

REGISTERED NUMBER: 02987743 (England and Wales)

**Strategic Report, Directors' Report and
Financial Statements for the Year Ended 30 June 2020
for
Lyons Seafoods Limited**



Lyons Seafoods Limited

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for the Year Ended 30 June 2020**

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Lyons Seafoods Limited
Company Information
for the Year Ended 30 June 2020

DIRECTORS:

Steve Lawson
Jacques Trottier

REGISTERED OFFICE:

Fairfield House
Fairfield Road
Warminster
Wiltshire
BA12 9DA

REGISTERED NUMBER:

02987743 (England and Wales)

INDEPENDENT AUDITORS:

Constantin
Chartered Accountants and Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

Lyons Seafoods Limited

Strategic Report for the Year Ended 30 June 2020

INTRODUCTION

This Strategic report has been prepared solely to provide additional information to shareholders to assess the company's strategies and the potential for those strategies to succeed.

The Strategic report contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company is the sale of prawns and speciality seafoods to the retail, catering and manufacturing markets in the UK and Europe.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The directors are pleased to report an increase in Turnover to £127,370k (2019: £120,324k) reflecting the changing customer base in the year.

The well invested chilled production facility continues to provide a firm base from which the business can continue to grow.

PRINCIPAL RISKS AND UNCERTAINTIES

Following the agreement on Brexit at the end of 2020, any impact on the Company is expected to be minimal.

SECTION 172(1) STATEMENT

The Directors agree strategy with the shareholders on a regular basis, and through the preparation of annual budgets, regularly updated forecasts and monthly reviews of results against both, monitor progress against agreed objectives, to deliver that strategy. Risks and opportunities to that strategy are identified and discussed with the Shareholders on an ongoing basis to ensure that the Shareholders are aware of the key issues, and whether they can help deliver those opportunities or mitigate the risks. The strategy is regularly reviewed with the shareholders during the year and where necessary is amended. The day to day running of the business is managed through a UK Managing Director and associated Senior Management team, who operate and manage the business from day to day, independently of the shareholders but in line with the agreed objectives and strategy. The performance of the local management team is reviewed regularly to ensure all parties are aligned.

The company's employees remain its key strength, and good communication, training and oversight of their wellbeing remain a constant focus for the Directors. Particular emphasis in 2020 and beyond is focussed on our employees mental health and wellbeing in addition to their physical health. The company continue to invest to maximise the potential of our staff through investment in training and development to ensure they reach their full potential. The Company also ensures the working environment is of a high standard ensuring our employees have a voice and we have a communication strategy in place which supports bottom up and top down communication. In this particularly challenging year of COVID-19, the safety of our people has been paramount and the Company has ensured we have had particular focus on ensuring our employees work in a COVID compliant environment. Despite everything that has happened our staff have continued to make the major contribution to the success of the Company.

Our Suppliers and Customers are considered as partners in our business with the objective to achieve the best possible outcomes together. The company is committed to its responsibilities to both ends of the Supply Chain, and has consulted continuously during the current pandemic to ensure any issues are identified and solved together.

The Company takes its responsibilities to the community seriously and believes this is the only way to improve the community for all, through consultation and participation in local initiatives and this forms part of our CSR strategy.

The Company strives to achieve the highest level of ethical, sustainable and responsible behaviour throughout its supply chain and operations. These are subject to rigorous audit and covers the ethical and sustainable sourcing of our raw materials, consideration of the welfare of our employees both direct and indirect to ensure they are treated fairly, and consideration of our impact on the environment throughout the Supply Chain, amongst many other areas of focus.

Lyons Seafoods Limited

**Strategic Report
for the Year Ended 30 June 2020**

FINANCIAL KEY PERFORMANCE INDICATORS

The directors produce and measure financial performance against an annual budget and previous year's performance. In addition, certain Key Performance Indicators are used to manage the business. These include, but are not limited to, the following:

	2020 £'000	2019 £'000
Financials		
Earnings before interest, tax, depreciation and amortisation	10,419	8,470
Net trading capital (trade debtors + stock - trade creditors)	16,508	21,778
Trading capital	65,672	63,708
Return on capital employed	13%	10%

PAYMENTS OF CREDITORS

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, providing that all trading terms and conditions have been complied with.

