FLTC Services Limited

Directors' report and financial statements
Registered number SC348751
For the year ended 31 December 2016

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Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2016. 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 2016 *(2015: £1)*. No dividends were paid or are payable *(2015: £nil)*.

Directors

The directors who served during the year are as follows:

JN Scott
JC Skipper
CA Armstrong
A Piggott
GP Elgie

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 FishSAFE Information (FSI). FSI gives fishermen detailed information about oil and gas related surface and sub sea hazards in waters above the UK Continental Shelf. Fishermen access this information through their on board plotters and the FishSAFE unit. FLTCS contributed significant funding for FSI and contracted with The Sea Fish Industry Authority and other suppliers for the provision of services to support the provision of FSI. In 2016, FLTCS worked with stakeholders to extend the areas covered by FSI and to enhance processes to capture and disseminate information provided to fishermen through the FSI.

FLTCS also included provision of the FishSAFE Companion App, an educational and training tool to enhance the safety of fishermen and supported publication of the Kingfisher Fortnightly Bulletin and the Yellow Card. Part of the cost of the Kingfisher Fortnightly Bulletin were supported by a grant by the Scottish Government.

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 website 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.

FSI and development and production of the FishSAFE unit have been supported by significant grants from the Scottish Government and the European Fisheries Fund.

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 they ought to have taken as a director to make themselves 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

G Elgie
Director

24 Rubislaw Terrace
Aberdeen
AB10 1XE

Company registered number: SC348751

20 June 2017

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.

KPMG

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 2016 set out on pages 5 to 12. 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.

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 2016 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 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

22 June 2017

Profit and loss account and other comprehensive income

for the year ended 31 December 2016

	Note	**2016**	2015
		£	£
Turnover	*3*	**338,962**	308,522
Cost of sales		**(310,072)**	(280,066)
Gross profit		**28,890**	28,456
Administrative expenses		**(28,889)**	(28,455)
Profit before taxation	*4-6*	**1**	1
Tax on profit	*7*	**-**	-
Profit for the financial year		**1**	1
Other comprehensive income		**-**	-
Total comprehensive income for the year		**1**	1

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

The notes on pages 8 to 12 form part of these financial statements.

Company registered number: SC348751

Balance sheet

at 31 December 2016

	Note	2016		2015	
		£	£	£	£
Current assets					
Stock	*8*	**16,369**		33,237	
Debtors	*9*	**27,844**		2,250	
Cash at bank and in hand	*10*	**18,734**		118,143	
		62,947		153,630	
Creditors: amounts falling due within one year	*11*	**(62,855)**		(153,539)	
Net current assets			**92**		91
Net assets			**92**		91
Capital and reserves					
Called up share capital	*12*		**100**		100
Profit and loss account			**(8)**		(9)
Shareholders' funds			**92**		91

The notes on pages 8 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 20 June 2017 and were signed on its behalf by:

G Elgie
Director

Company registered number: SC348751

Statement of Changes in Equity

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

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2016	100	(9)	91
Total comprehensive income for the year			
Profit or loss	-	1	1
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1	1
Balance at 31 December 2016	**100**	**(8)**	**92**

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 Ltd is a private company incorporated, domiciled and registered in Scotland in the UK. The registered number is SC348751 and the registered address is 24 Rubislaw Terrace, Aberdeen, AB10 1XE.

These financial statements were prepared 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. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £.

1.2 Financial Reporting Standard 102 – reduced disclosure exemptions

The Company's parent undertaking, U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of U.K. Fisheries Offshore Oil and Gas Legacy Trust Fund Limited are available to the public and may be obtained from 24 Rubislaw Terrace, Aberdeen, AB10 1XE. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Statement of cash flows 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 disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain 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 of Paragraph 36(4) of Schedule 1.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

1.3 Measurement convention

The financial statements are prepared on a historical cost basis.

1.4 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 2016. 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 *(continued)*

1 Accounting policies *(continued)*

1.5 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.

1.6 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 and is measured net of sales tax.

1.7 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.

1.8 Administrative expenses

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

1.9 Stocks

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

1.10 Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

1.11 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.

1.12 Taxation and deferred taxation

Tax on the profit or loss 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 equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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

1.13 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.

1.14 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.

Notes *(continued)*

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

Turnover represents amounts receivable for the sale of goods in the United Kingdom.

	2016	2015
	£000	£000
Provision of services to Parent	**307,804**	287,340
Sale of Fish SAFE units	**22,158**	4,432
Scottish Government Grant	**9,000**	6,750
Sponsorship Website	**-**	10,000
	338,962	308,522

During the year, the company received the sum of £9,000 from the Scottish government as a grant.

4 Expenses and auditor's remuneration

	2016	2015
Included in the profit/loss are the following:	**£000**	£000
Auditor's remuneration:		
Audit of these financial statements	**2,500**	3,000
Amounts receivable by the auditors and their associates in respect of:		
Other services relating to taxation	**2,200**	2,250

5 Personnel costs

During the year, a new contract for services was agreed with the chairman following which his costs are now included within personnel expenses.. Details of directors' remuneration can be found at note 6.

The Company does not employ any other 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.

6 Directors' remuneration

Niall Scott, highest paid director, received £35,010 *(2015: £35,010)* in the year for his management position. 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 £1,397 *(2015: £3,010)* in respect of Niall Scott.

Notes *(continued)*

7 Taxation

	2016		2015	
	£	£	£	£
Current tax				
Current tax on income for period	-		-	
Total current tax		-		-
Reconciliation of effective tax rate				
Profit for year		1		1
Total tax expense		-		-
Profit excluding taxation		1		1
Tax using the UK corporation tax rate of 20.0% *(2015: 20.25%)*		-		-
Total tax expense in profit and loss		-		-

8 Stock

	2016	2015
	£	£
Finished goods	**16,369**	33,237

The amount of stock recognised as cost of sales in the year amounted to £22,158 *(2015: £4,431)*. The write down of stock to net realisable value amounted to £nil *(2015: £nil)*.

9 Debtors

	2016	2015
	£	£
Trade debtors	**985**	-
VAT receivable	**20,109**	-
Accrued income	**6,750**	2,250
	27,844	2,250

All debtors amount are receivable within one year.

10 Cash and cash equivalents

	2016	2015
	£	£
Cash in hand and at bank	**18,734**	118,143

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

Notes *(continued)*

11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	2,102
Amounts owed to group undertakings	**48,783**	71,420
Accruals and deferred income	**14,072**	80,017
	62,855	153,539

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

12 Called up share capital

	2016 £	2015 £
Allotted, called up and fully paid		
100 *(2015: 100)* ordinary shares of £1 each	**100**	100

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.