

Unaudited Financial Statements for the Year Ended 31 December 2020

for

Grading Systems (UK) Limited

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for the Year Ended 31 December 2020

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DIRECTORS:

C H Wangsmo
R Inderhaug
G H Risholm
B M Saevareid
H Sagen

SECRETARY:

C H Wangsmo

REGISTERED OFFICE:

Marine Park
Vidlin
Shetland
ZE2 9QB

REGISTERED NUMBER:

SC227775 (Scotland)

ACCOUNTANTS:

Bon Accord Accountancy Limited
2 North Ness Business Park
Lerwick
Shetland
ZE1 0LZ

Balance Sheet
31 December 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	4		1,451		13,740
Tangible assets	5		<u>34,457</u>		<u>23,136</u>
			35,908		36,876
CURRENT ASSETS					
Stocks		184,370		234,504	
Debtors	6	53,266		74,101	
Cash at bank		<u>726,402</u>		<u>1,002,146</u>	
		964,038		1,310,751	
CREDITORS					
Amounts falling due within one year	7	<u>26,317</u>		<u>87,740</u>	
NET CURRENT ASSETS			<u>937,721</u>		<u>1,223,011</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			973,629		1,259,887
CREDITORS					
Amounts falling due after more than one year	8		(1,088)		(15,984)
PROVISIONS FOR LIABILITIES			<u>(3,148)</u>		<u>(1,061)</u>
NET ASSETS			<u>969,393</u>		<u>1,242,842</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>969,293</u>		<u>1,242,742</u>
SHAREHOLDERS' FUNDS			<u>969,393</u>		<u>1,242,842</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 December 2020

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 26 February 2021 and were signed on its behalf by:

C H Wangsmo - Director

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. **STATUTORY INFORMATION**

Grading Systems (UK) Limited is a private company, limited by shares , registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of sixteen years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 9 (2019 - 9) .

4. **INTANGIBLE FIXED ASSETS**

Patents
and
licences
£

COST

At 1 January 2020
and 31 December 2020

250,356

AMORTISATION

At 1 January 2020
Amortisation for year
At 31 December 2020

236,616

12,289

248,905

NET BOOK VALUE

At 31 December 2020
At 31 December 2019

1,451

13,740

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

5. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2020	-	67,653	21,341	28,505	117,499
Additions	<u>7,171</u>	<u>19,662</u>	<u>-</u>	<u>1,289</u>	<u>28,122</u>
At 31 December 2020	<u>7,171</u>	<u>87,315</u>	<u>21,341</u>	<u>29,794</u>	<u>145,621</u>
DEPRECIATION					
At 1 January 2020	-	54,677	11,837	27,849	94,363
Charge for year	<u>1,088</u>	<u>12,864</u>	<u>2,376</u>	<u>473</u>	<u>16,801</u>
At 31 December 2020	<u>1,088</u>	<u>67,541</u>	<u>14,213</u>	<u>28,322</u>	<u>111,164</u>
NET BOOK VALUE					
At 31 December 2020	<u>6,083</u>	<u>19,774</u>	<u>7,128</u>	<u>1,472</u>	<u>34,457</u>
At 31 December 2019	<u>-</u>	<u>12,976</u>	<u>9,504</u>	<u>656</u>	<u>23,136</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade debtors	14,888	24,555
Other debtors	<u>38,378</u>	<u>49,546</u>
	<u>53,266</u>	<u>74,101</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade creditors	1,057	5,243
Taxation and social security	21,489	70,784
Other creditors	<u>3,771</u>	<u>11,713</u>
	<u>26,317</u>	<u>87,740</u>

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.20 £	31.12.19 £
Other creditors	<u>1,088</u>	<u>15,984</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

9. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2020 and 31 December 2019:

	31.12.20	31.12.19
	£	£
C H Wangsmo		
Balance outstanding at start of year	(294)	(160)
Amounts advanced	233	2,461
Amounts repaid	-	(2,595)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(61)</u>	<u>(294)</u>

10. **ULTIMATE CONTROLLING PARTY**

The parent company is Egersund Net AS, a company incorporated in Norway. Egersund Net AS is fully owned by Akva Group ASA.