



The Brønnøysund Register Centre

ANNUAL FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2018 - GENERAL INFORMATION

Entity

Business registration number: 913 902 726
 Organisational form: Limited liability company
 Name of undertaking: SEA & COAST AS
 Business address: Havnegata 16
 9990 BÅTSFJORD

Financial year

Period covered by annual financial statements: 01.01.2018 - 31.12.2018

Group

Parent company of group: No

Accounting rules

Rules for small enterprise used: Yes
 Used in the preparation of the company's annual financial statements: General rules of the Norwegian Accounting Act (regnskapsloven)

Annual financial statements adopted by the body having authority to do so

Confirmed by company representative: Peteris Pildegovics
 Date of adoption of the annual financial statements: 30.06.2019

Basis for submission

2018 year: Annual financial statements have been submitted electronically
 2017 year: Figures are taken from electronically-submitted annual financial statements from 2018

It is not a requirement that the annual financial statements, etc., which are sent to the Register of Company Accounts be signed. The responsibility for seeing that this is done lies with the auditor/the entity's highest body. Security is maintained through the sender having the role/right of filing the annual financial statements via [the internet registration portal] Altinn and through confirmation that the annual financial statements have been adopted by the body having authority to do so.

The Brønnøysund Register Centre, 30.11.2020

The Brønnøysund Register Centre

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Income statement

Amounts in: NOK	Note	2018	2017
INCOME STATEMENT			
Income			
Sales		3 266 814	3 099 715
Total income		3 266 814	3 099 715
Expenses			
Inventory		2 533 142	2 881 421
Payroll and employee benefits	1		44 080
Other operating expenses	1	-2 142 582	3 786 290
Total expenses		390 561	6 711 791
Operating profit		2 876 253	-3 612 076
Financial income and financial expenses			
Other interest income		894	31
Other financial income		110	1 664
Total financial income		1 005	1 695
Other interest expenses		8 078	9 918
Other financial expenses		-15 368	39 974
Total financial expenses		-7 291	49 891
Net financial items		8 295	-48 197
Ordinary profit before taxes		2 884 549	-3 660 273
Taxes on ordinary profit	2,3	59 109	
Ordinary profit after taxes		2 825 440	-3 660 273
Annual profit		2 825 440	-3 660 273
Annual profit after minority interests		2 825 440	-3 660 273
Transfers and allocations			
Retained losses		2 825 440	-3 660 273
Total transfers and allocations		2 825 440	-3 660 273



Balance sheet

Amounts in: NOK	Note	2018	2017
BALANCE SHEET - ASSETS			
Fixed assets			
Intangible assets			
Total fixed assets		0	0
Current assets			
Inventory			
Receivables			
Accounts receivable		2 973 510	1 433 555
Other short-term receivables		385 436	212 358
Total receivables		3 358 946	1 645 913
Bank deposits, cash, etc.			
Bank deposits, cash, etc.	5	519	526
Total bank deposits, cash, etc.		519	526
Total current assets		3 359 465	1 646 438
TOTAL ASSETS		3 359 465	1 646 438
BALANCE SHEET – EQUITY AND LIABILITIES			
Equity			
Paid-up equity			
Aksjekapital	4,6	30 000	30 000
Total paid-up equity		30 000	30 000
Retained equity			
Retained losses	4	1 744 980	4 570 420
Total retained equity		-1 744 980	-4 570 420
Total equity		-1 714 980	-4 540 420



Balance sheet

Amounts in: NOK	Note	2018	2017
Total long-term liabilities		0	0
Short-term liabilities			
Accounts payable		4 963 503	5 842 946
Tax payable	2,3	59 109	
Other short-term liabilities		51 833	343 912
Total short-term liabilities		5 074 445	6 186 858
Total liabilities		5 074 445	6 186 858
TOTAL EQUITY AND LIABILITIES		3 359 465	1 646 438



**Annual financial
statements 2018
for
Sea & Coast AS**

Prepared by:
Sparebank 1 Regnskapshuset Nord-Norge AS
Authorised accounting firm
Terminalgata 10



9019 Tromsø



Sea & Coast AS

Income statement

	Note	2018	2017
OPERATING INCOME AND OPERATING EXPENSES			
Operating income			
Sales		3 266 814	3 099 715
Total operating income		3 266 814	3 099 715
Operating expenses			
Inventory		2 533 142	2 881 421
Payroll and employee benefits	1	0	44 080
Other operating expenses	1	(2 142 582)	3 786 290
Total operating expenses		390 561	6 711 791
OPERATING PROFIT		2 876 253	(3 612 076)
FINANCIAL INCOME AND FINANCIAL EXPENSES			
Financial income			
Other interest income		894	31
Other financial income		110	1 664
Total financial income		1 005	1 695
Financial expenses			
Other interest expenses		8 078	9 918
Other financial expenses		(15 368)	39 974
Total financial expenses		(7291)	49 891
NET FINANCIAL ITEMS		8 295	(48 197)
ORDINARY PROFIT BEFORE TAXES		2 884 549	(3 660 273)
Taxes on ordinary profit	2,3	59 109	0
ORDINARY PROFIT		2 825 440	(3 660 273)
ANNUAL PROFIT		2 825 440	(3 660 273)
TRANSFERS AND ALLOCATIONS			
Loss carried forward		2 825 440	(3 660 273)
TOTAL TRANSFERS AND ALLOCATIONS		2 825 440	(3 660 273)



