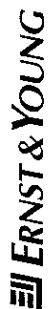


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Unity Fishing Company Limited

Abbreviated Financial Statements

31 December 2002

 ERNST & YOUNG



Unity Fishing Company Limited

Registered No: 157635

Directors

Mr R Bellany
Mr S Bellany
Mr A Bellany
Mr J Bellany
Mr W A Bellany

Secretary

Jackson Bell Pyper

Auditors

Ernst & Young LLP
Moray House
16 Bank Street
Inverness
IV1 1QY

Bankers

Bank of Scotland
110 St Vincent Street
Glasgow
G2 5EJ

The Royal Bank of Scotland plc
62 Broad Street
Fraserburgh
AB43 5AS

Solicitors

MacKinnons
21 Albert Street
Aberdeen

Registered Office

119 Shore Road
Fraserburgh
AB43 5BR

Independent auditor's report to Unity Fishing Company Limited under Section 247B of the Companies Act 1985

We have examined the company's abbreviated accounts for the year ended 31 December 2002 which comprise the abbreviated balance sheet and the related notes 1 to 6, which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 31 December 2002 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, pursuant to Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts are properly prepared in accordance with those provisions

Ernst & Young LLP

Registered Auditor
Inverness

19 September 2003

Abbreviated balance sheet

at 31 December 2002

	Notes	2002 £	2001 £
Fixed assets			
Intangible assets	2	2,134,340	2,134,340
Tangible assets	3	3,528,714	3,329,911
Investments	4	811,250	-
		<u>6,474,304</u>	<u>5,464,251</u>
Current assets			
Debtors		36,118	9,431
Cash at bank		113,286	174,638
		<u>149,404</u>	<u>184,069</u>
Creditors: amounts falling due within one year	5	3,176,261	2,820,750
Net current liabilities		<u>(3,026,857)</u>	<u>(2,636,681)</u>
Total assets less current liabilities		<u>3,447,447</u>	<u>2,827,570</u>
Provisions for liabilities and charges		498,046	410,241
		<u>2,949,401</u>	<u>2,417,329</u>
Capital and reserves			
Called up share capital	6	914,424	914,424
Profit and loss account		2,034,977	1,502,905
Equity shareholders' funds		<u>2,949,401</u>	<u>2,417,329</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Director

Ralph B. Bellamy

17/9/03

Notes to the abbreviated accounts

at 31 December 2002

1. Accounting policies

Accounting convention

The full financial statements for which these abbreviated accounts have been extracted have been prepared under the historical cost convention and using the provisions of the Financial Reporting Standard for Smaller Entities (effective June 2002).

Depreciation

Depreciation is provided on the fishing vessel and other equipment at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Store	-	over 50 years
Fishing vessel	-	over 16 years
Equipment	-	over 4 – 5 years
Motor vehicles	-	over 4 years
Gear	-	over 10 years
Office equipment	-	over 5 years

Intangible fixed assets

Intangible fixed assets comprise the fishing licence purchased with the vessel and purchased fishing quotas valued at the lower of cost or net realisable value.

No amortisation has been provided because, in the opinion of the directors, there has been no impairment in the value of the licence or the quota since they have an infinite life.

Investments

Investments are initially recorded in the accounts at their purchase cost and are carried at that value unless the directors are of the opinion that there is evidence of a permanent diminution in value, whereupon the carrying value is written down to an estimated recoverable amount.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or receive more, tax.

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

2. Intangible fixed assets

	2002 £	2001 £
Cost:		
At 1 January 2002	2,134,340	1,738,349
Additions	-	395,991
At 31 December 2002	2,134,340	2,134,340

Notes to the abbreviated accounts

at 31 December 2002

3. Tangible fixed assets

	<i>Total</i> £
Cost:	
At 1 January 2002	3,544,038
Additions	554,880
Disposals	(23,626)
At 31 December 2002	<u>4,075,292</u>
Depreciation:	
At 1 January 2002	214,127
Provided during the year	350,170
Relating to disposals	(17,719)
At 31 December 2002	<u>546,578</u>
Net book value at 31 December 2002	<u>3,528,714</u>
Net book value at 31 December 2001	<u>3,329,911</u>

4. Investments

	2002 £
Additions in year	811,250
At 31 December 2002	<u>811,250</u>
	2002 £
Unlisted investments	110,010
Loan to undertakings in which the company has a participating interest	701,240
	<u>811,250</u>

Notes to the abbreviated accounts

at 31 December 2002

5. **Creditors:** amounts falling due within one year
Creditors include bank overdraft of £2,942,614 (2001 - £2,618,230) which is secured.

6. **Share capital**

	2002	<i>Authorised</i> 2001
	£	£
Authorised:		
Ordinary shares of £1 each	1,000,000	1,000,000
	<i>Allotted, issued and fully paid</i>	
	2002	2001
	£	£
Ordinary shares of £1 each	914,424	914,424