

Company Registration No. 04741730 (England and Wales)

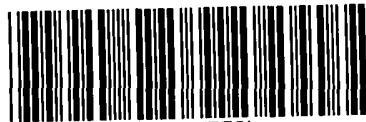
THE BLUE SEA FOOD COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

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THE BLUE SEA FOOD COMPANY LIMITED

CONTENTS

	Page
Company information	1
Balance sheet	2
Notes to the financial statements	3 - 13

THE BLUE SEA FOOD COMPANY LIMITED

COMPANY INFORMATION

Directors	Mr T R Bartlett Mr D Markham Ms D Spencer
Company number	04741730
Registered office	Wessex House Teign Road Newton Abbot Devon TQ12 4AA
Auditor	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU
Business address	South Quay The Harbour Paignton Devon TQ4 6DT

THE BLUE SEA FOOD COMPANY LIMITED

BALANCE SHEET

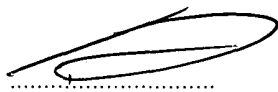
AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	5	2,499,536		1,124,307	
Investments	6	-		170,000	
		<u>2,499,536</u>		<u>1,294,307</u>	
Current assets					
Stocks		392,277		315,292	
Debtors	8	1,489,419		1,857,544	
Cash at bank and in hand		257,125		81,910	
		<u>2,138,821</u>		<u>2,254,746</u>	
Creditors: amounts falling due within one year	9	<u>(2,014,694)</u>		<u>(1,479,340)</u>	
Net current assets		<u>124,127</u>		<u>775,406</u>	
Total assets less current liabilities		<u>2,623,663</u>		<u>2,069,713</u>	
Creditors: amounts falling due after more than one year	10	<u>(2,118,815)</u>		<u>(1,918,338)</u>	
Provisions for liabilities		<u>(77,983)</u>		<u>(61,369)</u>	
Net assets		<u><u>426,865</u></u>		<u><u>90,006</u></u>	
Capital and reserves					
Called up share capital	12	136		136	
Capital redemption reserve		67		67	
Profit and loss reserves		<u>426,662</u>		<u>89,803</u>	
Total equity		<u><u>426,865</u></u>		<u><u>90,006</u></u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 02/10/17 and are signed on its behalf by:


Mr T R Bartlett
Director

Company Registration No. 04741730

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Company information

The Blue Sea Food Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Wessex House, Teign Road, Newton Abbot, Devon, TQ12 4AA. The company trades from its premises at South Quay, The Harbour, Paignton, TQ4 6DT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for the sale of crab seafood net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings leasehold	over 6 and 15 years
Plant and machinery	10% straight line
Factory equipment	20% straight line
Office and IT equipment	33.33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred taxation is provided in full in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in either 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.

A net deferred tax asset is recognised as recoverable 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.

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. The deferred tax balance has not been discounted.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred, subject to any conditions of the grant.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.16 Factoring

The company factors its trade debts by way of confidential invoice discounting. The company policy is to include trade debtors factored with recourse within trade debtors due within one year and the returnable element of proceeds is recorded in bank loans and overdrafts due within one year. Factoring fees and interest are charged to the profit and loss account when incurred. Bad debts borne by the company are charged to the profit and loss account when incurred.

2 Judgements and key estimates

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 carrying value of stocks held is based on a costing model which enables relevant labour and overhead costs to be taken into account in arriving at the value of stock held for sale. 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 141 (2016 - 110).

4 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	157,323	-
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	16,614	(12,923)
	<u> </u>	<u> </u>
Total tax charge/(credit)	<u>173,937</u>	<u>(12,923)</u>

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2016	1,170,553	909,415	2,079,968
Additions	658,489	943,676	1,602,165
Disposals	-	(3,500)	(3,500)
At 30 April 2017	1,829,042	1,849,591	3,678,633
Depreciation and impairment			
At 1 May 2016	397,810	557,849	955,659
Depreciation charged in the year	100,332	123,784	224,116
Eliminated in respect of disposals	-	(678)	(678)
At 30 April 2017	498,142	680,955	1,179,097
Carrying amount			
At 30 April 2017	1,330,900	1,168,636	2,499,536
At 30 April 2016	772,742	351,565	1,124,307

6 Fixed asset investments

	2017 £	2016 £
Investments	-	170,000

The valuation of the investment is based on the share capital and reserves held in the subsidiary company as at the balance sheet date. In previous periods, given the uncertain result of the company ceasing to trade, the full amount of the investment was written off. In 2016, £170,000 of this write off was reinstated to reflect the underlying net assets held in the subsidiary at that date. Following the finalisation of the company's 2017 position, the remaining valuation has been fully written off through the profit and loss account.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

6 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2016 & 30 April 2017	170,000
Impairment	
At 1 May 2016	-
Impairment losses	170,000
At 30 April 2017	170,000
Carrying amount	
At 30 April 2017	-
At 30 April 2016	170,000

7 Subsidiaries

Separate company financial statements are required to be prepared by law. The group constitutes a small size group and as such consolidated accounts are not prepared.