Sea & Coast AS

Balance sheet as at 31.12.2018

	Note	31.12.2018	31.12.2017
ASSETS			
CURRENT ASSETS			
Receivables			
Accounts receivable		2 973 510	1 433 555
Other short-term receivables		385 436	212 358
Total receivables		3 358 946	1 645 913
Bank deposits, cash, etc.	5	519	526
TOTAL CURRENT ASSETS		3 359 465	1 646 438
TOTAL ASSETS		3 359 465	1 646 438
EQUITY AND LIABILITIES			
EQUITY			
Paid-up equity			
Share capital	4,6	30 000	30 000
Total paid-up equity		30 000	30 000
Retained earnings			
Retained losses	4	(1 744 980)	(4 570 420)
Total retained earnings		(1 744 980)	(4 570 420)
TOTAL EQUITY		(1 714 980)	(4 540 420)
LIABILITIES			
SHORT-TERM LIABILITIES			
Accounts payable		4 963 503	5 842 946
Tax payable	2,3	59 109	0
Other short-term liabilities		51 833	343 912
TOTAL SHORT-TERM LIABILITIES		5 074 445	6 186 858
TOTAL LIABILITIES		5 074 445	6 186 858
TOTAL EQUITY AND LIABILITIES		3 359 465	1 646 438

BÅTSFJORD, 30 June 2019

Peteris Pildegovics
Chair of the Board



Sea & Coast AS

Notes 2018

Accounting principles:

The annual financial statements have been prepared in accordance with the Norwegian Accounting Act (regnskapsloven) and generally accepted accounting practice for small businesses. The annual statements have been prepared using the going concern basis of accounting. It is confirmed that the going concern assumption is correct.

Revenue recognition

Recognition of revenue upon sale of goods takes place at the time of delivery. Revenue for services is recognised as they are performed. The share of sales revenue linked to future provisions of services is entered on the balance sheet as unearned income at the time of sale and then recognised as revenue as the services are provided.

Goods purchased for onward sale

The goods are assessed at cost price, minus VAT.

Receivables

Accounts receivable are entered on the balance sheet at their nominal value, following deduction for provision for foreseeable loss. Provision for foreseeable loss is made on the basis of an individual assessment of the individual receivables. In addition, for other accounts receivable an unspecified provision is made to cover estimated loss.

Other receivables are assessed in a similar manner.

Tax

Taxes in the income statement include the tax payable for the period that is assessed and falls due for payment in the following financial year, in addition to changes in deferred tax. The tax rate for 2018 is 23%. Deferred tax is calculated using the tax rate at the end of the financial year (22%) on the basis of temporary tax-reducing and tax-increasing differences present between accounting and tax values. The calculation also includes tax loss carryforward at the end of the financial year. Temporary tax-increasing and tax-reducing differences that reverse or may reverse in the same period are assessed and entered as a net item. Deferred tax assets are carried in so far as there is a likelihood of their being utilised within a reasonable time.

Pension liabilities

The company has no employees and is accordingly not under an obligation to have a mandatory occupational pension plan.

Going concern

The annual statements have been prepared using the going concern basis of accounting. It is confirmed that the going concern assumption is correct.

Unfortunately the company's equity position is still negative. The company is focusing on new projects from customers aimed at improving the overall financial situation, and there is confidence that developments will be positive towards the end of 2019. The company also continues to make efforts to get older receivables settled.

The principal problem is that Norway and Russia have unfortunately decided to ban EU vessels from fishing for snow crab in the Barents Sea in NEAFC international waters. Nor have those countries managed to agree subsequently as to how fishery activities for their own vessels are to be organised in the 'Loophole' (Smutthullet). As a result, Norwegian fleets have been able to fish for snow crab on the eastern side of the NEAFC area, but Russian vessels have no right at all to fish in the NEAFC area.



Sea & Coast AS

Notes 2018

One of the company's customers is considering the possibility of commencing shrimp fishing in the NEAFC area.

This has been received positively by the company's management and we hope that this business opportunity will contribute to better and more predictable earnings.

Note 1 - Payroll and employee benefits

The company has had one person-year during the financial year.

Particulars of payroll and employee benefits	This year	Last year
Payroll	0	44 080
Total	0	44 080

Remuneration paid to management and auditor

Auditor fees, consisting of:		
Audit		76 500
Total fees paid to auditor		76 500

No pension benefits or remuneration other than payroll were paid to the CEO or Chair of the Board.

