

**FLTC Services Limited**

**Directors' report and financial statements**

**Registered number SC348751**

**For the year ended 31 December 2015**



## Contents

|  |   |
|--|---|
| Directors' report  | 1 |
| Statement of Directors responsibilities in respect of the Directors' Report and the financial statements | 3 |
| Independent auditor's report to the members of FLTC Services Limited                                     | 4 |
| Profit and loss account and other comprehensive income   | 5 |
| Balance sheet  | 6 |
| Statement of changes in equity   | 7 |
| Notes  | 8 |

## Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2015. The financial statements have been prepared on the basis of the accounting policies set out in note 1 to the financial statements and comply with the FLTC Services Limited ("FLTCS") Memorandum and Articles of Association and applicable laws.

### Results and dividends

FLTCS reported a profit of £1 at 31 December 2015 (2014: £10). No dividends were paid or are payable (2014: nil).

### Directors

The directors who served during the period are as follows:

|              |                        |
|--------------|------------------------|
| IC McCombie  | (resigned 19/11/2015)  |
| A Locker     | (resigned 21/05/2015)  |
| JN Scott     |                        |
| JC Skipper   |                        |
| CA Armstrong |                        |
| A Piggot     | (appointed 21/05/2015) |
| GP Elgie     | (appointed 19/11/2015) |

### Business review and future developments

FLTCS is a wholly owned subsidiary of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited and carries on trading activities. In the period of these financial statements FLTCS financed and provided information for fishermen through the FishSAFE Information Project (FSIP). FSIP gives fishermen detailed information about oil and gas related surface and sub sea hazards in waters above the UK Continental Shelf. FLTCS contributed significant funding for the FSIP and contracted with The Sea Fish Industry Authority and other suppliers for the provision of services to support the FSIP. In 2015 FLTCS worked with stakeholders to extend the areas covered by the FSIP and to enhance processes to capture and disseminate information provided to fishermen through the FSIP.

The FSIP also included the development and launch of the FishSAFE Companion App an educational and training tool to enhance the safety of fishermen and an Initial Study into the causes of a trawl door snagging on a pipeline span and the criteria used to determine the length and height of a pipeline span to be included in the FishSAFE Information data set.

FLTCS also continued to supply fishermen with new FishSAFE units. A FishSAFE Unit provides an audible and visual warning of oil and gas related surface and subsea hazards in UK waters.

FLTCS also financed and promoted the FishSAFE web site [www.fishsafe.eu](http://www.fishsafe.eu). This innovative multi lingual site provides detailed information about oil and gas related assets in UK waters. During the year use of the site continued at levels which the directors consider to be satisfactory.

The FSIP was supported by significant grants from the Scottish Government and the European Fisheries Fund. In 2016 FLTCS will seek to develop the FSIP.

### Political contributions

The company made no political donations in either the current or prior year.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Directors' report** *(continued)*

**Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

  
**Derek Duthie**  
*Company Secretary*

24 Rubislaw Terrace  
Aberdeen  
AB10 1XE

Company registered number: SC348751

21 June 2016

## **Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have 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.

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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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. They 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.



## **Independent auditor's report to the members of FLTC Services Limited**

We have audited the financial statements of FLTC Services Limited for the year ended 31 December 2015 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.

**David Derbyshire (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
*Registered Auditor*  
37 Albyn Place  
Aberdeen  
AB10 1JB

21 June 2016

**Profit and loss account and other comprehensive income**  
*for the year ended 31 December 2015*

|  | <i>Note</i> | <b>2015</b><br>£ | <b>2014</b><br>£ |
|--|-------------|------------------|------------------|
| <b>Turnover</b>  | 3           | <b>308,522</b>   | 373,423          |
| Cost of sales  |             | <b>(280,066)</b> | (363,118)        |
|  |             | <hr/>            | <hr/>            |
| <b>Gross profit</b>                                    |             | <b>28,456</b>    | 10,305           |
| Administrative expenses                                |             | <b>(28,455)</b>  | (10,305)         |
|  |             | <hr/>            | <hr/>            |
| <b>Profit from ordinary activities before taxation</b> | 4-6         | <b>1</b>         | -                |
| Tax on result on ordinary activities                   | 7           | -                | (10)             |
|  |             | <hr/>            | <hr/>            |
| <b>Profit for the financial year</b>                   |             | <b>1</b>         | (10)             |
|  |             | <hr/>            | <hr/>            |
| Other comprehensive income                             |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Total comprehensive income for the year</b>         |             | <b>1</b>         | (10)             |
|  |             | <hr/>            | <hr/>            |

All items dealt with in arriving at the above results relate to continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

