture	<u>4,364</u>	<u>-</u>
Total current tax	<u>1,750,582</u>	<u>1,706,903</u>
Deferred tax		
Origination and reversal of timing differences	144,928	(176,707)
Pension deficit/surplus	<u>(79,620)</u>	<u>(34,440)</u>
Total deferred tax	<u>65,308</u>	<u>(211,147)</u>
Tax on profit on ordinary activities	<u>1,815,890</u>	<u>1,495,756</u>

Factors affecting the tax charge

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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>10,486,122</u>	<u>5,312,227</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 28%)	2,726,392	1,487,424
Effects of		
Expenses not deductible for tax purposes	45,997	144,487
Depreciation in excess of capital allowances	(123,264)	203,587
Prior year under provision	467	(60,071)
Profits taxable at the small rate of tax	(3,600)	(4,667)
Non taxable income	(328,497)	(122)
Losses utilised	(549,145)	(63,735)
Share of Joint venture tax charge	24,122	-
Tax rate changes	<u>(41,890)</u>	<u>-</u>
Current tax charge	<u>1,750,582</u>	<u>1,706,903</u>

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £2,882,208 (2010 - £4,578,815)

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2011

7 INTANGIBLE FIXED ASSETS

Group

	Fishing quota £	Fishing licence £	Totals £
COST			
At 1st January 2011	42,026,671	1,933,089	43,959,760
Additions	(167,354)	-	(167,354)
Exchange differences	-	(1,670)	(1,670)
	<u>41,859,317</u>	<u>1,931,419</u>	<u>43,790,736</u>
At 31st December 2011			
AMORTISATION			
At 1st January 2011	352,530	46,349	398,879
Amortisation for year	70,040	14,960	85,000
Exchange differences	-	(1,287)	(1,287)
	<u>422,570</u>	<u>60,022</u>	<u>482,592</u>
At 31st December 2011			
NET BOOK VALUE			
At 31st December 2011	<u>41,436,747</u>	<u>1,871,397</u>	<u>43,308,144</u>
At 31st December 2010	<u>41,674,141</u>	<u>1,886,740</u>	<u>43,560,881</u>

Company

	Fishing quota £
COST	
At 1st January 2011 and 31st December 2011	<u>350,200</u>
AMORTISATION	
At 1st January 2011	52,530
Amortisation for year	<u>70,040</u>
At 31st December 2011	<u>122,570</u>
NET BOOK VALUE	
At 31st December 2011	<u>227,630</u>
At 31st December 2010	<u>297,670</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

8 TANGIBLE FIXED ASSETS

Group

	Property & related industrial equipment £	Motor vehicles £	Fixtures and fittings £
COST			
At 1st January 2011	405,925	43,600	135,205
Additions	-	4,055	14,899
Disposals	-	-	(42,420)
Exchange differences	(10,234)	-	3,359
At 31st December 2011	<u>395,691</u>	<u>47,655</u>	<u>111,043</u>
DEPRECIATION			
At 1st January 2011	95,307	17,599	106,463
Charge for year	30,852	11,412	24,016
Eliminated on disposal	-	-	(42,420)
Exchange differences	(3,542)	-	(2,272)
At 31st December 2011	<u>122,617</u>	<u>29,011</u>	<u>85,787</u>
NET BOOK VALUE			
At 31st December 2011	<u>273,074</u>	<u>18,644</u>	<u>25,256</u>
At 31st December 2010	<u>310,618</u>	<u>26,001</u>	<u>28,742</u>
	Fishing vessels £	Computer equipment £	Totals £
COST			
At 1st January 2011	28,741,433	30,577	29,356,740
Additions	319,561	-	338,515
Disposals	(429,100)	-	(471,520)
Exchange differences	(192,859)	-	(199,734)
At 31st December 2011	<u>28,439,035</u>	<u>30,577</u>	<u>29,024,001</u>
DEPRECIATION			
At 1st January 2011	5,096,846	16,102	5,332,317
Charge for year	2,945,972	5,788	3,018,040
Eliminated on disposal	(37,364)	-	(79,784)
Exchange differences	-	-	(5,814)
At 31st December 2011	<u>8,005,454</u>	<u>21,890</u>	<u>8,264,759</u>
NET BOOK VALUE			
At 31st December 2011	<u>20,433,581</u>	<u>8,687</u>	<u>20,759,242</u>
At 31st December 2010	<u>23,644,587</u>	<u>14,475</u>	<u>24,024,423</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2011

