

Company Registration No. 12825

**FALKLAND ISLANDS MEAT
COMPANY LIMITED**

Report and Financial Statements

Year ended 30 June 2022

FALKLAND ISLANDS MEAT COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

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FALKLAND ISLANDS MEAT COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

Martin Slater	Resigned 15 July 2021
Neil Judd	Resigned 13 September 2021
Alex Olmedo	Resigned 9 August 2021
Alex Gould	
Harold Nielson	Appointed 13 September 2021
John Ferguson	Appointed 13 September 2021
Louise Ellis	Appointed 13 September 2021, resigned 20 September 2022
Rodney Lee	Appointed 2 August 2021
Teslyn Barkman	Appointed 30 November 2021
Zachary Franklin	Appointed 20 September 2022

SECRETARY

Waverley Law 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 2022.

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

The financial year remained challenging due to the issues getting export staff into the Falkland Islands because of the lack of the LATAM flight and delays with transit visas for the South African team to arrive via the UK. Staff transport costs were higher due to this issue and, in the short term, this trend looks to continue due to a lack of air frames and increased fuel costs.

Different models of operation for export production seasons at FIMCo were assessed in 2020, including the standard 'high surge' model that the plant had historically operated or a 'low surge' model with an extended export season and a lower number of overseas export production staff. It had been hoped to test this 'low surge' model in 2021-2022, but this was not possible due to the continuing impacts of Covid-19. The model is being tested in 2022-2023, and it is envisaged that this will be trialled for a three year period to assess its effect on the both the productivity of the plant and financial performance of the company.

The glut of beef in the Falklands, which had been compounded over a number of years, was placed on the UK market at a time when demand was high. This meant a higher return than anticipated and was a key contributor to FIMCo's positive results for 2021-2022. Future beef exports will be at a much lower level now the supply backlog has largely been cleared. Export sheep meat markets remain buoyant, and it is anticipated that they will remain so, though the impacts of inflation and a surplus of product from Australia/New Zealand are being monitored. Local sales, particularly of beef, remain strong and this is forecast to continue as retail prices are favourable compared to imported frozen meat foodstuffs.

The team at Sand Bay has changed, with a new General Manager recruited and a strengthening of the finance team. Several improved policies and procedures have been put into place, with an Asset Management Plan, Risk Register and Business Plan being developed to further the future of the operation.

FALKLAND ISLANDS MEAT COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

RESULTS AND DIVIDENDS

The company incurred a gross profit of £499,822 (2021: £37,249) and a net profit of £418,450 (2021: £402,492).

The directors have not recommended a payment of a dividend for the current year (2021: £nil).

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	Resigned 15 July 2021
Neil Judd	Resigned 13 September 2021
Alex Olmedo	Resigned 9 August 2021
Alex Gould	
Harold Nielson	Appointed 13 September 2021
John Ferguson	Appointed 13 September 2021
Louise Ellis	Appointed 13 September 2021, resigned 20 September 2022
Rodney Lee	Appointed 2 August 2021
Teslyn Barkman	Appointed 30 November 2021
Zachary Franklin	Appointed 20 September 2022

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

12 January 2023

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 2022 which comprise the Profit and Loss Account, the Balance Sheet, and notes to the financial statements, including a summary of principal 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 2022 and of its result for the year then ended; and
- 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 UK, 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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 considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the 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.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as tax legislation, pension legislation, 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 addition, 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, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

FALKLAND ISLANDS MEAT COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

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.

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body. 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.


Mazars LLP (Feb 15, 2023 12:23 GMT)

Mazars LLP Chartered Accountants and Statutory Auditor

90 Victoria Street, Bristol, BS1 6DP

Date Feb 15, 2023

FALKLAND ISLANDS MEAT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 June 2022

	Note	2022 £	2021 £
TURNOVER	2	3,707,009	2,033,894
Cost of sales		(3,207,187)	(1,996,645)
GROSS PROFIT		499,822	37,249
Other operating income		464,420	994,365
Profit/(loss) on sale of fixed assets		5,087	1,410
Administrative expenses		(550,479)	(630,531)
PROFIT FOR THE YEAR	4,11	418,850	402,493

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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	5	<u>3,314,848</u>	<u>3,581,911</u>
CURRENT ASSETS			
Stocks	6	560,568	658,037
Debtors	7	962,174	448,688
Cash at bank and in hand		<u>291,226</u>	<u>157,805</u>
		1,813,968	1,264,530
CREDITORS: amounts falling due within one year	8	<u>(1,359,340)</u>	<u>(1,260,018)</u>
NET CURRENT ASSETS / (LIABILITIES)		<u>454,628</u>	<u>4,512</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,769,476	3,586,423
CREDITORS: amounts falling due after more than one year	9	<u>(2,984,315)</u>	<u>(3,220,112)</u>
NET ASSETS/(LIABILITIES)		<u><u>785,161</u></u>	<u><u>366,311</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	50,000	50,000
Profit and loss account	11	<u>735,161</u>	<u>316,311</u>
SHAREHOLDERS' RESERVES	12	<u><u>785,161</u></u>	<u><u>366,311</u></u>

These financial statements were approved by the Directors on 12 January 2023.