At 30 June 2020 the company had an average of 48 days purchases (2019: 45 days) outstanding in trade creditors

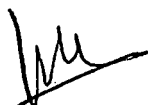
EMPLOYEES

The company's policy is to consult and discuss with employees, through unions and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

The company's policy is to recruit disabled workers for those vacancies that they can fill. All necessary assistance with initial training courses is given. Arrangements are made, where possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

ON BEHALF OF THE BOARD:



.....
Steve Lawson - Director

Date: 02.02.2021..

Lyons Seafoods Limited

Directors' Report for the Year Ended 30 June 2020

The directors present their report with the financial statements of the company for the period 01 July 2019 to 30 June 2020.

DIVIDENDS

A dividend amounting to £6,000k was paid during the period (2019: £6,000k).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

Steve Lawson
Frederic Bouisset
Jacques Trottier

- resigned 3.2.20
- appointed 4.2.20

The directors holding office at 30 June 2020 did not hold any beneficial interest in the issued share capital of the company at 1 July 2019 (or date of appointment if later) or 30 June 2020.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities expose it to a number of financial risks including raw material price, credit and cash flow risks. The company does not use derivative financial instruments for speculative purposes.

RAW MATERIALS PRICE RISK

The company is exposed to longer term raw material price risk. The company does not manage its long-term exposure to raw material price risk due to cost benefit considerations.

CREDIT RISK

The company's principal financial assets are trade debtors and cash. The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debtors. Where appropriate, trade debtors are insured, under a group policy. An allowance for impairment is made where there is an identifiable loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

CASH FLOW RISK

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, and raw material price fluctuations. The group uses foreign exchange forward contracts to hedge these exposures, as it believes appropriate.

DISCLOSURE IN THE STRATEGIC REPORT

The following details are disclosed within the strategic report:

- The company's principal activity;
- The company's review of the business and future developments;
- The company's key performance indicators;
- The company's financial risks management objectives and policies; and
- The company's employees.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have been elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Lyons Seafoods Limited

**Directors' Report
for the Year Ended 30 June 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect 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 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, Constantin, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Steve Lawson - Director

Date: 02.02.2021

**Independent Auditors' Report to the Members of
Lyons Seafoods Limited**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Lyons Seafoods Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 26, including the statement of accounting policies

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

**Independent Auditors' Report to the Members of
Lyons Seafoods Limited**

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Peter Smith FCA (Senior Statutory Auditor)
for and on behalf of Constantin
Chartered Accountants and Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

Date: 2 February 2021

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Lyons Seafoods Limited

Statement of Comprehensive Income
for the Year Ended 30 June 2020

	Notes	30.6.20 £'000	30.6.19 £'000
TURNOVER	3	127,370	120,324
Cost of sales		(110,143)	(107,155)
GROSS PROFIT		17,227	13,169
Distribution costs		(1,226)	(1,496)
Administrative expenses		(7,301)	(5,820)
		8,700	5,853
Other operating income		9	190
OPERATING PROFIT	6	8,709	6,043
Income from shares in group undertakings	8	-	377
Interest receivable and similar income	9	348	226
		9,057	6,646
Interest payable and similar expenses	10	(1,525)	(1,046)
PROFIT BEFORE TAXATION		7,532	5,600
Tax on profit	11	(1,626)	(1,096)
PROFIT FOR THE FINANCIAL YEAR		5,906	4,504
OTHER COMPREHENSIVE INCOME			
Return less interest income on scheme		43	(187)
Actuarial (loss)/gain on liabilities		(4,412)	(3,009)
Deferred tax		874	543
Income tax relating to components of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(3,495)	(2,653)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,411	1,851

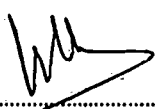
The notes on pages 13 to 27 form part of these financial statements

Lyons Seafoods Limited (Registered number: 02987743)