9 FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2011	6,497,777	177,554	6,675,331
Share of Joint venture	(179,152)	-	(179,152)
Exchange differences	-	2,287	2,287
	<u>6,318,625</u>	<u>179,841</u>	<u>6,498,466</u>
At 31st December 2011			
NET BOOK VALUE			
At 31st December 2011	<u>6,318,625</u>	<u>179,841</u>	<u>6,498,466</u>
At 31st December 2010	<u>6,497,777</u>	<u>177,554</u>	<u>6,675,331</u>

Company

	Shares in group undertakings £
COST	
At 1st January 2011	59,015,280
Additions	<u>(167,354)</u>
At 31st December 2011	<u>58,847,926</u>
At 31st December 2010	
NET BOOK VALUE	
At 31st December 2011	<u>58,847,926</u>
At 31st December 2010	<u>59,015,280</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

9 FIXED ASSET INVESTMENTS - continued

Group

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

	2011 £	2010 £
Carrying value of investment	<u>6,318,625</u>	<u>6,497,777</u>
Represented by		
Intangible fixed assets	192,421	269,397
Tangible fixed assets	1,877,616	3,033,714
Fixed asset investments	214,126	360,836
Current assets	<u>10,143,876</u>	<u>11,601,291</u>
	12,428,039	15,265,235
Current liabilities	(4,124,666)	(5,995,414)
Long term liabilities	(377,787)	(538,601)
Provisions for liabilities	(53,417)	(108,578)
Minority Interest	<u>(1,626,899)</u>	<u>(1,962,619)</u>
	6,245,270	6,660,023
Negative goodwill on acquisition	(162,246)	(162,246)
Unrealised exchange gains and losses	<u>235,601</u>	<u>-</u>
	<u>6,318,625</u>	<u>6,497,777</u>
Share of Joint venture results for the year		
Turnover	<u>19,229,538</u>	<u>-</u>
Loss before tax	75,994	
Taxation	<u>4,364</u>	<u>-</u>
Loss after tax	<u>80,358</u>	<u>-</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 joint ventures in which the company holds any class of share capital are as follows

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

9 FIXED ASSET INVESTMENTS - continued

Name of company	Country of incorporation	Proportion of voting rights and shares held		Nature of business
Boyd Line Limited	England and Wales	100%		Holding company
J Marr (Fishing) Limited	England and Wales	100%		Holding company
Armana Limited	England and Wales	100%	*	Vessel owners and operators
Jacinta Limited	England and Wales	100%	*	Vessel owners and operators
Lionman Limited	England and Wales	100%	*	Vessel owners and operators
Kirkella Limited	England and Wales	100%	*	Dormant
Swanella Limited	England and Wales	100%	*	Dormant
Marr Management Limited	England and Wales	100%	*	Management services
Pesqura Ancora S L	Spain	100%		Vessel owners and operators
Euronor S A S	France	100%		Vessel owners and operators
Euronor Distribution	France	100%	*	Support services
Groupe Compagnie des Peches Saint Malo S A S	France	50%		Holding company
Compagnie des Peches Saint Malo S A	France	39 27%	**	Vessel owners and operators
Comapeche Distribution S A S	France	39 27%	**	seafood processing
Comboko S A S	France	38 49%	**	seafood processing
Unifipeche S A	French Guiana	33 17%	**	Vessel owners and operators
Compagnie des Peches Sante S A	France	39 27%	**	Research and development

* Held by subsidiary undertakings

** Held by Joint Venture

10 STOCKS

	Group	
	2011 £	2010 £
Fish	3,850,758	902,159
Fuel, gear and provisions	2,235,838	2,197,047
	<u>6,086,596</u>	<u>3,099,206</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

11 DEBTORS· AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	2,649,198	4,943,414	-	-
Amounts owed by group undertakings	35,264	-	11,316,543	22,310,512
Other debtors	1,904,853	509,799	-	3,994
Prepayments and accrued income	<u>390,151</u>	<u>55,373</u>	<u>-</u>	<u>-</u>
	<u>4,979,466</u>	<u>5,508,586</u>	<u>11,316,543</u>	<u>22,314,506</u>

12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Bank loans and overdrafts (see note 14)	3,527,458	3,776,796	2,500,000	2,500,000
Trade creditors	2,277,016	2,824,276	8,516	269,299
Amounts owed to group undertakings	-	-	9,813,315	21,167,606
Corporation tax	1,979,924	1,608,491	-	-
Social security and other taxes	297,403	992,931	-	-
Other creditors	285,786	326,274	-	-
Accruals and deferred income	<u>2,264,543</u>	<u>2,362,371</u>	<u>16,841</u>	<u>780,645</u>
	<u>10,632,130</u>	<u>11,891,139</u>	<u>12,338,672</u>	<u>24,717,550</u>