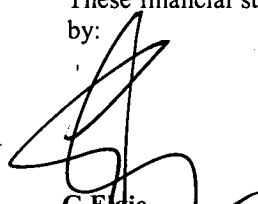
Company registered number: SC348751

**Balance sheet**  
*at 31 December 2015*

|   | <i>Note</i> | <b>2015</b>      |           | <b>2014</b>      |           |
|---|-------------|------------------|-----------|------------------|-----------|
|   |             | £                | £         | £                | £         |
| <b>Current assets</b>                                 |             |                  |           |                  |           |
| Stock   | 8           | 33,237           |           | 37,668           |           |
| Debtors   | 9           | 2,250            |           | 158,237          |           |
| Cash at bank and in hand                              | 10          | 118,143          |           | 211,696          |           |
|   |             | <u>153,630</u>   |           | <u>407,601</u>   |           |
| <b>Creditors: amounts falling due within one year</b> | 11          | <u>(153,539)</u> |           | <u>(407,511)</u> |           |
| <b>Net current assets</b>                             |             |                  | <b>91</b> |                  | <b>90</b> |
| <b>Net assets</b>                                     |             |                  | <b>91</b> |                  | <b>90</b> |
|   |             |                  | <u></u>   |                  | <u></u>   |
| <b>Capital and reserves</b>                           |             |                  |           |                  |           |
| Called up share capital                               | 12          | 100              |           | 100              |           |
| Profit and loss account                               |             | (9)              |           | (10)             |           |
|   |             | <u>91</u>        |           | <u>90</u>        |           |
| <b>Shareholders' funds</b>                            |             |                  | <b>91</b> |                  | <b>90</b> |
|   |             | <u></u>          | <u></u>   | <u></u>          | <u></u>   |

The notes on pages 8 to 13 form part of these financial statements.

These financial statements were approved by the board of directors on 21 June 2016 and were signed on its behalf by:

  
G Elgie  
Director

Company registered number: SC348751



## Statement of Changes in Equity

|  | Called up<br>share<br>capital<br>£000 | Profit and<br>loss account<br>£000 | Total<br>equity<br>£000 |
|--|---------------------------------------|------------------------------------|-------------------------|
| Balance at 1 January 2014                      | 100                                   | -                                  | 100                     |
| <b>Total comprehensive income for the year</b> |                                       |                                    |                         |
| Profit or loss                                 | -                                     | (10)                               | (10)                    |
| Other comprehensive income                     | -                                     | -                                  | -                       |
| <b>Total comprehensive income for the year</b> | -                                     | (10)                               | (10)                    |
| <b>Balance at 31 December 2014</b>             | <b>100</b>                            | <b>(10)</b>                        | <b>90</b>               |

|  | Called up<br>share<br>capital<br>£000 | Profit and<br>loss account<br>£000 | Total<br>equity<br>£000 |
|--|---------------------------------------|------------------------------------|-------------------------|
| Balance at 1 January 2015                      | 100                                   | (10)                               | 90                      |
| <b>Total comprehensive income for the year</b> |                                       |                                    |                         |
| Profit or loss                                 | -                                     | 1                                  | 1                       |
| Other comprehensive income                     | -                                     | -                                  | -                       |
| <b>Total comprehensive income for the year</b> | -                                     | 1                                  | 1                       |
| <b>Balance at 31 December 2015</b>             | <b>100</b>                            | <b>(9)</b>                         | <b>91</b>               |

## Notes

*(forming part of the financial statements)*

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### 1.1 Basis of preparation

FLTC Services Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements have been prepared under the historical cost accounting rules and in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014 and the Companies Act 2006.

The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments, as such no reconciliation has been presented.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

#### 1.2 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 the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited include the equivalent disclosures, the company has also taken the exemption under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules paragraph 36(4) of Schedule 1.

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.3 Going concern

The Company does not employ any staff and does not have any financial liabilities or commitments that are not covered by current assets at 31 December 2015. The nature of the company's activities are such that it has no ongoing committed costs. Expenditure, in respect of staff time or costs of sales, is only incurred when the Company has an agreement with a third party to provide services. The costs of providing these services is and will continue to be factored into an agreement with a third party so that income generated will match, or exceed, costs incurred. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

## **Notes**

*(forming part of the financial statements)*

### **1. Accounting policies (continued)**

#### **1.4 Related party transactions**

As the Company is a wholly owned subsidiary of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited, within which this company is included, can be obtained from the address given in note 13.

#### **1.5 Turnover**

Turnover is recognised in the year to which it relates and includes government grants and subsidies receivable. Turnover arising on the sale of goods is recognised on delivery of the related project.

Turnover is measured net of sales taxes.

#### **1.6 Cost of sales**

Cost of sales represent the cost of finished goods purchased for resale and associated expenditure. Costs of sales are recognised in line with turnover.

#### **1.7 Administrative expenses**

Administrative expenses include the costs of the running the Company, together with non-revenue generating expenditure on development programmes.

#### **1.8 Stocks**

Stocks, comprising goods held for resale, are stated at the lower of cost and net realisable value.

#### **1.9 Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### **1.10 Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in reserves. In this case, the tax is also recognised in reserves.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.11 Deferred tax

In accordance with FRS 19 *Deferred tax*, full provision is made for tax assets and liabilities arising from timing differences between recognition of gains and losses in the financial statements and their recognition in the tax computation.