Statement of Financial Position
30 June 2020

	Notes	30.6.20 £'000	30.6.19 £'000
FIXED ASSETS			
Intangible fixed assets	13	1,085	341
Tangible assets	14	6,691	7,712
Investments	15	1,179	2,293
		<u>8,955</u>	<u>10,346</u>
CURRENT ASSETS			
Stocks	16	16,485	20,056
Debtors	17	14,994	12,619
Cash in hand		25,502	20,687
		<u>56,981</u>	<u>53,362</u>
CREDITORS			
Amounts falling due within one year	18	(19,272)	(17,661)
NET CURRENT ASSETS		<u>37,709</u>	<u>35,701</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>46,664</u>	<u>46,047</u>
PENSION LIABILITY	22	(7,926)	(3,720)
NET ASSETS		<u>38,738</u>	<u>42,327</u>
CAPITAL AND RESERVES			
Called up share capital	21	12,856	12,856
Retained earnings		25,882	29,471
SHAREHOLDERS' FUNDS		<u>38,738</u>	<u>42,327</u>

The financial statements were approved by the Board of Directors and authorised for issue on 2 February 2021 .. and were signed on its behalf by:


.....
Steve Lawson - Director

The notes on pages 13 to 27 form part of these financial statements

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Lyons Seafoods Limited

**Statement of Changes in Equity
for the Year Ended 30 June 2020**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2018	12,856	33,620	46,476
Changes in equity			
Profit for the year	-	4,504	4,504
Other comprehensive income	-	(2,653)	(2,653)
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	1,851	1,851
Dividends	-	(6,000)	(6,000)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2019	12,856	29,471	42,327
	<hr/>	<hr/>	<hr/>
Changes in equity			
Profit for the year	-	5,906	5,906
Other comprehensive income	-	(3,495)	(3,495)
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	2,411	2,411
Dividends	-	(6,000)	(6,000)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2020	<u>12,856</u>	<u>25,882</u>	<u>38,738</u>

The notes on pages 13 to 27 form part of these financial statements

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Lyons Seafoods Limited

**Statement of Cash Flows
for the Year Ended 30 June 2020**

	Notes	30.6.20 £'000	30.6.19 £'000
Cash flows from operating activities			
Cash generated from operations	1	14,770	17,718
Interest paid		(118)	(1,046)
Finance costs paid		(1,407)	-
Deferred tax		(731)	-
Deferred tax - OCI		874	-
Tax paid		(2,437)	(1,478)
Net cash from operating activities		<u>10,951</u>	<u>15,194</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,103)	(68)
Purchase of tangible fixed assets		(333)	(1,294)
Sale of intangible fixed assets		-	11
Sale of tangible fixed assets		-	694
Interest received		348	226
Dividends received		-	377
Net cash from investing activities		<u>(1,088)</u>	<u>(54)</u>
Cash flows from financing activities			
Defined benefits pension contribution		951	298
Equity dividends paid		(6,000)	(6,000)
Net cash from financing activities		<u>(5,049)</u>	<u>(5,702)</u>
Increase in cash and cash equivalents		<u>4,814</u>	<u>9,438</u>
Cash and cash equivalents at beginning of year	2	20,687	11,249
Cash and cash equivalents at end of year	2	<u>25,502</u>	<u>20,687</u>

The notes on pages 13 to 27 form part of these financial statements

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Lyons Seafoods Limited

**Notes to the Statement of Cash Flows
for the Year Ended 30 June 2020**

1. RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	30.6.20	30.6.19
	£'000	£'000
Profit for the financial year	5,906	4,504
Depreciation charges	1,714	1,330
Finance costs	1,525	1,046
Finance income	(348)	(603)
Taxation	1,626	1,096
	<u>10,423</u>	<u>7,373</u>
Decrease in stocks	3,571	5,585
Increase in trade and other debtors	(1,382)	(1,378)
Increase in trade and other creditors	2,158	6,138
	<u>2,158</u>	<u>6,138</u>
Cash generated from operations	<u><u>14,770</u></u>	<u><u>17,718</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 June 2020

	30.6.20	1.7.19
	£'000	£'000
Cash and cash equivalents	25,502	20,687

Year ended 30 June 2019

	30.6.19	1.7.18
	£'000	£'000
Cash and cash equivalents	20,687	11,249

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.19	Cash flow	At 30.6.20
	£'000	£'000	£'000
Net cash			
Cash at bank and in hand	20,687	4,815	25,502
	<u>20,687</u>	<u>4,815</u>	<u>25,502</u>
Total	<u><u>20,687</u></u>	<u><u>4,815</u></u>	<u><u>25,502</u></u>

The notes on pages 13 to 27 form part of these financial statements

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Lyons Seafoods Limited

**Notes to the Financial Statements
for the Year Ended 30 June 2020**

1. STATUTORY INFORMATION

Lyons Seafoods Limited is a company limited by shares incorporated in England and Wales. The registered office is Fairfield House, Fairfield Road, Westminister, Wiltshire, BA12 9DA.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Lyons Seafoods Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Labeyrie Fine Foods SAS, 39, Route de Bayonne, Saint-Geours-de-Mareme, 40230, France.