13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Bank loans (see note 14)	14,619,561	18,189,680	13,750,000	16,250,000
Other loans (see note 14)	29,281,183	28,519,870	29,281,183	28,519,870
Deferred income	<u>686</u>	<u>1,118</u>	<u>-</u>	<u>-</u>
	<u>43,901,430</u>	<u>46,710,668</u>	<u>43,031,183</u>	<u>44,769,870</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

14 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Amounts falling due within one year or on demand				
Bank loans	<u>3,527,458</u>	<u>3,776,796</u>	<u>2,500,000</u>	<u>2,500,000</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	3,195,732	3,554,807	2,500,000	2,500,000
Other loans - 1-2 years	<u>29,281,183</u>	<u>28,519,870</u>	<u>29,281,183</u>	<u>28,519,870</u>
	<u>32,476,915</u>	<u>32,074,677</u>	<u>31,781,183</u>	<u>31,019,870</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>7,673,829</u>	<u>8,384,873</u>	<u>7,500,000</u>	<u>7,500,000</u>
Amounts falling due in more than five years				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>3,750,000</u>	<u>6,250,000</u>	<u>3,750,000</u>	<u>6,250,000</u>

The company's bank loan is repayable by quarterly instalments of £625,000 and attracts a variable interest rate of 1 15% above LIBOR

Bank loans due by certain subsidiaries attract variable interest rates linked to EURIBOR

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

15 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	2011 £	2010 £
Bank loans	<u>18,147,019</u>	<u>21,797,248</u>

Bank borrowings are secured by a debenture over the group's assets and undertakings

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

16 PROVISIONS FOR LIABILITIES

	Group	
	2011 £	2010 £
Deferred tax	<u>2,269,813</u>	<u>2,125,096</u>
Other provisions	<u>-</u>	<u>3,809,685</u>
Aggregate amounts	<u>2,269,813</u>	<u>5,934,781</u>
Group		Deferred tax £
Balance at 1st January 2011		2,125,096
Charge to profit and loss		144,928
Exchange differences		<u>(211)</u>
Balance at 31st December 2011		<u>2,269,813</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Accelerated capital allowances claimed in excess of depreciation charged	<u>2,269,813</u>	<u>2,125,096</u>

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2011 £	2010 £
Number	Class	Nominal value		
5,000,000	Ordinary	£1	<u>5,000,000</u>	<u>5,000,000</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

18 RESERVES

Group

	Profit and loss account £
At 1st January 2011	14,910,834
Profit for the year	8,670,232
Actuarial loss	(254,000)
Unrealised exchange losses	<u>(277,508)</u>
At 31st December 2011	<u>23,049,558</u>
Profit and loss account excluding pension liability	23,253,058
Pension deficit	<u>(203,500)</u>
Profit and loss account	<u>23,049,558</u>

Company

	Profit and loss account £
At 1st January 2011	7,140,068
Profit for the year	<u>2,882,208</u>
At 31st December 2011	<u>10,022,276</u>

19 EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 6 April 2009 and updated to 31 December 2011 by a qualified independent actuary. The scheme was closed to new members and is wholly for past directors. The assets are held separately from those of the company in an independently administered fund.

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the balance sheet are as follows

	Defined benefit pension plans	
	2011	2010
	£	£
Present value of funded obligations	(3,241,000)	(3,007,000)
Fair value of plan assets	<u>2,966,000</u>	<u>3,036,000</u>
	(275,000)	29,000
Present value of unfunded obligations	<u>-</u>	<u>-</u>
(Deficit)/Surplus	(275,000)	29,000
Deferred tax asset/(liability)	<u>71,500</u>	<u>(8,120)</u>
Net (liability)/asset	<u><u>(203,500)</u></u>	<u><u>20,880</u></u>

The amounts recognised in profit or loss are as follows

	Defined benefit pension plans	
	2011	2010
	£	£
Current service cost	-	-
Interest cost	157,000	160,000
Expected return	(107,000)	(112,000)
Past service cost	<u>-</u>	<u>-</u>
	<u>50,000</u>	<u>48,000</u>
Actual return on plan assets	<u><u>78,000</u></u>	<u><u>88,000</u></u>

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

	Defined benefit pension plans	
	2011	2010
	£	£
Opening defined benefit obligation	3,007,000	2,892,000
Interest cost	157,000	160,000
Actuarial losses/(gains)	225,000	51,000
Benefits paid	(98,000)	(34,000)
Change in secured pensioners value due to scheme experience	<u>(50,000)</u>	<u>(62,000)</u>
	<u><u>3,241,000</u></u>	<u><u>3,007,000</u></u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued for the year ended 31st December 2011

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans	
	2011	2010
	£	£
Opening fair value of scheme assets	3,036,000	3,044,000
Expected return	107,000	112,000
Actuarial gains/(losses)	(29,000)	(24,000)
Benefits paid	(98,000)	(34,000)
Change in secured pensioners value due to scheme experience	<u>(50,000)</u>	<u>(62,000)</u>
	<u>2,966,000</u>	<u>3,036,000</u>

