

ARMANA LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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ARMANA LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2007

DIRECTORS:

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

SECRETARY:

Mackinnons

REGISTERED OFFICE:

The Orangery
Hesslewood Country Business Park
Ferriby Road
HESSLE
East Yorkshire
HU13 0LH

REGISTERED NUMBER:

2114924

AUDITORS:

Baker Tilly UK Audit LLP
Chartered Accountants
Registered Auditors
Wilberforce Court
Alfred Gelder Street
Hull
HU1 1YH

ARMANA LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2007**

The directors present their report with the financial statements of the company for the year ended 31 December 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of fishing vessel owners and operators

REVIEW OF BUSINESS

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

The company operates a fishing vessel and supplies their quota catch to various customers which operate in the seafood trade. As a result of increased quota allocations, turnover and the resulting profit before tax has improved this year. Generally the market in which the company operates has been steady, however fish prices have increased over the later part of the year which has assisted in offsetting increases in fuel prices.

The company's financial operations are carried out through a single related management company. The synergy's and cost savings that result from this, together with the general trading conditions have resulted in the company maintaining a healthy gross profit margin and overall earnings.

The key financial highlights are as follows

	Year ended 31 12 07	Period 1 2 06 to 31 12 06	Period 1 4 05 to 31 1 06
	£	£	£
Pre-tax profits	1,608,310	1,270,243	287,089
	%	%	%
Turnover growth	2.24	25.23	5.06

The increases in the results for the period ended 31 December 2006 were as a result of the acquisition of the company by UK Fisheries Limited. This enabled the company to increase the opportunities available and expand its operations.

The company has a sound financial base and is in a strong position to take advantage of any opportunities which may arise in the future.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2007.

FUTURE DEVELOPMENTS

The commercial environment in which the company operates is expected to remain competitive and challenging.

The directors have put in place plans for the future growth of the company which may begin to be delivered towards the end of the current trading period. Although quota levels and fish prices have remained steady after the year end, despite the continuing increase in fuel prices, the directors remain confident that the company 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 company are considered to relate to competition and market dynamics in the company's key areas of operation and overseas political risk.

ARMANA LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2007**

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2007 to the date of this report

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

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise of loans from other group companies. The main purpose of these facilities is to finance the working capital so that the company's operations can be carried out.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The group treasury is managed by the group management company which is regularly monitored to ensure that there are sufficient funds available to meet all payments as they fall due.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company'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 company's auditors are aware of that information.

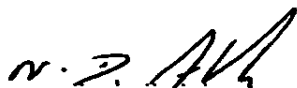
ARMANA LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2007

AUDITORS

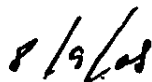
The auditors, Messrs Haines Flowers merged their practice with Baker Tilly UK Audit LLP with effect from 1 December 2007 Baker Tilly UK Audit LLP will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD:



Mr N D Atkins - Director

Date



REPORT OF THE INDEPENDENT AUDITORS TO
ARMANA LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages six to thirteen, together with the financial statements of Armana Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Baker Tilly UK Audit LLP
Chartered Accountants
Registered Auditors
Wilberforce Court
Alfred Gelder Street
Hull
HU1 1YH

Date 24 September 2008

ARMANA LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31 DECEMBER 2007

		YEAR ENDED 31 12 07 £	PERIOD 1 2 06 TO 31 12 06 £
	Notes		
GROSS PROFIT		1,911,297	1,529,795
Administrative expenses		<u>302,987</u>	<u>259,552</u>
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	1,608,310	1,270,243
Tax on profit on ordinary activities	5	<u>561,074</u>	<u>381,258</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>1,047,236</u>	<u>888,985</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period

The notes form part of these financial statements

ARMANA LIMITED**BALANCE SHEET**
31 DECEMBER 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	6	3,856,004	4,238,672
CURRENT ASSETS			
Stocks	7	195,236	-
Debtors	8	<u>2,649,684</u>	<u>1,413,425</u>
		2,844,920	1,413,425
CREDITORS			
Amounts falling due within one year	9	<u>3,686,220</u>	<u>3,606,998</u>
NET CURRENT LIABILITIES		<u>(841,300)</u>	<u>(2,193,573)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,014,704	2,045,099
CREDITORS			
Amounts falling due after more than one year	10	(2,414)	(2,846)
PROVISIONS FOR LIABILITIES	11	<u>(1,075,069)</u>	<u>(1,152,268)</u>
NET ASSETS		<u>1,937,221</u>	<u>889,985</u>
CAPITAL AND RESERVES			
Called up share capital	12	1,000	1,000
Profit and loss account	13	<u>1,936,221</u>	<u>888,985</u>
SHAREHOLDERS' FUNDS	17	<u>1,937,221</u>	<u>889,985</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements on pages six to thirteen were approved by the Board of Directors and authorised for issue on 8/12/08 and were signed on its behalf by



Mr N D Atkins - Director

The notes form part of these financial statements

ARMANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2007**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Financial Reporting Standard Number 1

The company has taken exemption from presenting a cash flow statement on the basis that this has been consolidated within the financial statements of its ultimate parent UK Fisheries Limited