Significant judgements and 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 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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. It is amortised over 10 years.

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- Straight line over 20 to 50 years
Plant and machinery	- Straight line over 3 to 20 years
Fixtures, fittings and equipment	- Straight line over 3 to 20 years
Computer equipment	- Straight line 3 - 10 years

Tangible fixed assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Investments in subsidiaries

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Stocks

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

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 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. At subsequent reporting periods, the basic financial assets receivable within one year are measured at the undiscounted amount of the cash or other consideration that the company expects to receive.

Basic financial assets that constitute financing transactions, in accordance with FRS 102 paragraph 11.13, are measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial assets that meet the conditions in FRS 102 paragraph 11.8 (b) are initially recognised at the transaction price and are subsequently measured at amortised cost using the effective interest method.

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

2. ACCOUNTING POLICIES - continued

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow group companies that are payable within one year or less, other than those that constitute a financing transaction in accordance with FRS 102 paragraph 11.13, are initially recognised at the transaction price and, except for those financial liabilities that meet the conditions in FRS 102 paragraph 11.8 (b), are subsequently measured at the undiscounted amount of the cash or other consideration that the company expects to pay.

Basic financial liabilities that constitute a financing transaction in accordance with FRS 102 paragraph 11.13 are measured at the present value of the future disbursements discounted at a market rate of interest.

Basic financial liabilities that meet the conditions in FRS 102 paragraph 11.8 (b) are initially recognised at the transaction price and are subsequently measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

2. ACCOUNTING POLICIES - continued

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants relating to tangible assets are treated as deferred income and released to the Statement of Comprehensive Income over the expected useful lives of the assets concerned.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	30.6.20 £'000	30.6.19 £'000
European Union	127,370	120,324
	<u>127,370</u>	<u>120,324</u>

4. EMPLOYEES AND DIRECTORS

	30.6.20 £'000	30.6.19 £'000
Wages and salaries	11,740	11,154
Social security costs	1,155	1,104
Other pension costs	1,102	876
	<u>13,997</u>	<u>13,134</u>

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

4. EMPLOYEES AND DIRECTORS - continued

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

	30.6.20	30.6.19
Production staff	225	224
Administrative staff	78	84
Sales and marketing staff	21	19
	<u>324</u>	<u>327</u>

5. DIRECTORS' EMOLUMENTS

	2020 £'000	2019 £'000
Directors' remuneration	245	325
Directors' contribution to money purchased pension schemes	-	4
	<u>245</u>	<u>329</u>

The number of directors to whom retirement benefits were accruing was as follow:

	2020	2019
Money purchase schemes	-	2

Information regarding the highest paid director is as follows:

	2020 £'000	2019 £'000
Directors' remuneration	190	108
Directors' pension contribution to money purchase schemes	-	-
	<u>190</u>	<u>108</u>

6. OPERATING PROFIT

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

	30.6.20 £'000	30.6.19 £'000
Operating lease rentals	45	122
Other operating leases	219	-
Depreciation - owned assets	1,353	1,676
Computer software amortisation	359	215
Government grants	(9)	(9)
	<u></u>	<u></u>

7. AUDITORS' REMUNERATION

	30.6.20 £'000	30.6.19 £'000
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	46	46
	<u></u>	<u></u>

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Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

