

Company Registration No. 12825

**FALKLAND ISLANDS MEAT
COMPANY LIMITED**

Report and Financial Statements

Year ended 30 June 2017

FALKLAND ISLANDS MEAT COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

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FALKLAND ISLANDS MEAT COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Martin Slater (Vice Chairman)
John Ferguson (resigned 03/11/2016)
Paul Phillips
Gareth Goodwin
Andrew Pollard
Julian Wylie
Benjamin Berntsen (appointed 06/04/2017)

SECRETARY

Pinsent Masons Nominee Company (Falklands) Limited

REGISTERED OFFICE

Shackleton House
West Hillside
Stanley
Falkland Islands

BANKERS

Standard Chartered Bank
Stanley

INDEPENDENT AUDITOR

Mazars LLP
Chartered Accountants
Bristol
United Kingdom

FALKLAND ISLANDS MEAT COMPANY LIMITED

DIRECTORS' REPORT

The directors present their report, together with the financial statements of the company for the year ended 30 June 2017.

This directors' report has been prepared in accordance with the special provisions relating to small sized companies under section 246(4)(a) of the United Kingdom Companies Act 1985, as it applies in the Falkland Islands, by virtue of section 2(1) (c) of the Companies (Amendment) Ordinance 2006.

PRINCIPAL ACTIVITIES

The principal activity of the Falkland Islands Meat Company Limited ('FIMCo') is the supply of meat products to overseas markets, principally in the European Community, and the Falkland Islands market.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

Suppliers continue to improve livestock selection and condition and worthy of particular mention is the quality of prime beef supplied to the meat processing plant. FIMCo is keen to help ensure farmers are rewarded for their investment in this area and are actively progressing an opportunity to supply a new local market and in turn, increase the volume of product sold and consumed in the Falkland Islands.

With the second phase of oil exploration now complete, sales in both the local wholesale and retail markets are lower and incinerator fee income is considerably reduced. It should also be noted that whilst some revenue has been generated from exporting skins, it would appear that the downturn in the international sheepskin market continues.

However, the global demand for sheep meat has helped FIMCo achieve a significant increase on last year's sale prices for exported product and this, combined with a decrease in trade debtors, a reduction in stockholding and a lower wage bill have all helped mitigate what might otherwise have been a very challenging year for the business.

Both the desk top and field work stages of the independent review of the meat processing facility, as referenced in last year's accounts, have now been completed. This process has generated an independent and informed assessment of the challenges and opportunities facing the meat processing plant at Sand Bay and provides a number of recommendations which the FIMCo Board will look to implement over the next 2 years.

RESULTS AND DIVIDENDS

The company incurred a gross profit of £287,890 (2016: £57,036) and a net profit for the year of £138,360 (2016: loss £75,867).

The directors have not recommended a payment of a dividend for the current year (2016: £nil).

FALKLAND ISLANDS MEAT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

TAXATION

As a wholly owned subsidiary of the Falkland Islands Development Corporation the company is exempt from Falkland Islands' corporation taxation in accordance with Section 68(1) (k) of the Taxes Ordinance 1997.

DIRECTORS

The following individuals served on the Board during the year and to the date of this report:

Martin Slater (Vice Chairman)
John Ferguson (resigned 03/11/2016)
Paul Phillips
Gareth Goodwin
Andrew Pollard
Julian Wylie
Benjamin Berntsen (appointed 06/04/2017)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
2. the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the UK Companies Act 1985, as it applies in the Falkland Islands, by virtue of section 2(1)(c) of the Companies (Amendment) Ordinance 2006.

Approved by the directors and signed by order of the board.

Director



19/12/2017

FALKLAND ISLANDS MEAT COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report and the financial statements in accordance with applicable law and regulations.

Falkland Islands 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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; 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 proper accounting records which 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 United Kingdom Companies Acts 1948 and 1985, as it applies in the Falkland Islands, by virtue of section 2(1)(c) of the Companies (Amendment) Ordinance 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.

FALKLAND ISLANDS MEAT COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Falkland Islands Meat Company Limited (the 'company') for the year ended 30 June 2017 which comprise the Profit and Loss, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the British Companies Act 1948 and 1985, as it applies in the Falkland Islands, by the virtue of the section 2(1)(c) of the Companies (Amendment) Ordinance 2006.

