

Company Registration No. SC348751 (Scotland)

FLTC SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



FLTC SERVICES LIMITED

COMPANY INFORMATION

Directors	CM Scott, Chairman MJ Cohen GP Elgie EM Macdonald JC Skipper	(Appointed 22 February 2022)
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Secretary	D Duthie
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Company number	SC348751
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Registered office	24 Rubislaw Terrace Aberdeen AB10 1XE
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Auditor	Johnston Carmichael LLP Clava House Cradlehall Business Park Inverness IV2 5GH
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FLTC SERVICES LIMITED

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FLTC SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their annual report and financial statements for the year ended 31 December 2022. 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.

Business review

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 fishermen with detailed FishSAFE information (FSI) about oil and gas related surface and subsea hazards in waters above the UK Continental Shelf. Fishermen access this information through their fishing plotters, the dedicated FishSAFE units installed in the wheelhouses of fishing vessels and the FishSAFE website. FLTCS contracted with The Sea Fish Industry Authority (Seafish) and other suppliers for the provision of services to support the distribution of the relevant data.

The FSI project, originally part of the larger Fishing Safely in Changing European Waters (FSCEW) project, has in the past been supported by grants from the Scottish Government and the European Union, through the European Maritime and Fisheries Fund (EMFF), although the grant funding is now exhausted.

In 2022, FLTCS worked with stakeholders to enhance the processes for capturing and disseminating accurate information to fishermen through FishSAFE. Data is sourced mainly from the datasets maintained by the North Sea Transition Authority, a trading name of the Oil & Gas Authority, based on information obtained from oil and gas operators on a regular basis. Other sources of data include the Health & Safety Executive who are responsible for the implementation of the legislation concerning safety zones. Seafish undertake the collection, processing and distribution of the relevant data to fishermen under their contract with FLTCS.

Under the FSI projects, FLTCS continued with its support for the FishSAFE Companion App, an educational and training tool for tablets and mobile telephones to enhance the safety of fishermen. FLTCS also supported publication of the Kingfisher Bulletin and the Yellow Card. The Bulletin provides up to date information on operators' activities in the UKCS and the Yellow Card has information about wellheads in open water, outside statutory safety zones. The Bulletin is an online publication and has proved very effective, with added flexibility allowing fishermen to focus on sea areas which are relevant to them. The publication of the Bulletin and Yellow Card is undertaken by Seafish. The main aspect of these projects is the collection, processing and distribution of FishSAFE data to fishermen.

FLTCS also supplied fishermen with new Mk3 FishSAFE units and continued to support earlier versions. A FishSAFE unit provides an audible and visual warning of oil and gas related surface and subsea hazards in UK waters. The implementation of the contract for the production of Mk3 units, incorporating substantial enhancements, continues and sales are progressing. The new units are proving popular with fishermen and those with previous versions of the units are being encouraged to upgrade to Mk3. It has been decided to cease support for the Mk2 units with effect from summer 2023. The Mk3 project has also been supported in the past by grants from the Scottish Government and the EMFF.

FLTCS also financed and promoted the FishSAFE website - www.fishsafe.org. This innovative multi-lingual site provides detailed information about oil and gas related assets in UK waters. Use of the site continued at levels which the Directors consider to be satisfactory. FSI data can be downloaded from the website.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

CM Scott, Chairman

MJ Cohen

(Appointed 22 February 2022)

GP Elgie

EM Macdonald

DP Rodmell

(Resigned 22 February 2022)

JC Skipper

FLTC SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Results and dividends

FLTCS reported a profit of £1 at 31 December 2022 (2021: £nil). No dividends were paid or are payable (2021: £nil).

None of the Directors holds any shares in the company. Insurance is held in respect of Directors' and officers' liabilities and the company has insurance for the stock of FishSAFE units pending sales taking place.

Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Graham Elgie

GP Elgie
Director

22 / 09 / 2023
Date:

FLTC SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period. In preparing these financial statements, the Directors required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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 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.

The Directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FLTC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FLTC SERVICES LIMITED

Opinion

We have audited the financial statements of FLTC Services Limited (the 'company') for the year ended 31 December 2022 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

FLTC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FLTC SERVICES LIMITED

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

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, 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 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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit is considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

FLTC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FLTC SERVICES LIMITED

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include UK GAAP and the Companies Act 2006.

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review relevant correspondence and board meeting minutes.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to management override of controls and revenue recognition.

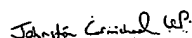
In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.



Scott Jeffrey (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP

25 / 09 / 2023
Date:

Chartered Accountants
Statutory Auditor

Clava House
Cradlehall Business Park
INVERNESS
IV2 5GH

FLTC SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Turnover	349,663	297,745
Cost of sales	(284,306)	(242,645)
	<hr/>	<hr/>
Gross profit	65,357	55,100
Administrative expenses	(65,356)	(55,100)
	<hr/>	<hr/>
Profit before taxation	1	-
Tax on profit	-	-
	<hr/>	<hr/>
Profit for the financial year	<u>1</u>	<u>-</u>

FLTC SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Stocks		114,130		119,780	
Debtors	3	2,711		5,648	
Cash at bank and in hand		20,510		30,966	
		<u>137,351</u>		<u>156,394</u>	
Creditors: amounts falling due within one year	4	<u>(137,258)</u>		<u>(156,302)</u>	
Net current assets			<u>93</u>		<u>92</u>
Capital and reserves					
Called up share capital	5		100		100
Profit and loss reserves			(7)		(8)
Total equity			<u>93</u>		<u>92</u>

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

22 / 09 / 2023

The financial statements were approved by the board of Directors and authorised for issue on and are signed on its behalf by:

Graham Elgie

GP Elgie
Director

Company Registration No. SC348751

FLTC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

FLTC Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 24 Rubislaw Terrace, Aberdeen, AB10 1XE.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next twelve months with the ongoing financial support of its parent entity. The Directors continue to adopt the going concern basis of accounting in preparing the financial statements and have not identified any material uncertainties regarding the ability of the company to continue.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of FishSAFE units provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

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

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

FLTC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.7 Equity instruments

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

1.8 Taxation

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

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

FLTC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Employees

The average monthly number of persons (including Directors) employed by the company during the year was 0 (2021 - 0). Wages are recharged by the parent charity.

3 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	81	726
Other debtors	2,630	4,922
	<u>2,711</u>	<u>5,648</u>

4 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	2,536
Amounts owed to group undertakings	61,979	148,893
Other creditors	75,279	4,873
	<u>137,258</u>	<u>156,302</u>

5 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

6 Related party transactions

The company has taken advantage of the exemption available within FRS 102 Section 1AC.35 from the requirement to disclose transactions with its parent undertaking.

7 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.