Note 2 - Taxes on ordinary profit**Particulars of tax base for the year:**

Result before taxes	2 884 549
+ Permanent and other differences	0
+ Change in temporary differences	-2 380 000
= Income before loss carried forward	504 549
Tax loss carryforward	247 554
= Income	256 995

Particulars of taxes for the year:

Tax calculated on annual profit	59 109
= Total tax payable	59 109
+/- Change in deferred tax / deferred tax asset	0
= Ordinary taxes	59 109
Tax rate in income year	23



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Notes 2018

Tax payable on the balance sheet consists of

Total tax payable	59 109
= Tax payable on the balance sheet	59 109

Note 3 - Taxes on ordinary profit**Deferred tax/deferred tax asset**

	2018	2017
+ Outstanding receivables	-1 320 000	-3 700 000
- Assessed tax loss carried forward	0	247 554
= Basis deferred tax	-1 320 000	-3 947 554
Deferred tax	0	0
Negative basis deferred tax	1 320 000	3 947 554
= Basis deferred tax asset	1 320 000	3 947 554
Deferred tax asset	290 400	907 937
Basis unposted deferred tax asset	1 320 000	3 947 55[4]
Unposted deferred tax asset	290 400	907 937
Posted deferred tax asset	0	0

Note 4 – Other equity

	Share capital	Other equity	Total equity
As at 1.1	30 000	-4 570 420	-4 540 420
Transferred from annual profit		2 825 440	2 825 440
As at 31.12	30 000	-1 744 980	-1 714 980

Note 5 - Bank deposits, cash, etc.

Tax deduction deposits amounted to NOK 41 as at 31.12 this year and NOK 41 as at 31.12 last year.



Sea & Coast AS

Notes 2018

Note 6 – Share capital

The company has 30 shares having a nominal value of NOK 1000 per share. The total share capital amounts to NOK 30 000.

The company has one shareholder:

Name	Number	Ownership share
Peteris Pildegovics	30	100.00%

Shares owned by the company's union representative(s):

Members of the Board	Number	Ownership share
	30	100.00%



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Loss carried forward		2 825 440	(3 660 273)
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Sea & Coast AS

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Name	Number	Ownership share
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Shares owned by the company's union representative(s):

Members of the Board	Number	Ownership share
	30	100.00%



Independent auditor's report

To the Annual General Meeting of Sea & Coast AS

Report on the audit of the annual financial statements

Opinion

We have audited the annual financial statements of Sea & Coast AS.

The annual financial statements comprise:

- the balance sheet as at 31 December 2018;
- the income statement for 2018;
- notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion:

The enclosed annual financial statements have been prepared in accordance with the law and regulations and give a true and fair view of the company's financial position as at 31 December 2018 and of its results for the financial year ending on that date, in accordance with the rules laid down in the Norwegian Accounting Act (regnskapsloven) and generally accepted accounting practice in Norway.

Basis for opinion

We have carried out the audit in accordance with the law, regulations and generally accepted auditing practice in Norway, including the International Standards on Auditing (ISA). Our responsibilities under those standards are described in the 'Auditor's responsibilities for the audit of the annual financial statements' section herein. We are independent of the company, as required by law and regulation, and have complied with our other ethical obligations in accordance with those requirements. In our opinion, the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Significant uncertainty as to going concern

The company states in a note about accounting principles that its share capital is a loss and the profit evolution has been negative. Those factors indicate that there is significant uncertainty which may give rise to doubt about the company's ability to remain a going concern. This aspect has no bearing on our opinion concerning the annual financial statements.

Other matters

Responsibilities of the Board and CEO for the annual financial statements

The Board and the CEO (the management) are responsible for the preparation of the annual financial statements in accordance with the law and regulations, including for their giving a true and fair view in accordance with the rules laid down in the Norwegian Accounting Act and generally accepted accounting practice in Norway. The management is also responsible for any internal control it deems necessary to enable the preparation of annual financial statements that are free of material misstatements whether due to fraud or error.

In preparing the annual financial statements, the management must make a determination as to the company's ability to remain a going concern and disclose matters having a bearing on whether the company can remain a going concern. The annual financial statements are to be prepared using the going concern basis of accounting unless there is a probability that operations will be wound up.



Auditor's responsibilities for the audit of the annual financial statements

Our objectives are to obtain reasonable assurance about whether the annual 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 the law, regulations and generally accepted auditing practice in Norway, including ISAs, 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 the annual financial statements.

For further information on the auditor's responsibilities, reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

[in a combination of Norwegian and English]

Statement concerning other legal requirements

Opinion - registration and documentation

On the basis of our audit of the annual financial statements as described above and control action we deemed to be necessary pursuant to International Standard on Assurance Engagements (ISAE) 3000 'Assurance engagements other than audits or reviews of historical financial information', it is our opinion that the management has complied with its obligation to ensure proper and clear registration and documentation of the company's accounting information in accordance with the law and generally accepted bookkeeping practice in Norway.

Tromsø, 12 July 2019

BDO AS

(Sign.)

Villy Hansen

State authorised auditor

BDO AS, a Norwegian limited liability company, is part of BDO International Limited, an English limited liability company, and is a member of the international BDO network, made up of independent companies in the individual countries. Business registration number: NO 993 606 650 MVA.