IN OUR OPINION, THE FINANCIAL STATEMENTS:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended 30 June 2017;
- have been properly prepared in accordance with applicable Falkland Islands law and International Standards on Auditing (UK and Ireland).
- comply with the United Kingdom Companies Acts 1948 and 1985, as it applies in the Falkland Islands, by virtue of section 2(1)(c) of the Companies (Amendment) Ordinance 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Falkland Islands, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (UK) 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 these financial statements.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Signed: 

Name: *DRA BOTT*
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Address *90 VICTORIA STREET, BAHRA*
Date: *11/11/18*

FALKLAND ISLANDS MEAT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT Year ended 30 June 2017

	Note	2017 £	2016 £
TURNOVER	2	2,941,960	2,487,496
Cost of sales		<u>(2,654,070)</u>	<u>(2,430,460)</u>
GROSS PROFIT		287,890	57,036
Other operating income		450,000	581,030
Administrative expenses		<u>(599,530)</u>	<u>(713,933)</u>
PROFIT/(LOSS) FOR THE YEAR	4,11	<u>138,360</u>	<u>(75,867)</u>

All amounts relate to continuing operations.

The company has no recognised gains or losses other than the above result for the current and prior year, therefore no Statement of Total Recognised Gains and Losses is presented.

The accompanying notes form an integral part of this Profit and Loss account.

FALKLAND ISLANDS MEAT COMPANY LIMITED

BALANCE SHEET
At 30 June 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets	5	<u>4,438,412</u>	<u>4,660,052</u>
CURRENT ASSETS			
Stocks	6	430,356	655,545
Debtors	7	543,501	289,807
Cash at bank and in hand		12,842	217,549
		<u>986,699</u>	<u>1,162,901</u>
CREDITORS: amounts falling due within one year	8	<u>(1,351,651)</u>	<u>(1,666,665)</u>
NET CURRENT LIABILITIES		<u>(364,952)</u>	<u>(503,764)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,073,460	4,156,288
CREDITORS: amounts falling due after more than one year	9	<u>(4,135,375)</u>	<u>(4,356,562)</u>
NET LIABILITIES		<u>(61,916)</u>	<u>(200,274)</u>
CAPITAL AND RESERVES			
Called up share capital	10	50,000	50,000
Profit and loss account	11	<u>(111,916)</u>	<u>(250,274)</u>
SHAREHOLDERS' DEFICIT	12	<u>(61,916)</u>	<u>(200,274)</u>

These financial statements were approved by the Directors on ...17/12/... 2017.

Signed on behalf of the Board



Director



Director

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

1. ACCOUNTING POLICIES

The particular accounting policies adopted are described below and have been applied consistently in the current and preceding year.

Accounting convention

The financial statements are prepared under the historic cost convention.

Basis of preparation

The financial statements have been prepared in accordance with United Kingdom accounting standards. The financial statements have been prepared on the going concern basis. This is based on the assumption that the Company will continue to receive support from the Government in the form of a subvention for the coming years.

Cash flow statement

The financial statements do not include a cash flow statement because the company, as a small entity, is exempt from the requirement to prepare such a statement under accounting standards applied on the Islands.

Pension costs

The company's employees participate in an independent defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any discounts given. All further costs to completion and all relevant marketing, selling and distribution costs are included in the accounts on an accruals basis. Adjustments are made for slow moving and obsolete stock.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation. The directors do not consider that any consideration of potential impairment is required as any associated charge would be offset by an equal and opposite release of the related grant from deferred income.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Land	Nil
Buildings	33 - 50 years
Plant & machinery	5 - 10 years
Fixtures & fittings	3 years
Motor vehicles	4 - 5 years

Income

Sales made within a reasonable period of time of the year end are treated as sales and debtors in the previous year's accounts thus matching income with expenditure reflecting the seasonal nature of the activities of the business. Items remaining unsold beyond the agreed period of time are treated as stock at the year end.

Taxation

As a wholly owned subsidiary of the Falkland Islands Development Corporation the company is exempt from Falkland Islands' corporation taxation in accordance with Section 68(1)(k) of the Taxes Ordinance 1997.

