

**Company Registration No. 12825**

**FALKLAND ISLANDS MEAT  
COMPANY LIMITED**

**Report and Financial Statements**

**Year ended 30 June 2021**

# **FALKLAND ISLANDS MEAT COMPANY LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and Professional Advisers</b>	<b>1</b>
<b>Directors' Report</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10</b>
<b>Additional unaudited information</b>	<b>18</b>

# **FALKLAND ISLANDS MEAT COMPANY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

Martin Slater	Appointed 3 December 2020, resigned 15 July 2021
Keith Heslop	Resigned 5 April 2021
Neil Judd	Resigned 13 September 2021
Julian Wylie	Resigned 30 June 2021
Benjamin Berntsen	Resigned 10 September 2020
Jan Clarke	Appointed 17 September 2020, resigned 5 March 2021
Alex Olmedo	Appointed 17 September 2020, resigned 9 August 2021
Alex Gould	Appointed 31 March 2021
Harold Nielson	Appointed 13 September 2021
John Ferguson	Appointed 13 September 2021
Louise Ellis	Appointed 13 September 2021
Rodney Lee	Appointed 2 August 2021
Teslyn Barkman	Appointed 30 November 2021

### **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 2020.

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) © 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**

The period July 2020- June 2021 was time of challenge for the business and as a result of the global pandemic and its impacts both globally and nationally, coupled with Brexit related sales risk, FIMCo cancelled the full export season for 2020/21. It was deemed that the risk of the mobilization of the export season staff was too high and the Board considered that a typical export season was not a viable financial option given the circumstances. In place of the standard production season a mini export season ran from mid-February 2021 utilising additional local labour and an overseas Halal inspector.

The FIMCo Supplier Support Scheme as agreed by ExCo in January 2021 (paper 09/21) supported the mini export season making a payment to suppliers of £5 per mutton they had originally planned to supply during the 2021 season, but were unable to be processed by FIMCo. Statistics were kept and reported by the team at FIMCo and payments administered by FIDC.

For future export production seasons at FIMCo different models of operation were assessed, including the standard 'High Surge' model that the plant has historically operated and a 'low surge' model with an extended export season and a lower number of overseas export production staff. This 'low surge' model is being tested in 2021-2022. Currently prices for export mutton are higher than the historical average and there has been appetite for a simpler cut, which is more cost effective to produce. Beef supply is still predominantly for the local market, and Beef Supplier Contracts are aimed at providing beef producers with confidence that there is a stable market for their animals.

## **RESULTS AND DIVIDENDS**

The company incurred a gross profit of £37,249 (2020: £1,353) and a net profit of £422,493 (2020: loss £233,936).

The directors have not recommended a payment of a dividend for the current year (2020: £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	Appointed 3 December 2020, resigned 15 July 2021
Keith Heslop	Resigned 5 April 2021
Neil Judd	Resigned 13 September 2021
Julian Wylie	Resigned 30 June 2021
Benjamin Berntsen	Resigned 10 September 2020
Jan Clarke	Appointed 17 September 2020, resigned 5 March 2021
Alex Olmedo	Appointed 17 September 2020, resigned 9 August 2021
Alex Gould	Appointed 31 March 2021
Harold Nielson	Appointed 13 September 2021
John Ferguson	Appointed 13 September 2021
Louise Ellis	Appointed 13 September 2021
Rodney Lee	Appointed 2 August 2021
Teslyn Barkman	Appointed 30 November 2021

### 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



22/3/2022

# **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 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. 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 2021 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 2021 and of its profit for the year then ended 30 June 2021;
- 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **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.

# FALKLAND ISLANDS MEAT COMPANY LIMITED

## 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as 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.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.



# FALKLAND ISLANDS MEAT COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

Our audit work has been undertaken so that we might state to Board 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 Board members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street, Bristol BS1 6DP

Date: 30 March 2022

# FALKLAND ISLANDS MEAT COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 30 June 2021

	Note	2021 £	2020 £
<b>TURNOVER</b>	2	2,033,894	2,860,849
Cost of sales		<u>(1,996,645)</u>	<u>(2,859,496)</u>
<b>GROSS PROFIT</b>		37,249	1,353
Other operating income		994,365	450,000
Profit/(loss) on sale of fixed assets		1,410	(5,833)
Administrative expenses		<u>(630,531)</u>	<u>(679,456)</u>
<b>PROFIT FOR THE YEAR</b>	4,11	<u>402,493</u>	<u>(233,936)</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 2021