Details of the company's subsidiaries at 30 April 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Burgon (Eyemouth) Ltd	Scotland	Shellfish Processing	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Burgon (Eyemouth) Ltd	(137,718)	35,069

The investment in subsidiaries are stated at cost less provision for impairment.

Due to continuing losses, the operation of the subsidiary company, Burgon (Eyemouth) Limited, ceased in December 2015 and the factory was closed. The company continued to trade until 30 April 2016.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

8 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,001,114	852,577
Amounts due from group undertakings	-	767,844
Other debtors	358,034	118,302
Prepayments and accrued income	130,271	118,821
	<u>1,489,419</u>	<u>1,857,544</u>

9 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	781,128	586,858
Trade creditors	403,116	370,127
Amounts due to group undertakings	44,540	-
Corporation tax	157,323	-
Other taxation and social security	44,261	33,174
Directors' current account	2,044	823
Other creditors	582,282	488,358
	<u>2,014,694</u>	<u>1,479,340</u>

Other creditors falling due within one year include government grants of £26,163.

10 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>2,118,815</u>	<u>1,918,338</u>

Other creditors falling due after more than one year include government grants amounting to £370,964.

Other creditors includes an amount of £1,690,000 (2016 - £1,730,000) in relation to loans from related parties. The loans are unsecured, carry no fixed terms of repayment with interest charged at a rate of between 5% and 10% per annum.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

11 Government grants

Deferred income is included in the financial statements as follows:

	2017 £	2016 £
Current liabilities	68,726	26,582
Non-current liabilities	328,401	188,338
	<u>397,127</u>	<u>214,920</u>

Government grants are receivable from South West Growth Fund in respect of eligible project expenditure on capital expenditure and improvements.

12 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
69 Ordinary "A" shares of £1 each	69	69
32 Ordinary "B" shares of £1 each	32	32
32 Ordinary "C" shares of £1 each	32	32
	<u>133</u>	<u>133</u>
Preference share capital		
Issued and fully paid		
1 Redeemable Preference "A" shares of £1 each	1	1
1 Redeemable Preference "B" shares of £1 each	1	1
1 Redeemable Preference "C" shares of £1 each	1	1
	<u>3</u>	<u>3</u>

13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Sean Murphy.

The auditor was Darnells Chartered Accountants.

14 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for its property. Leases are negotiated for an average term of 5 years and rentals are fixed for an average of 5 years with an option to extend at the prevailing market rate.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

15 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2017	2016	2017	2016
	£	£	£	£
Entities over which the entity has control, joint control or significant influence	-	356,213	159,200	298,477
Other related parties	36,125	84,889	822,168	1,010,133
	<u>36,125</u>	<u>84,889</u>	<u>822,168</u>	<u>1,010,133</u>

During the year the company paid rent of £139,103 (2016 - £141,426) to Mr and Mrs T Bartlett, in respect of the factory from which the company operated and £48,650 (2016: £3,883) in respect of storage costs. The company also purchased assets from Mr & Mrs T Bartlett during the year costing £81,046 (2016: £nil).

During the year the company made sales of goods and services to Burgon (Eyemouth) Limited, the subsidiary company, for £nil (2016 - £356,213) and purchased goods and assets of £159,200 (2016 - £298,477).

During the year the company purchased crab from Amadeus Shellfish Company Limited, a company under the control of Mr T Bartlett, amounting to £822,168 (2016 - £653,607). Sales were made by the company for the transportation of crab of £36,125 (2016 - £76,350). These transactions were undertaken in the normal course of trade and were sold at trade prices at the time of sale.

During the year the company purchased crab from Euroclydon Limited, a company which was under the control of Mr T Bartlett during the year, amounting to £843,713 (2016 - £356,526). Sales were made by the company for the transportation of crab of £nil (2016 - £8,539). These transactions were undertaken in the normal course of trade and were sold at trade prices at the time of sale.

THE BLUE SEA FOOD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

15 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed to related parties		
Entities over which the entity has control, joint control or significant influence	44,540	-
Key management personnel	-	25,000
Other related parties	2,040,000	2,080,000
	<u>2,084,540</u>	<u>2,105,000</u>

Close family members of the directors have loaned monies to the company for a minimum period of 3 years at an annual interest rate of between 5% and 10%. The total outstanding loans as at 30 April 2017 from close family members of the directors was £1,090,000 (2016: £1,050,000). Mr T Bartlett, a director, has loaned the company £nil (2016: £25,000) and Ms D Spencer, a director, has loaned the company £40,000 (2016: £30,000). Amadeus Shellfish Company Limited, a company controlled by Mr T Bartlett, has provided loans to the company totalling £900,000 (2016: £1,000,000). These loans are shown within other creditors of which £350,000 (2016: £375,000) is shown as due in less than one year.

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed by related parties		
Entities over which the entity has control, joint control or significant influence	-	767,844
	<u>-</u>	<u>767,844</u>