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

ACCOUNTING POLICIES (CONTINUED)

Grants

Government grants in respect of revenue expenditure are credited to the profit and loss account in the period in which the related expenditure is incurred. Grants in respect of capital expenditure are recorded in the balance sheet as deferred income within creditors and released to the profit and loss account over the life of the related fixed assets.

2. TURNOVER

The turnover is wholly attributable to the principal activity of the company and originates solely within the Falkland Islands.

A geographical analysis of turnover by destination is:

	2017 £	2016 £
Falkland Islands	729,522	1,080,652
Overseas	2,212,437	1,406,844
	<u>2,941,959</u>	<u>2,487,496</u>

3. DIRECTORS AND EMPLOYEES

	2017 £	2016 £
Staff costs including directors' emoluments		
Wages and salaries	836,110	913,883
Social security costs	35,160	13,827
Pension costs	17,036	27,245
	<u>888,306</u>	<u>954,955</u>

	2017 No	2016 No.
Average number of persons employed		
Labour	32	35
Administration	5	5
	<u>37</u>	<u>40</u>

	2017 £	2016 £
Directors' emoluments		
Aggregate emoluments	30,520	62,160
Pension costs	475	761
	<u>30,995</u>	<u>69,921</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

4. PROFIT FOR THE YEAR

The profit for the year is stated after charging/(crediting):

	2017 £	2016 £	2015 £
Depreciation	306,826	300,912	291,045
Auditors' remuneration – audit fees	2,922	2,845	2,800
Government grants received in respect of the 2014/15 financial year		-	(297,666)
Government grants received in respect of the 2015/16 financial year	-	(581,030)	-
Government grants received in respect of the 2016/17 financial year	(450,000)	-	-
	<u> </u>	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSETS

	Land & Buildings £	Fixtures & Fittings £	Plant & Machinery £	Motor Vehicles £	Total £
Cost					
At 1 July 2016	6,397,169	1,680,196	9,038	59,955	8,146,358
Additions	-	77,152	2,533.57	5,500	85,186
Disposals	-	-	-	(10,840)	(10,840)
At 30 June 2017	<u>6,397,169</u>	<u>1,757,348</u>	<u>11,572</u>	<u>54,615</u>	<u>8,220,704</u>
Depreciation					
At 1 July 2016	1,953,019	1,494,574	9,038	29,675	3,486,306
Charge for the year	220,158	75,936	418	10,314	306,826
Disposals	-	-	-	(10,840)	(10,840)
At 30 June 2017	<u>2,173,177</u>	<u>1,570,510</u>	<u>9,456</u>	<u>29,149</u>	<u>3,782,292</u>
Net book value					
At 30 June 2016	<u>4,223,992</u>	<u>186,838</u>	<u>2,116</u>	<u>25,466</u>	<u>4,438,412</u>
At 30 June 2017	<u>4,444,150</u>	<u>185,622</u>	<u>-</u>	<u>30,280</u>	<u>4,660,052</u>

Fixed assets with a net book value of £3,436,800 were transferred from the parent undertaking at 30 June 2009 by way of a capital grant from FIDC. These fixed assets were originally acquired by FIDC as part of its programme of supporting investment in FIMCo. The related capital grant is recorded as deferred income and will be amortised to the profit and loss account over the remaining life of the fixed assets (see note 9).

The Directors have not undertaken an impairment review of the asset transferred to them in 2009 as at the current year end. Such a review would be performed in order to confirm that the carrying value within the

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

accounts is considered reasonable. However, should any such review have been undertaken, and a subsequent impairment considered necessary, this would also result in a similar impairment to the deferred income included with the accounts, and therefore the impact on the net asset position of the Balance Sheet and the results for the year is considered to be negligible.

6. STOCKS

	2017 £	2016 £
Consumables	228,627	261,235
Goods for resale	201,729	394,310
	<u>430,356</u>	<u>655,545</u>

The Directors do not consider the replacement cost of stock to be materially different to the value in the balance sheet.