Turnover

Turnover represents the amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

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

Fishing vessel	- 17 years from 31 March 1996
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Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Going concern

The accounts have been prepared under the going concern basis as the ultimate parent company has agreed to provide support to enable the company to meet its liabilities as they fall due

Grants

Sea Fish Authority grant is credited to the profit and loss account over the expected useful life of the relevant fixed asset

2 STAFF COSTS

There were no staff costs for the year ended 31 December 2007 nor for the period ended 31 December 2006

ARMANA LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2007**2 STAFF COSTS - continued**

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

	YEAR ENDED 31 12 07	PERIOD 1 2 06 TO 31 12 06
Management	<u>5</u>	<u>5</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	YEAR ENDED 31 12 07 £	PERIOD 1 2 06 TO 31 12 06 £
Depreciation - owned assets	433,722	397,579
Auditors' remuneration	1,000	500
Auditors' remuneration for non audit work	1,000	-
Sea Fish Authority grant release	<u>(432)</u>	<u>(397)</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4 EXCEPTIONAL ITEMS

Included within cost of sales is an exceptional item for £176,575 in respect of a fine

ARMANA LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2007**5 TAXATION****Analysis of the tax charge**

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

	YEAR ENDED 31 12 07 £	PERIOD 1 2 06 TO 31 12 06 £
Current tax		
UK corporation tax	638,338	468,022
Prior years under/(over) provision	<u>(65)</u>	<u>-</u>
Total current tax	638,273	468,022
Deferred tax		
Origination and reversal of timing differences	<u>(77,199)</u>	<u>(86,764)</u>
Tax on profit on ordinary activities	<u>561,074</u>	<u>381,258</u>

UK corporation tax has been charged at 30% (2006 - 30%)

Factors affecting the tax charge

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

	YEAR ENDED 31 12 07 £	PERIOD 1 2 06 TO 31 12 06 £
Profit on ordinary activities before tax	<u>1,608,310</u>	<u>1,270,243</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	482,493	381,073
Effects of		
Depreciation in excess of capital allowances	102,872	86,949
Disallowed expenses	52,973	-
Prior year over provision	<u>(65)</u>	<u>-</u>
Current tax charge	<u>638,273</u>	<u>468,022</u>

ARMANA LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2007**6 TANGIBLE FIXED ASSETS**

	Fishing vessel £
COST	
At 1 January 2007	8,744,770
Additions	<u>51,054</u>
At 31 December 2007	<u>8,795,824</u>
DEPRECIATION	
At 1 January 2007	4,506,098
Charge for year	<u>433,722</u>
At 31 December 2007	<u>4,939,820</u>
NET BOOK VALUE	
At 31 December 2007	<u>3,856,004</u>
At 31 December 2006	<u>4,238,672</u>

7 STOCKS

	2007 £	2006 £
Fish	125,986	-
Fuel, gear and provisions	<u>69,250</u>	<u>-</u>
	<u>195,236</u>	<u>-</u>

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts owed by group undertakings	<u>2,649,684</u>	<u>1,413,425</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts owed to group undertakings	3,393,976	3,393,976
Corporation tax	<u>292,244</u>	<u>213,022</u>
	<u>3,686,220</u>	<u>3,606,998</u>

ARMANA LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2007**10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2007	2006
	£	£
Deferred income	<u>2,414</u>	<u>2,846</u>

11 PROVISIONS FOR LIABILITIES

	2007	2006
	£	£
Deferred tax	<u>1,075,069</u>	<u>1,152,268</u>

	Deferred tax
	£
Balance at 1 January 2007	1,152,268
Transfer from profit and loss account	<u>(77,199)</u>
Balance at 31 December 2007	<u>1,075,069</u>

Deferred taxation

	2007	2006
	£	£
Accelerated capital allowances	<u>1,075,069</u>	<u>1,152,268</u>
	<u>1,075,069</u>	<u>1,152,268</u>

12 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid			2007	2006
Number	Class	Nominal value	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

13 RESERVES

	Profit and loss account
	£
At 1 January 2007	888,985
Profit for the year	<u>1,047,236</u>
At 31 December 2007	<u>1,936,221</u>

ARMANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2007**

14 ULTIMATE PARENT COMPANY

The intermediate parent company is J Marr (Fishing) Limited

The ultimate parent company is UK Fisheries Limited

The group is under the joint control of Onward Fishing Company Limited and Tory B V , a company incorporated in the Netherlands

15 CONTINGENT LIABILITIES

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

16 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under Financial Reporting Standard no 8 "Related Party Disclosures" not to disclose transactions with other group companies

Copies of UK Fisheries Limited accounts have been filed at Companies House, Cardiff, and can be obtained from the Group's Registered office at the Orangery, Hesslewood Business Park, Hessle, East Yorkshire

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	<u>1,047,236</u>	<u>888,985</u>
Net addition to shareholders' funds	1,047,236	888,985
Opening shareholders' funds	<u>889,985</u>	<u>1,000</u>
Closing shareholders' funds	<u>1,937,221</u>	<u>889,985</u>