8. INCOME FROM SHARES IN GROUP UNDERTAKINGS	30.6.20	30.6.19
	£'000	£'000
Shares in group undertakings	-	377
	<u> </u>	<u> </u>
9. INTEREST RECEIVABLE AND SIMILAR INCOME	30.6.20	30.6.19
	£'000	£'000
Other interest receivable	348	226
	<u> </u>	<u> </u>
10. INTEREST PAYABLE AND SIMILAR EXPENSES	30.6.20	30.6.19
	£'000	£'000
Bank loans and overdrafts	118	38
Loss on revaluation	294	1,008
Loss on investment valuation	1,113	-
	<u> </u>	<u> </u>
	<u>1,525</u>	<u>1,046</u>
11. TAXATION		
Analysis of the tax charge		
The tax charge on the profit for the year was as follows:		
	30.6.20	30.6.19
	£'000	£'000
Current tax:		
UK corporation tax	1,492	1,374
Adjustments in respect of previous periods	(8)	4
	<u> </u>	<u> </u>
Total current tax	<u>1,484</u>	<u>1,378</u>
Deferred tax:		
Origination and reversal of timing differences	168	(279)
Adjustment in respect of prior periods	7	(3)
Effect of tax rate change on opening balances	(33)	-
	<u> </u>	<u> </u>
Total deferred tax	<u>142</u>	<u>(282)</u>
Tax on profit	<u>1,626</u>	<u>1,096</u>
Tax on items charged to equity		
	30.6.20	30.6.19
	£'000	£'000
Deferred tax arising on actuarial differences recognised as other comprehensive income	(874)	(543)
	<u> </u>	<u> </u>

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

11. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	30.6.20 £'000	30.6.19 £'000
Profit before tax	7,529	5,600
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,430	1,064
Effects of:		
Expenses not deductible for tax purposes	263	70
Income not taxable for tax purposes	-	(72)
Adjustments to tax charge in respect of previous periods	(8)	1
Amounts charged directly to equity	(830)	(607)
Deferred tax charged directly to equity	-	543
Changes in rates of tax	-	97
Additional deduction for land remediation expenditure	(2)	-
Adjustments to tax charge in respect of previous periods - deferred tax	7	-
Deferred tax (charged)/credited directly to equity	874	-
Adjustment opening deferred tax to average rate of 19.00%	(108)	-
Total tax charge	1,626	1,096

Tax effects relating to effects of other comprehensive income

	Gross £'000	Tax £'000	30.6.20 Net £'000
Return less interest income on scheme	43	-	43
Actuarial (loss)/gain on liabilities	(4,412)	-	(4,412)
Deferred tax	874	-	874
	(3,495)	-	(3,495)
	Gross £'000	Tax £'000	30.6.19 Net £'000
Return less interest income on scheme	(187)	-	(187)
Actuarial (loss)/gain on liabilities	(3,009)	-	(3,009)
Deferred tax	543	-	543
	(2,653)	-	(2,653)

12. DIVIDENDS

	30.6.20 £'000	30.6.19 £'000
Ordinary shares of 1p each		
Final	6,000	6,000

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Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

13. INTANGIBLE FIXED ASSETS

	Goodwill £'000	Computer software £'000	Totals £'000
COST			
At 1 July 2019	2,840	2,132	4,972
Additions	-	1,103	1,103
	<u>2,840</u>	<u>3,235</u>	<u>6,075</u>
At 30 June 2020			
AMORTISATION			
At 1 July 2019	2,840	1,791	4,631
Amortisation for year	-	359	359
	<u>2,840</u>	<u>2,150</u>	<u>4,990</u>
At 30 June 2020			
NET BOOK VALUE			
At 30 June 2020	-	1,085	1,085
	<u>-</u>	<u>1,085</u>	<u>1,085</u>
At 30 June 2019	-	341	341
	<u>-</u>	<u>341</u>	<u>341</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £'000	Asset Under Construction £'000	Plant and machinery £'000
COST			
At 1 July 2019	9,275	824	12,050
Additions	-	333	-
Reclassification/transfer	-	(1,157)	551
	<u>9,275</u>	<u>-</u>	<u>12,601</u>
At 30 June 2020			
DEPRECIATION			
At 1 July 2019	5,444	-	9,464
Charge for year	288	-	866
	<u>5,732</u>	<u>-</u>	<u>10,330</u>
At 30 June 2020			
NET BOOK VALUE			
At 30 June 2020	3,543	-	2,271
	<u>3,543</u>	<u>-</u>	<u>2,271</u>
At 30 June 2019	3,831	824	2,586
	<u>3,831</u>	<u>824</u>	<u>2,586</u>