7. DEBTORS

	2017 £	2016 £
Amounts due within one year:		
Trade debtors	494,222	234,675
Accrued Income	-	-
Prepayments	49,279	49,247
Other debtors	-	2,006
	<u>543,501</u>	<u>285,928</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	97,555	96,941
Amounts owed to parent undertaking	67,042	-
Accruals	130,259	203,709
Bank overdraft	758,100	1,067,420
Deferred income – capital grant in respect of fixed assets transferred from parent undertaking (see note 9)	255,649	250,109
Net Wages	2,055	-
Other taxes & Social Security	-	7,494
Loan less than 1 year	40,992	40,992
	<u>1,351,651</u>	<u>1,666,665</u>

FIMCo has a £2,000,000 overdraft facility, which is guaranteed by the FIDC.

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Deferred income - capital grant in respect of fixed assets transferred from parent undertaking	3,849,947	4,040,390
Loan from FIDC	34,471	34,471
Loan from FIG	250,958	281,701
	<u>4,135,376</u>	<u>4,356,562</u>

The capital grant of £3,849,947 (2016: £4,040,390) relates primarily to fixed assets transferred from the parent undertaking on 30 June 2009 with a net book value of £3,436,800 (see note 5). The capital grant will be amortised to the profit and loss account over the remaining life of the fixed assets. Included in amounts falling due within one year is £255,649 (2016: £250,109) representing the element of the capital grant which is expected to be amortised to the profit and loss account in the financial year ending on 30 June 2017.

The amount shown in Loan from FIDC is composed of two loans:

Transfer of Road Asset - 2017: £34,471 (2016: £34,471) - Loan from FIDC is repayable in annual instalments of £6,000 until 2016. Interest is charged at a rate of 5.25% and the loan is unsecured. There is currently a moratorium on repayments until the company's cash flow improves and it is able to make repayments.

Cabins Loan from FIG - 2017: £250,958 (2016: £281,701) - Loan from FIG repayable in monthly instalments of £3,416 (2016: £3,416) over 10 years. There is no interest charged on this loan.

10. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Authorised		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Called up, allotted and fully paid		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

11. PROFIT AND LOSS ACCOUNT

The movement on the profit and loss account during the year was as follows:

	£
At 1 July 2016	(250,274)
Profit/Loss for the year	138,360
	<u>(111,915)</u>
At 30 June 2017	<u>(111,915)</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2017

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' SURPLUS

	2017	2016
	£	£
Profit/(Loss) for the year	138,360	(75,867)
Opening shareholders' deficit	(200,274)	(124,407)
	<u> </u>	<u> </u>
Closing shareholders' deficits	<u>(61,914)</u>	<u>(200,274)</u>

13. ULTIMATE PARENT UNDERTAKING

The company is a subsidiary of the Falkland Islands Development Corporation. The ultimate parent undertaking at the balance sheet date was the Falkland Islands Government.

The financial statements of the Falkland Islands Development Corporation, which do not consolidate the results of Falkland Islands Meat Company Limited, can be obtained from the company's registered office.

The financial statements of the Falkland Islands Government, which do not consolidate the results of Falkland Islands Meat Company Limited, are available from The Treasury, Falkland Islands Government, Stanley.

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2017

14. RELATED PARTIES

During the year ended 30 June 2017, the company has undertaken a number of transactions with entities that are defined as a related party. The total income and expenditure attributable to these entities in the year ended 30 June 2017, as well as the balances due or receivable from the entities at 30 June 2017 is listed below.

	INCOME	INCOME	EXPENSES	EXPENSES	DEBTORS	DEBTORS	CREDITORS	CREDITORS
	2017	2016	2017	2016	2017	2016	2017	2016
	£	£	£	£	£	£	£	£
Cape Dolphin Limited	-	-	21,320	20,382	-	-	-	815
EBF Limited	-	250	23,135	33,836	-	-	-	7,655
Engage Limited	-	-	2,278	-	-	-	-	-
Falkland Farmers Limited	-	-	1,058	181	-	-	-	-
FI Chamber of Commerce	-	-	3,495	3,441	-	-	394	435
Falkland Islands Development Corporation	-	-	540	165	-	-	-	65
Falkland Islands Government	486,037	616,685	250,222	231,132	2,905	2,242	2,637	27,767
Falkland Islands Wool Company Limited	6,070	-	4	3	-	-	-	-
Falklands Landholdings Corporation	7,123	6,775	463,594	401,816	-	-	9,691	18,859
Hope Cottage Farm	-	-	49,879	72,209	-	-	-	-
Rural Business Association	-	-	775	1,380	-	-	-	-
Seafish Chandlery Limited	156,009	161,224	3,384	16,097	12,891	15,167	26	368
Wickham Heights Limited	6,216	-	780	-	485	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2017