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	5	<u>3,581,911</u>	<u>3,864,543</u>
<b>CURRENT ASSETS</b>			
Stocks	6	658,037	883,848
Debtors	7	448,688	627,593
Cash at bank and in hand		157,805	164,217
		<u>1,264,530</u>	<u>1,675,658</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(1,260,018)</u>	<u>(2,093,405)</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>4,512</u>	<u>(417,747)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		3,586,423	3,446,796
<b>CREDITORS: amounts falling due after more than one year</b>	9	<u>(3,220,112)</u>	<u>(3,482,978)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>366,311</u>	<u>(36,182)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	50,000	50,000
Profit and loss account	11	<u>316,311</u>	<u>(86,182)</u>
<b>SHAREHOLDERS' RESERVES</b>	12	<u>366,311</u>	<u>(36,182)</u>

These financial statements were approved by the Directors on ... 22/3/ 2022.

Signed on behalf of the Board

  
.....

Director

  
.....

Director

# FALKLAND ISLANDS MEAT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2021

### 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 2021

### 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:

	2021 £	2020 £
Falkland Islands	1,232,632	1,173,267
Overseas	801,262	1,687,582
	<u>2,033,894</u>	<u>2,860,849</u>

#### 3. DIRECTORS AND EMPLOYEES

	2021 £	2020 £
<b>Staff costs including directors' emoluments</b>		
Wages and salaries	759,752	1,006,427
Pension cost	23,162	33,659
	<u>782,914</u>	<u>1,040,086</u>

Staff costs have decreased due to fewer seasonal workers being employed during the coronavirus pandemic and associated travel restrictions.

	2021 No.	2020 No.
<b>Average number of persons employed</b>		
Labour	24	37
Administration	5	5
	<u>29</u>	<u>42</u>
	2021 £	2020 £
<b>Directors' emoluments</b>		
Aggregate emoluments	-	-
Pension costs	-	-
	<u>-</u>	<u>-</u>

# FALKLAND ISLANDS MEAT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2021

### 4. PROFIT/(LOSS) FOR THE YEAR

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

	2021 £	2020 £
Depreciation	304,642	306,853
Auditors' remuneration – audit fees	8,200	8,000
Government grants received in respect of the financial year	(950,000)	(450,000)
Coronavirus support grants received in respect of the financial year	(44,365)	-
	<u>          </u>	<u>          </u>

### 5. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Assets Under Construction £	Total £
<b>Cost</b>						
At 1 July 2020	6,474,757	1,622,139	10,540	63,208	-	8,170,644
Additions	-	820	-	23,402	-	24,222
Disposals	(5,532)	(27,845)	-	(9,000)	-	(42,377)
Transfer	-	-	-	-	-	-
At 30 June 2021	<u>6,469,225</u>	<u>1,595,114</u>	<u>10,540</u>	<u>77,610</u>	<u>-</u>	<u>8,152,489</u>
<b>Depreciation</b>						
At 1 July 2020	2,838,090	1,418,634	10,399	38,978	-	4,306,101
Charge for the year	222,749	70,583	141	11,169	-	304,642
Disposals	(3,320)	(27,845)	-	(9,000)	-	(40,165)
At 30 June 2021	<u>3,057,519</u>	<u>1,461,372</u>	<u>10,540</u>	<u>41,147</u>	<u>-</u>	<u>4,570,578</u>
<b>Net book value</b>						
At 30 June 2021	<u>3,411,706</u>	<u>133,742</u>	<u>-</u>	<u>36,463</u>	<u>-</u>	<u>3,581,911</u>
At 30 June 2020	<u>3,636,667</u>	<u>203,505</u>	<u>141</u>	<u>24,230</u>	<u>-</u>	<u>3,864,543</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 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.

# FALKLAND ISLANDS MEAT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2021

### 6. STOCKS

	2021 £	2020 £
Consumables	154,608	172,380
Goods for resale	503,429	711,468
	<u>658,037</u>	<u>883,848</u>

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

### 7. DEBTORS

	2021 £	2020 £
<b>Amounts due within one year:</b>		
Trade debtors	398,949	571,235
Accrued Income	5,564	4,043
Prepayments	42,210	50,341
Other debtors	1,965	1,974
	<u>448,688</u>	<u>627,593</u>

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	65,227	655,038
Amounts owed to parent undertaking	-	1,804
Accruals	143,351	145,216
Bank overdraft	764,744	1,005,171
Deferred income – capital grant in respect of fixed assets transferred from parent undertaking (see note 9)	219,325	231,644
Net Wages	5,379	208
Other taxes & Social Security	-	12,997
Loan less than 1 year	61,992	41,328
	<u>1,260,018</u>	<u>2,093,406</u>

FIMCo has a £1,500,000 overdraft facility, which is guaranteed by the FIDC.

