

**ARMANA LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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**ARMANA LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**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 2008**

The directors present their report with the accounts of the company for the year ended 31 December 2008.

#### **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. Quota allocations for the year have been in line with previous years. Generally the market in which the company operates has been steady, however fish prices decreased over the later part of the year which together with high fuel prices in the middle of the year has decreased reported results. The vessel was the subject of refurbishment and survey work resulting in significant exceptional costs and a fall in turnover.

The company's financial operations are carried out through a single subsidiary company. Synergy's and cost savings result from this.

The key financial highlights are as follows:

|                                | Year ended<br>31.12.08<br>£ | Year ended<br>31.12.07<br>£ | Period 1.2.06 to<br>31.12.06<br>£ |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------------|
| Pre-tax (losses) / profits     | (104,643)<br>%              | 1,608,310<br>%              | 1,270,243<br>%                    |
| Turnover (decline) /<br>growth | (17.72)                     | 2.24                        | 25.23                             |

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.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2008.

#### **FUTURE DEVELOPMENTS**

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

Quota levels overall have remained steady, whilst fuel prices have continued to fall and fish prices have levelled out after the year end. Despite the difficult economic climate, 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 group are considered to relate to competition and market dynamics and fishing opportunities in the group's key areas of operation.

## **ARMANA LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2008 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 a single subsidiary company which is regularly monitored to ensure that there are sufficient funds available to meet all payments as they fall due.

#### **KEY PERFORMANCE INDICATORS**

Given the nature of the Company's business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

#### **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.

**ARMANA LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**


**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.

**AUDITORS**

The auditors, Baker Tilly UK Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....

Mr N D Atkins - Director

Date: 9 March 2009

**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 fourteen, together with the financial statements of Armana Limited for the year ended 31 December 2008 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**

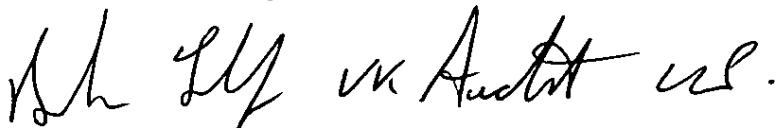
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of 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: 20<sup>th</sup> March 2009

**ARMANA LIMITED****ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

|   | Notes | 2008<br>£        | 2007<br>£        |
|---|-------|------------------|------------------|
| <b>GROSS (LOSS)/PROFIT</b>                                      |       | (65,565)         | 1,911,297        |
| Administrative expenses   |       | <u>66,855</u>    | <u>302,987</u>   |
| <b>OPERATING (LOSS)/PROFIT</b>                                  | 3     | (132,420)        | 1,608,310        |
| Interest receivable and similar income                          |       | <u>27,777</u>    | <u>-</u>         |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | (104,643)        | 1,608,310        |
| Tax on (loss)/profit on ordinary<br>activities                  | 5     | <u>(113,626)</u> | <u>561,074</u>   |
| <b>PROFIT FOR THE FINANCIAL YEAR<br/>AFTER TAXATION</b>         |       | <u>8,983</u>     | <u>1,047,236</u> |

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

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

The notes form part of these abbreviated accounts

**ARMANA LIMITED****ABBREVIATED BALANCE SHEET**  
**31 DECEMBER 2008**

|  | Notes | 2008<br>£        | 2007<br>£          |
|--|-------|------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                    |
| Tangible assets                              | 6     | 3,483,080        | 3,856,004          |
| <b>CURRENT ASSETS</b>                        |       |                  |                    |
| Stocks                                       | 7     | 394,686          | 195,236            |
| Debtors                                      | 8     | <u>2,523,541</u> | <u>2,649,684</u>   |
|  |       | 2,918,227        | 2,844,920          |
| <b>CREDITORS</b>                             |       |                  |                    |
| Amounts falling due within one year          | 9     | <u>3,572,599</u> | <u>3,686,220</u>   |
| <b>NET CURRENT LIABILITIES</b>               |       | <u>(654,372)</u> | <u>(841,300)</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 2,828,708        | 3,014,704          |
| <b>CREDITORS</b>                             |       |                  |                    |
| Amounts falling due after more than one year | 10    | (1,982)          | (2,414)            |
| <b>PROVISIONS FOR LIABILITIES</b>            | 11    | <u>(880,522)</u> | <u>(1,075,069)</u> |
| <b>NET ASSETS</b>                            |       | <u>1,946,204</u> | <u>1,937,221</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                    |
| Called up share capital                      | 12    | 1,000            | 1,000              |
| Profit and loss account                      | 13    | <u>1,945,204</u> | <u>1,936,221</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   | 16    | <u>1,946,204</u> | <u>1,937,221</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 6 to 14 were approved by the Board of Directors and authorised for issue on 9 March 2009 and were signed on its behalf by:

  
.....  
Mr N D Atkins - Director

The notes form part of these abbreviated accounts



## **ARMANA LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

##### **Going concern**

The financial statements have been prepared on a going concern basis, which assumes the company will continue in operational existence for the foreseeable future. The validity of this assumption is dependent upon the continuing support of the ultimate parent company and current economic and trading conditions.

The company meets its day to day working capital requirements through group treasury facilities.

Based on forecasts and projections, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future.

On this basis the directors believe it appropriate to prepare the financial statements on a going concern basis.

##### **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**

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 |
|----------------|-------------------------------|

##### **Stocks**

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

## **ARMANA LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS - continued** **FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **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.

##### **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 2008 nor for the year ended 31 December 2007.

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

|            | 2008     | 2007     |
|------------|----------|----------|
| Management | <u>5</u> | <u>5</u> |

#### **3. OPERATING (LOSS)/PROFIT**

The operating loss (2007 - operating profit) is stated after charging/(crediting):

|   | 2008         | 2007         |
|---|--------------|--------------|
|   | £            | £            |
| Depreciation - owned assets               | 460,977      | 433,722      |
| Auditors' remuneration                    | 1,500        | 1,000        |
| Auditors' remuneration for non audit work | 1,500        | 1,000        |
| Foreign exchange differences              | (87,794)     | -            |
| Sea Fish Authority grant release          | <u>(432)</u> | <u>(432)</u> |
| Directors' emoluments                     | <u>-</u>     | <u>-</u>     |

**ARMANA LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****4. EXCEPTIONAL ITEMS**

Included within cost of sales are the following exceptional items:-

|  | 2008   | 2007    |
|--|--------|---------|
|  | £      | £       |
| Fines  | -      | 176,575 |
| Foreign exchange translation on fine provision | 60,459 | -       |

The average annual expenditure on repairs and maintenance for the last 2-3 years on the vessel has been in the region of £800,000. In the current year the vessel was the subject of refurbishment and survey work resulting in a total expenditure of £1,667,977.

**5. TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

|  | 2008             | 2007            |
|--|------------------|-----------------|
|  | £                | £               |
| Current tax:                                   |                  |                 |
| UK corporation tax                             | 64,221           | 638,338         |
| Prior years under/(over) provision             | <u>16,700</u>    | <u>(65)</u>     |
| Total current tax                              | <u>80,921</u>    | <u>638,273</u>  |
| Deferred tax:                                  |                  |                 |
| Origination and reversal of timing differences | (92,961)         | (77,199)        |
| Prior years                                    | <u>(101,586)</u> | <u>-</u>        |
| Total deferred tax                             | <u>(194,547)</u> | <u>(77,199)</u> |
| Tax on (loss)/profit on ordinary activities    | <u>(113,626)</u> | <u>561,074</u>  |

UK corporation tax has been charged at 28% (2007 - 30%).