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

	Defined benefit pension plans	
	2011	2010
	£	£
Actual return less expected return on pension scheme assets	(29,000)	(24,000)
Experience and assumption losses underlying the present value of the scheme	<u>(225,000)</u>	<u>(51,000)</u>
	<u>(254,000)</u>	<u>(75,000)</u>
Cumulative amount of actuarial gains/(losses)	<u>(573,000)</u>	<u>(319,000)</u>

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

	Defined benefit pension plans	
	2011	2010
	£	£
Other assets	<u>2,966,000</u>	<u>3,036,000</u>
	<u>2,966,000</u>	<u>3,036,000</u>

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The expected return on scheme assets was as follows

	Long term expected return		Actual return over the year	
	2011	p a 2010	2011	2010
Other - cash	2.0%	3.0%	0.2%	0.5%
Other - annuities	5.4%	5.7%	12.0%	8.2%

Applying these rates to the value of assets held by the scheme at the beginning of the accounting year and allowing for changes in the scheme assets during the year as a result of contributions paid into and benefits paid out of the scheme

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

	2011	2010
Discount rate	4.60%	5.40%
Inflation	3.00%	3.60%
Future pension increases	2.20%	3.60%

Amounts for the current and previous four periods are as follows

	2011 £	2010 £	2009 £	2008 £	2007 £
Defined benefit pension plans					
Defined benefit obligation	(3,241,000)	(3,007,000)	(2,892,000)	(2,610,000)	(2,772,000)
Fair value of scheme assets	2,966,000	3,036,000	3,044,000	3,021,000	3,029,000
(Deficit)/surplus	(275,000)	29,000	152,000	411,000	257,000
Experience adjustments on scheme liabilities	175,000	(11,000)	148,000	(269,000)	(381,000)
Experience adjustments on scheme assets	(50,000)	(62,000)	(42,000)	(112,000)	(99,000)

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

The post-retirement mortality is based on the mortality table known as PCMA00 for males and PCFA00 for females with reference to members' years of birth. Allowance for improvements in mortality experienced in the recent past and currently expected in the future has been made using 100% for males and 70% for females of the "Medium Cohort" improvement table, subject to a minimum improvement rate of 0.6% for all members.

Under this mortality assumption, the expected future lifetime for a member retiring at age 65 at the accounting date would be 22.0 years for males and 23.5 years for females. As a result of expected improvements to mortality in the future, the future expectation of life at retirement for a member retiring at the age 65 in 20 years' time would be 23.4 years for males and 24.6 years for females.

It is assumed that members will exchange 100% of the maximum permissible pension for cash at retirement. This is based on the post "A-day" definition of maximum cash.

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

UK Fisheries Limited and Subsidiaries (Registered number: 05219340)

Notes to the Consolidated Financial Statements - continued

for the year ended 31st December 2011

20 CONTINGENT LIABILITIES

The company is party to a joint guarantee with some of its subsidiary undertakings in respect of the group borrowings which are secured, in part, by mortgages on certain vessels

21 RELATED PARTY DISCLOSURES

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

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

Deutsche Fischfang-Union GmbH & Co is a wholly owned subsidiary of Samherji hf During the year the company paid Deutsche Fischfang-Union GmbH & Co £200,000 (2010 200,000) for management services provided

Doggerbank Seefischerei GmbH is a wholly owned subsidiary of Parlevliet & Van Der Plas B V During the year the company paid Doggerbank Seefischerei GmbH £200,000 (2010 £200,000) for management services provided

At 31st December 2011 a loan of £29,281,183 (2010 £28,519,870) was due to Onward Fishing Company Limited and Tory B V The loan is included in creditors due after more than one year Interest has been charged at 5% amounting to £1,463,523 (2010 £65,101)

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2011 £	2010 £
Profit for the financial year	8,670,232	3,816,471
Other recognised gains and losses relating to the year (net)	<u>(531,508)</u>	<u>(75,000)</u>
Net addition to shareholders' funds	8,138,724	3,741,471
Opening shareholders' funds	<u>19,910,834</u>	<u>16,169,363</u>
Closing shareholders' funds	<u><u>28,049,558</u></u>	<u><u>19,910,834</u></u>

Company

	2011 £	2010 £
Profit for the financial year	<u>2,882,208</u>	<u>4,578,815</u>
Net addition to shareholders' funds	2,882,208	4,578,815
Opening shareholders' funds	<u>12,140,068</u>	<u>7,561,253</u>
Closing shareholders' funds	<u><u>15,022,276</u></u>	<u><u>12,140,068</u></u>