

Registered number: SC200596

AQUALIFE SERVICES LIMITED

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2016

AQUALIFE SERVICES LIMITED

COMPANY INFORMATION

Directors

G Jeffrey
P Brown
I Macfarlane
R Soutar

Registered number

SC200596

Registered office

Quartermile 2
2 Lister Square
Edinburgh
Midlothian
EH3 9GL

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	4	113,400	126,000
Tangible assets	5	127,530	110,026
Investments	6	13,162	6,000
		<u>254,092</u>	<u>242,026</u>
Current assets			
Debtors: amounts falling due within one year	7	400,969	266,820
Cash at bank and in hand	8	321,614	315,564
		<u>722,583</u>	<u>582,384</u>
Creditors: amounts falling due within one year	9	(806,697)	(592,451)
Net current liabilities		<u>(84,114)</u>	<u>(10,067)</u>
Total assets less current liabilities		<u>169,978</u>	<u>231,959</u>
Creditors: amounts falling due after more than one year	10	(100,145)	(153,187)
Net assets		<u><u>69,833</u></u>	<u><u>78,772</u></u>
Capital and reserves			
Called up share capital		60,005	60,005
Other reserves		4,600	-
Profit and loss account		5,228	18,767
		<u><u>69,833</u></u>	<u><u>78,772</u></u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities. The director has not delivered to the Registrar a copy of the Company's profit and loss account for the year ended 31 December 2016, as permitted by section 444 of the Companies Act 2006

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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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

G Jeffrey
Director

Date: 28 September 2017
The notes on pages 4 to 12 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

Aqualife Services Limited is a limited liability company incorporated in Scotland. The Registered Office is Quartermile 2, 2 Lister Square, Edinburgh, Midlothian, EH3 9GL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 2 - 3 years straight line
Motor vehicles	- 3 - 10 years straight line
Fixtures and fittings	- 2 - 4 years straight line
IT software	- 2 - 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

AQUALIFE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.16 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 52 (2015 - 47).

4. Intangible assets

Goodwill

£

Cost

At 1 January 2016	126,000
At 31 December 2016	<u>126,000</u>

Amortisation

Charge for the year	12,600
At 31 December 2016	<u>12,600</u>

Net book value

At 31 December 2016	<u>113,400</u>
At 31 December 2015	<u><u>126,000</u></u>

AQUALIFE SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Tangible fixed assets

	Plant and machinery	Motor vehicles	Fixtures and fittings	IT software	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2016	54,757	209,403	28,330	61,764	354,254
Additions	65,091	-	-	1,050	66,141
At 31 December 2016	<u>119,848</u>	<u>209,403</u>	<u>28,330</u>	<u>62,814</u>	<u>420,395</u>
Depreciation					
At 1 January 2016	49,230	125,626	23,514	45,858	244,228
Charge for the year on owned assets	13,300	904	2,317	12,017	28,538
Charge for the year on financed assets	-	20,099	-	-	20,099
At 31 December 2016	<u>62,530</u>	<u>146,629</u>	<u>25,831</u>	<u>57,875</u>	<u>292,865</u>
Net book value					
At 31 December 2016	<u>57,318</u>	<u>62,774</u>	<u>2,499</u>	<u>4,939</u>	<u>127,530</u>
At 31 December 2015	<u>5,527</u>	<u>83,777</u>	<u>4,816</u>	<u>15,906</u>	<u>110,026</u>

AQUALIFE SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Fixed asset investments

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2016	-	6,000	6,000
Additions	2,562	-	2,562
Revaluations	-	4,600	4,600
At 31 December 2016	<u>2,562</u>	<u>10,600</u>	<u>13,162</u>
Net book value			
At 31 December 2016	<u>2,562</u>	<u>10,600</u>	<u>13,162</u>
At 31 December 2015	<u>-</u>	<u>6,000</u>	<u>6,000</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Aqualife Services AS	Norway	Ordinary	100 %	Smolt vaccination

The aggregate of the share capital and reserves as at 31 December 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Aqualife Services AS	56,751	(519)
	<u>56,751</u>	<u>(519)</u>

AQUALIFE SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Debtors

	2016 £	2015 £
Trade debtors	295,047	212,034
Amounts owed by group undertakings	55,713	1,746
Other debtors	39,359	27,399
Prepayments and accrued income	10,850	25,641

<u>400,969</u>	<u>266,820</u>
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8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	321,614	315,564
	<u>321,614</u>	<u>315,564</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	42,592	27,913
Corporation tax	-	62,722
Other taxation and social security	199,390	174,006
Obligations under finance lease and hire purchase contracts	20,282	15,893
Other creditors	456,375	292,578
Accruals and deferred income	88,058	19,339
	<u>806,697</u>	<u>592,451</u>

10. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	-	122,366
Net obligations under finance leases and hire purchase contracts	56,796	30,821
Other creditors	43,349	-
	<u>100,145</u>	<u>153,187</u>

AQUALIFE SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Related party transactions

Control

During the current and previous year, the company was controlled by the directors.

The company has taken advantage of the exemption within FRS 102, section 33 (Related Party Disclosure) which allows exemption from disclosure of related party transactions with other group companies.

Transactions

During the current year, the director made advances to the company of £53,945. No credits were received by the director, resulting in a balance at the year end of £53,945 due by the company (2015 - £0).

There are no set repayment terms, nor is interest charged on the loan.

12. 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.