**ARMANA LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****5. TAXATION - continued****Factors affecting the tax (credit)/charge**

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

|   | 2008<br>£        | 2007<br>£        |
|---|------------------|------------------|
| (Loss)/profit on ordinary activities before tax   | <u>(104,643)</u> | <u>1,608,310</u> |
| (Loss)/profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 28% (2007 - 30%) | (29,300)         | 482,493          |
| Effects of:   |                  |                  |
| Depreciation in excess of capital allowances  | 92,961           | 102,872          |
| Disallowed expenses   | (121)            | 52,973           |
| Prior year under/(over) provision   | 16,700           | (65)             |
| Rate adjustment   | <u>681</u>       | <u>-</u>         |
| Current tax (credit)/charge   | <u>80,921</u>    | <u>638,273</u>   |

**6. TANGIBLE FIXED ASSETS**

|                       | Fishing<br>vessel<br>£ |
|-----------------------|------------------------|
| <b>COST</b>           |                        |
| At 1 January 2008     | 8,795,824              |
| Additions             | <u>88,053</u>          |
| At 31 December 2008   | <u>8,883,877</u>       |
| <b>DEPRECIATION</b>   |                        |
| At 1 January 2008     | 4,939,820              |
| Charge for year       | <u>460,977</u>         |
| At 31 December 2008   | <u>5,400,797</u>       |
| <b>NET BOOK VALUE</b> |                        |
| At 31 December 2008   | <u>3,483,080</u>       |
| At 31 December 2007   | <u>3,856,004</u>       |

**ARMANA LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****7. STOCKS**

|                           | 2008           | 2007           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Fish                      | 288,992        | 125,986        |
| Fuel, gear and provisions | <u>105,694</u> | <u>69,250</u>  |
|                           | <u>394,686</u> | <u>195,236</u> |

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2008             | 2007             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Trade debtors                      | 300,595          | -                |
| Amounts owed by group undertakings | 2,185,329        | 2,649,684        |
| Other debtors                      | 13,466           | -                |
| Corporation tax                    | 17,612           | -                |
| Prepayments and accrued income     | <u>6,539</u>     | <u>-</u>         |
|                                    | <u>2,523,541</u> | <u>2,649,684</u> |

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2008             | 2007             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Trade creditors                    | 178,623          | -                |
| Amounts owed to group undertakings | 3,393,976        | 3,393,976        |
| Corporation tax                    | <u>-</u>         | <u>292,244</u>   |
|                                    | <u>3,572,599</u> | <u>3,686,220</u> |

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                 | 2008         | 2007         |
|-----------------|--------------|--------------|
|                 | £            | £            |
| Deferred income | <u>1,982</u> | <u>2,414</u> |

**11. PROVISIONS FOR LIABILITIES**

|              | 2008           | 2007             |
|--------------|----------------|------------------|
|              | £              | £                |
| Deferred tax | <u>880,522</u> | <u>1,075,069</u> |

**ARMANA LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2008****11. PROVISIONS FOR LIABILITIES - continued**

|  |                      |
|--|----------------------|
|  | Deferred<br>tax<br>£ |
| Balance at 1 January 2008              | 1,075,069            |
| Transfer to profit and loss<br>account | <u>(194,547)</u>     |
| Balance at 31 December 2008            | <u>880,522</u>       |

**Deferred taxation**

|   | 2008<br>£      | 2007<br>£        |
|---|----------------|------------------|
| Accelerated capital allowances claimed in excess of depreciation<br>charged | <u>880,522</u> | <u>1,075,069</u> |
|   | <u>880,522</u> | <u>1,075,069</u> |

**12. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

| Number: | Class:   | Nominal<br>value: | 2008<br>£    | 2007<br>£    |
|---------|----------|-------------------|--------------|--------------|
| 1,000   | Ordinary | £1                | <u>1,000</u> | <u>1,000</u> |

**13. RESERVES**

|                     |                                    |
|---------------------|------------------------------------|
|                     | Profit<br>and loss<br>account<br>£ |
| At 1 January 2008   | 1,936,221                          |
| Profit for the year | <u>8,983</u>                       |
| At 31 December 2008 | <u>1,945,204</u>                   |

**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.

**ARMANA LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2008****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. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|                                     | 2008<br>£        | 2007<br>£        |
|-------------------------------------|------------------|------------------|
| Profit for the financial year       | <u>8,983</u>     | <u>1,047,236</u> |
| Net addition to shareholders' funds | 8,983            | 1,047,236        |
| Opening shareholders' funds         | <u>1,937,221</u> | <u>889,985</u>   |
| Closing shareholders' funds         | <u>1,946,204</u> | <u>1,937,221</u> |