**FALKLAND ISLANDS MEAT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Year ended 30 June 2021**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income - capital grant in respect of fixed assets transferred from parent undertaking	3,108,271	3,329,808
Loan from FIDC	34,471	34,471
Loan from FIG	77,370	118,699
	<u>3,220,112</u>	<u>3,482,978</u>

The capital grant of £3,561,452 (2020: £3,561,452) 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 £219,325 (2020: £231,644) 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 2021.

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

Transfer of Road Asset - 2021: £34,471 (2020: £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 2021: £33,370 (2020: £118,699) – Loan from FIG repayable in monthly instalments of £3,444 (2020: £3,444) over 10 years. There is no interest charged on this loan.

**10. CALLED UP SHARE CAPITAL**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Called up, allotted and fully paid</b>		
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:

	<b>£</b>
At 1 July 2020	(86,182)
Profit/(loss) for the year	402,493
	<u>316,311</u>
At 30 June 2021	<u>316,311</u>



# FALKLAND ISLANDS MEAT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2021

### 12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' SURPLUS

	2021	2020
	£	£
Profit/(loss) for the year	422,493	(233,936)
Opening shareholders' (deficit)/reserves	(36,182)	197,754
	<u>          </u>	<u>          </u>
Closing shareholders' reserves/(deficit)	<u>386,311</u>	<u>(36,182)</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 2021

### 14. RELATED PARTIES

During the year ended 30 June 2021, 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 2021, as well as the balances due or receivable from the entities at 30 June 2021 is listed below.

	INCOME 2021 £	INCOME 2020 £	EXPENSES 2021 £	EXPENSES 2020 £	DEBTORS 2021 £	DEBTORS 2020 £	CREDITORS 2021 £	CREDITORS 2020 £
Falkland Islands Government	1,008,471	503,447	168,985	353,264	5,400	2,830	3,173	219,549
FIDC	45,493	310	65	4,067	-	-	-	4,067
Falkland Landholdings Corporation	2,965	4,319	242,809	347,602	1,971	2,912	18,671	263,438
Falkland Farmers Limited	-	-	361	827	-	-	81	-
Lorenzo Farm	-	-	2,910	-	-	-	-	-
Falkland Islands Wool Company	28,831	-	125	144	-	-	-	-
Hope Cottage Farm	-	1,500	-	55,498	-	-	-	4,562
P Phillips	-	-	-	59,884	-	-	-	4,139
Cape Dolphin Limited	-	137	10,829	58,674	-	-	-	1,122
EBF Limited	189	-	12,015	30,076	-	-	-	-
Wickham Heights	6,777	4,129	-	-	514	730	-	-
Seafish Chandlery	218,487	198,108	246,622	220,642	19,032	16,500	190	33,349
T4FF Limited	24,502	-	-	-	2,902	-	-	-

**FALKLAND ISLANDS MEAT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Year ended 30 June 2021**

These entities are connected to FIMCo through the following relationships with the Directors (Harold Neilson does not hold any other directorships):

	Martin Slater	Julian Wylie	Michael Ledwith	Benjamin Berntsen	Neil Judd	Keith Heslop	Jan Clarke	Alex Olmedo	Alex Gould	John Ferguson	Louise Ellis	Rodney Lee
Cape Dolphin Limited				x								
Dunnose Head Farm								x				
EBF Limited				x								
Engage Limited		x										
Falkland Farmers Limited	x					x						
FIDC	x	x			x	x				x		
FIFCA		x										
FITB								x				
FLH					x					x		x
Jan Clarke Haulage							x					
Kelper Recycling Limited				x								
Lorenzo Farm							x					
Nova Seafish Limited		x										
Pebble Island Farm									x			
Royal Naval Association										x		
Seafish Chandlery Limited		x										
Seafish (Falklands) Limited		x										
T4FF Limited								x				
White Rock Farm												x
White Rock Haulage												x
Wickham Heights Limited		x										
Wool Co					x							