These entities are connected to FIMCo through the following relationships with the Directors:

	<u>Martin Slater</u>	<u>Andrew Pollard</u>	<u>Paul Phillips</u>	<u>Julian Wylie</u>	<u>Gareth Goodwin</u>	<u>Benjamin Berrtsen</u>
Agri-Gap			related			
Cape Dolphin Limited						related
EBF Limited						related
Engage Limited						
Falkland Farmers Limited	related					
F1 Chamber of Commerce						
Falkland Islands Development Corporation						
Falkland Islands Fishing Companies Association	related	related				
Falkland Islands Government						
Falkland Islands Tourist Board						
Falkland Islands Wool Company Limited	related		related			
FTTV Limited						related
Falklands Landholdings Corporation						
Goodwin Offshore Limited		related				
Hope Cottage Farm			related			
Kelper Recycling Limited						
Nova SeaFish Limited						related
Rural Business Association						
SeaFish Chandlery Limited						related
SeaFish (Falklands) Limited						related
Stanley Distillery Limited						related
Stanley Support Services Ltd						related
Stanley Whiskey Limited						related
Wickham Heights Limited						related

FALKLAND ISLANDS MEAT COMPANY LIMITED

ADDITIONAL UNAUDITED INFORMATION

The additional unaudited information on page 18 has been prepared from the accounting records of the company. While it does not form part of the statutory audited financial statements, it should be read in conjunction with them and the independent auditors' report thereon.

FALKLAND ISLANDS MEAT COMPANY LIMITED

DETAILED PROFIT & LOSS ACCOUNT - UNAUDITED

Year ended 30 June 2017

	2017	2016
	£	£
TURNOVER	<u>2,941,960</u>	<u>2,487,496</u>
Cost of sales		
Opening stock	(655,545)	(509,167)
Livestock purchases	(966,412)	(1,044,644)
Livestock transport	(5,550)	(3,992)
Freight to customer	(198,923)	(207,543)
Wages	(685,664)	(712,088)
Recruitment, travel and accommodation	(59,995)	(33,909)
Other processing costs	(867)	(1,703)
Discounts allowed	-	(60,198)
Commission on sales	(96,173)	(73,410)
Electricity	(121,673)	(128,796)
Fuel	(20,296)	(19,300)
Water	(17,183)	(14,585)
Consumables and packaging	(193,150)	(212,490)
Agriculture department staff	(38,068)	(44,614)
Certification Expenses	(26,930)	(26,374)
Laboratory costs	(428)	(1,778)
Closing stock	430,356	655,545
	<u>(2,654,070)</u>	<u>(2,430,460)</u>
GROSS PROFIT	287,890	57,036
Other operating income	450,000	581,030
	<u>737,890</u>	<u>638,066</u>
Administrative expenses		
Admin employment costs	(211,660)	(209,361)
Administration, travel and accommodation	-	(1,937)
Motor running costs	(19,398)	(23,387)
Telephone, fax, internet and IT Support	(19,192)	(20,626)
Legal, professional and audit	(29,263)	(49,429)
Marketing & Advertising	(14,340)	(18,324)
Entertaining	(2,673)	(1,960)
Repairs and maintenance	(169,487)	(252,149)
Insurance	(54,188)	(54,567)
Pest control	(4,527)	(1,845)
Subscriptions and donations	(2,069)	(1,870)
Interest paid	(27,225)	(29,415)
Bank charges and Foreign Exchange movements	(1,528)	(2,996)
Depreciation	(44,744)	(300,912)
Deferred income amortisation	(2,836)	256,168
Office and other general expenses	-	(1,322)
	<u>(599,530)</u>	<u>(713,933)</u>
PROFIT/(LOSS) FOR THE YEAR	<u>138,360</u>	<u>(75,867)</u>