Deferred tax is measured at the average tax rates that are expected to apply in the years 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.

#### 1.12 Value Added Tax

Irrecoverable VAT is charged to the relevant expenditure category. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

#### 1.13 Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

Critical accounting judgements may arise in respect of turnover, which is recognised in line with the accounting policy in note 1.

### 3 Turnover

|                                 | 2015<br>£000   | 2014<br>£000   |
|---------------------------------|----------------|----------------|
| EFF Grant                       | -              | 203,934        |
| Provision of services to Parent | 287,340        | 135,116        |
| Sales                           | 4,432          | 24,373         |
| Scottish Government Grant       | 6,750          | -              |
| Sponsorship Website             | <u>10,000</u>  | <u>10,000</u>  |
|                                 | <u>308,522</u> | <u>373,423</u> |

During the year, the company received the sum of £6,750 from the Scottish government as a grant.

### 4 Result on ordinary activities before taxation

|  | 2015<br>£000 | 2014<br>£000 |
|--|--------------|--------------|
| <i>Result on ordinary activities before taxation is stated after charging:</i> |              |              |
| Auditor's remuneration:  |              |              |
| Audit of these financial statements  | 3,000        | 3,125        |
| Amounts receivable by the auditors and their associates in respect of:         |              |              |
| Other services relating to taxation  | <u>2,250</u> | <u>2,750</u> |

### 5 Personnel costs

The Company does not employ any members of staff for its operations. Administration expenses include amounts recharged by The Scottish Fishermen's Federation ("SFF"), in respect of the provision of financial and administration services to the Company and the parent company.

## Notes (continued)

### 6. Directors' remuneration

Niall Scott, highest paid director, received £35,010 (2014: £34,415) for his management position. This is included in cost of sales. No other directors received any remuneration in respect of their role as a director.

Directors were reimbursed for travel costs incurred during the year. This amounted to £3,010 (2014: £2,078) in respect of Niall Scott.

### 7. Tax on result on ordinary activities

|                                   | 2015<br>£000 | 2014<br>£000 |
|-----------------------------------|--------------|--------------|
| <i>Analysis of charge in year</i> |              |              |
| UK corporation tax                | -            | 10           |

The current tax charge for the year is lower (2014: lower) than the standard rate of corporation tax in the UK 20.25% (2014: 21.5%). The differences are explained below.

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
| <i>Current tax reconciliation</i>                    |           |           |
| Profit / loss on ordinary activities before taxation | 1         | -         |
| Current tax at 20.25% (2014: 21.5%)                  | -         | -         |
| Prior year adjustment                                | -         | (10)      |
| Total current tax charge (see above)                 | -         | (10)      |

## Notes (continued)

### 8. Stock and work in progress

|                | 2015<br>£ | 2014<br>£ |
|----------------|-----------|-----------|
| Finished goods | 33,237    | 37,668    |

The amount of stock recognised as cost of sales in the year amounted to £4,431 (2014: £24,373). The write down of stock to net realisable value amounted to £nil (2014: £nil)

### 9. Debtors

|                | 2015<br>£    | 2014<br>£      |
|----------------|--------------|----------------|
| Trade debtors  | -            | 2,953          |
| VAT receivable | -            | 469            |
| Accrued income | 2,250        | 154,815        |
|                | <u>2,250</u> | <u>158,237</u> |

All debtors amount are receivable within one year.

### 10. Cash and cash equivalents

|                          | 2015<br>£ | 2014<br>£ |
|--------------------------|-----------|-----------|
| Cash in hand and at bank | 118,143   | 211,696   |

There were no significant non cash transactions. The entity's cash is unrestricted.

### 11. Creditors: amounts falling due within one year

|                               | 2015<br>£      | 2014<br>£      |
|-------------------------------|----------------|----------------|
| Trade creditors               | 2,102          | 10,934         |
| Amounts due to parent company | 71,420         | 222,117        |
| Accruals and deferred income  | 80,017         | 174,460        |
|                               | <u>153,539</u> | <u>407,511</u> |

All amounts owed to parent undertakings are repayable on demand and interest free

### 12. Called up share capital

|   | 2015<br>£ | 2014<br>£ |
|---|-----------|-----------|
| <i>Allotted, called up and fully paid</i> |           |           |
| 100 ordinary shares of £1 each            | 100       | 100       |

**Notes** *(continued)*

**13. Ultimate parent company**

The company is a trading subsidiary of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited a charitable company registered in Scotland. Group financial statements are available from 24 Rubislaw Terrace, Aberdeen, AB10 1XE.

**14. Related parties**

Related party transactions are undertaken with the Company's parent undertaking and its fellow group subsidiaries that are wholly owned by the group.

Key Management Personnel of the Company are considered to comprise the Directors. Directors' remuneration is disclosed in Note 6.

**15. First Time Adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.