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

14. TANGIBLE FIXED ASSETS - continued

	Fixtures, fittings and equipment £'000	Computer equipment £'000	Totals £'000
COST			
At 1 July 2019	1,594	1,102	24,845
Additions	-	-	333
Reclassification/transfer	386	220	-
	<u>1,980</u>	<u>1,322</u>	<u>25,178</u>
At 30 June 2020			
DEPRECIATION			
At 1 July 2019	1,315	911	17,134
Charge for year	97	102	1,353
	<u>1,412</u>	<u>1,013</u>	<u>18,487</u>
At 30 June 2020			
NET BOOK VALUE			
At 30 June 2020	<u>568</u>	<u>309</u>	<u>6,691</u>
At 30 June 2019	<u>279</u>	<u>191</u>	<u>7,711</u>

Included in cost of land and buildings is freehold land of £376,190 (2019: £376,190) which is not depreciated.

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 July 2019 and 30 June 2020	<u>2,293</u>
PROVISIONS	
Provision for year	<u>1,114</u>
At 30 June 2020	<u>1,114</u>
NET BOOK VALUE	
At 30 June 2020	<u>1,179</u>
At 30 June 2019	<u>2,293</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Dan Maid Limited
Registered office: England
Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

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Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

15. FIXED ASSET INVESTMENTS - continued

Québec Inc 9313-8626

Registered office: Canada

Nature of business: Holding Company

Class of shares:

Ordinary

%
holding
50.00

16. STOCKS

	30.6.20	30.6.19
	£'000	£'000
Raw materials	14,528	16,744
Finished goods	1,957	3,312
	<u>16,485</u>	<u>20,056</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.6.19
	£'000	£'000
Trade debtors	10,812	10,261
Amounts owed by group undertakings	327	272
Derivative financial assets	1,068	429
Other debtors	329	269
Tax	264	-
Deferred tax asset	1,652	921
Prepayments and accrued income	542	467
	<u>14,994</u>	<u>12,619</u>
 Deferred tax asset		
	30.6.20	30.6.19
	£'000	£'000
Fixed asset timing differences	363	362
Defined benefit pension scheme	-	632
Other short timing differences	1,289	(73)
	<u>1,652</u>	<u>921</u>

Amounts owed by group undertakings are interest free and repayable on demand.

Included in the above are financial instruments held at amortised cost of £12,208k (2019: £10,690k).

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.6.19
	£'000	£'000
Trade creditors	10,789	8,539
Amounts owed to group undertakings	75	912
Corporation tax	-	547
Social security and other taxes	66	38
Other creditors	626	104
Accruals and deferred income	7,716	7,521
	<u>19,272</u>	<u>17,661</u>

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Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Amounts owed to group undertakings are interest free and repayable on demand.

Included in the above are financial instruments held at amortised cost of £18,485k (2019: £16,060k).

19. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings	
	2020	2019
	£'000	£'000
Within one 1 year	103	103
Between 1 and 5 years	392	392
More than 5 years	735	833
	<u>1,230</u>	<u>1,328</u>

	Other	
	2020	2019
	£'000	£'000
Within one 1 year	133	140
Between 1 and 5 years	110	170
More than 5 years	-	-
	<u>243</u>	<u>310</u>

20. DEFERRED TAX

	£'000
Balance at 1 July 2019	(921)
Charge to Statement of Comprehensive Income during year	143
Deferred tax included in SoCIE	(874)
Balance at 30 June 2020	<u>(1,652)</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.6.20	30.6.19
		value:	£'000	£'000
1,285,645,000	Ordinary	1p	<u>12,856</u>	<u>12,856</u>

All shares rank pari passu in all respects.

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Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

22. EMPLOYEE BENEFIT OBLIGATIONS

Defined contribution plans

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes is £700k (2019: £876k). There were outstanding contributions on £nil as at the balance sheet date (2019: £nil).

Defined benefit plans

Lyons Seafoods operates a pension scheme for all qualifying employees. The assets of the plan are held in a separate trustee administered fund. The Plan closed to future accrual on 5 April 2013. A schedule of contributions is agreed between the Company and the trustees after each comprehensive actuarial valuation.

The most recent comprehensive actuarial valuation took place as at 5 April 2018. An update to 5 April 2020 has been carried out by an independent actuary.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Present value of funded obligations	(38,972)	(34,702)
Fair value of plan assets	31,046	30,982
	<u>(7,926)</u>	<u>(3,720)</u>
Present value of unfunded obligations	-	-
Deficit	<u>(7,926)</u>	<u>(3,720)</u>
Net liability	<u><u>(7,926)</u></u>	<u><u>(3,720)</u></u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Current service cost	-	-
Net interest from net defined benefit asset/(liability)	87	3
Past service cost	-	545
	<u>87</u>	<u>548</u>
Actual return on plan assets	<u><u>735</u></u>	<u><u>915</u></u>

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Opening defined benefit obligation	34,702	30,950
Past service cost	-	545
Interest cost	822	918
Actuarial losses/(gains)	4,412	3,009
Benefits paid	(964)	(720)
	<u>38,972</u>	<u>34,702</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Opening fair value of scheme assets	30,982	30,724
Contributions by employer	250	250
Interest income on scheme	735	915
Benefits paid	(964)	(720)
Return on plan assets (excluding interest income)	43	(187)
	<u>31,046</u>	<u>30,982</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Return on plan assets (excluding interest income)	43	(187)
Actuarial gains/(losses) on liabilities	(4,412)	(3,009)
	<u>(4,369)</u>	<u>(3,196)</u>

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	30.6.20	30.6.19
	£'000	£'000
Equities	2,132	1,995
Target return	17,808	17,967
Gilts	3,986	3,338
Corporate bonds	7,010	7,535
Cash	110	147
	<u>31,046</u>	<u>30,982</u>

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

	30.6.20	30.6.19
Discount rate	1.60%	2.40%
Retail price index	2.80%	3.20%
Consumer price index	2.00%	2.40%
Rate of increase for pensions in payment CPI inflation max 3%	1.90%	2.10%
RPI inflation min 3% max 5%	3.30%	3.45%
RPI inflation max 2.5%	2.20%	2.10%

Assumed life expectancies on retirement at age 65 are:

	2020	2019
Retiring today - Males	22.0	21.6
Retiring today - Females	24.0	23.2
Retiring in 20 years time - Males	23.7	23.3
Retiring in 20 years time - Females	25.2	24.4

23. OTHER FINANCIAL COMMITMENTS AND GUARANTEES

The company is committed under forward foreign exchange contracts to the purchase of foreign currency amounting to £72m of which £27m (2019: £21m) is on behalf of a fellow subsidiary undertaking, within one year of the balance sheet date. The net fair value of the asset is £1m (2019: £582k).

The company has given an undertaking to Euler Hermes in respect of a guarantee given by them to HM Revenue & Customs for a Customs Comprehensive Guarantee, as agreed on the 18 November 2016. With effect from 1 January 2017, the monthly guarantee level will be £75k with an overall limit of £250k.

Additionally, the company is party to an agreement, dated 13 March 2014, creating security over all its book debts in favour of Natixis.

Outstanding letters of credit as at 30 June 2020 amounted to £nil (2019: £321k).

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The directors are considered to be the key management personnel of the Company. Their total remuneration is disclosed in note 5 of these financial statements.

Lyons Seafoods Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2020**

25. POST BALANCE SHEET EVENTS

The World Health Organisation declared the Coronavirus disease a public health emergency of international concern on 30 January 2020 and recognised it as a pandemic on 11 March 2020. The disease started to have a significant impact on the UK and its economy in March 2020, with lockdown commencing on 23 March 2020.

Coronavirus has imposed additional constraints and impacts on the business. As a supplier of food products mainly to the Retail trade, sales have been largely unaffected, but there have been some additional costs and restrictions, particularly in the Company's processing facilities and offices. Where possible, Company's staff have been working from home, and continue to do so. The Company has implemented a number of additional measures to keep its staff as safe and secure as possible, and would like to pay to the commitment they have shown to act safely and continue to deliver Company's products to its customers. The additional costs incurred have not materially impacted the profitability of the Company.

While Coronavirus continues to impact the Company, the Company has robust plans in place, to ensure the continued safety of its staff while continuing to maintain supply to its customers.

26. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking and controlling party is Labeyrie Fine Foods SAS. The company's ultimate parent company is LB PAI Holdco SAS, a company incorporated in France.

The smallest group for which consolidated accounts are prepared and of which the company is a member is Financiere Labeyrie Fine Foods SAS, a company incorporated in France. The largest group for which consolidated accounts are prepared and of which the company is a member is Lilas France SAS, a company incorporated in France.

Consolidated accounts are not publicly available.