Signed on behalf of the Board



.....
Director



.....
Director

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2022

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 Falkland Islands 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 2022

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:

	2022 £	2021 £
Falkland Islands	1,019,750	1,232,632
Overseas	2,687,259	801,262
	<u>3,707,009</u>	<u>2,033,894</u>

3. DIRECTORS AND EMPLOYEES

	2022 £	2021 £
Staff costs including directors' emoluments		
Wages and salaries	1,052,475	759,752
Pension cost	45,404	23,162
	<u>1,097,879</u>	<u>782,914</u>

Staff costs have increased due to an export season being possible with the lifting of Covid travel restrictions and seasonal workers employed for this.

	2022 No.	2021 No.
Average number of persons employed		
Labour	32	24
Administration	5	5
	<u>37</u>	<u>29</u>

	2022 £	2021 £
Directors' emoluments		
Aggregate emoluments	-	-
Pension costs	-	-
	<u>-</u>	<u>-</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2022

4. PROFIT/(LOSS) FOR THE YEAR

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

	2022 £	2021 £
Depreciation	250,994	304,642
Auditors' remuneration – audit fees	15,429	8,200
Government grants received in respect of the financial year	(450,000)	(950,000)
Coronavirus support grants received in respect of the financial year	(14,420)	(44,365)
	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Assets Under Construction £	Total £
Cost						
At 1 July 2021	6,469,225	1,595,114	10,540	77,610	-	8,152,489
Additions	10,820	22,252	-	13,400	-	46,472
Disposals	<u> </u>	(13,500)	<u> </u>	(36,548)	<u> </u>	(50,048)
At 30 June 2022	<u>6,480,045</u>	<u>1,603,866</u>	<u>10,540</u>	<u>54,462</u>	<u> </u>	<u>8,148,913</u>
Depreciation						
At 1 July 2021	3,057,519	1,461,372	10,540	41,147	-	4,570,578
Charge for the year	222,748	62,712	-	6,862	-	292,322
Disposals	<u> </u>	(13,500)	<u> </u>	(15,335)	<u> </u>	(28,835)
At 30 June 2022	<u>3,280,267</u>	<u>1,510,584</u>	<u>10,540</u>	<u>32,674</u>	<u> </u>	<u>4,834,065</u>
Net book value						
At 30 June 2022	<u>3,199,778</u>	<u>93,282</u>	<u> </u>	<u>21,788</u>	<u> </u>	<u>3,314,848</u>
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>

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 2022

6. STOCKS

	2022 £	2021 £
Consumables	94,742	154,608
Goods for resale	465,826	503,429
	<u>560,568</u>	<u>658,037</u>

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

7. DEBTORS

	2022 £	2021 £
Amounts due within one year:		
Trade debtors	828,323	398,949
Accrued income	5,024	5,564
Prepayments	126,950	42,210
Other debtors	1,877	1,965
	<u>962,174</u>	<u>448,688</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	135,190	65,227
Amounts owed to parent undertaking	-	-
Accruals	172,836	143,351
Bank overdraft	795,678	764,744
Deferred income – capital grant in respect of fixed assets transferred from parent undertaking (see note 9)	204,801	219,325
Net wages	(825)	5,379
Other taxes & Social Security	-	-
Loan less than 1 year	51,660	61,992
	<u>1,359,340</u>	<u>1,260,018</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 2022

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

	2022 £	2021 £
Deferred income - capital grant in respect of fixed assets transferred from parent undertaking	2,903,470	3,108,271
Loan from FIDC	34,471	34,471
Loan from FIG	46,374	77,370
	<u>2,984,315</u>	<u>3,220,112</u>

The capital grant of £3,108,271 (2021: £3,327,596) 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 £204,801 (2021: £219,325) 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 2022.

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

Transfer of Road Asset - 2022: £34,471 (2021: £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: £46,374 (2021: £77,370) – Loan from FIG repayable in monthly instalments of £3,444 (2021: £3,444) over 10 years. There is no interest charged on this loan.

10. CALLED UP SHARE CAPITAL

	2022 £	2021 £
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 2021	316,311
Profit/(loss) for the year	418,850
	<u>735,161</u>
At 30 June 2022	<u>735,161</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2022

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' SURPLUS

	2022 £	2021 £
Profit/(loss) for the year	418,850	402,493
Opening shareholders' (deficit)/reserves	366,311	(36,182)
	<hr/>	<hr/>
Closing shareholders' reserves/(deficit)	785,161	366,311
	<hr/> <hr/>	<hr/> <hr/>

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 2022

14. RELATED PARTIES

During the year ended 30 June 2022, 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 2022, as well as the balances due or receivable from the entities at 30 June 2022 is listed below.

	INCOME 2022	INCOME 2021	EXPENSES 2022	EXPENSES 2021	DEBTORS 2022	DEBTORS 2021	CREDITORS 2022	CREDITORS 2021
	£	£	£	£	£	£	£	£
Falkland Islands Government	493,839	1,008,471	313,828	168,985	650	5,400	10,900	3,173
FIDC	14,807	45,493	-	65	-	-	-	-
Falkland Landholdings Corporation	2,620	2,965	481,320	242,809	1,747	1,971	34,382	18,671
Falkland Farmers Limited	-	-	242	361	-	-	-	81
Lorenzo Farm	-	-	-	2,910	-	-	-	-
Falkland Islands Wool Company	-	28,831	73	125	-	-	-	-
Hope Cottage Farm	-	-	-	-	-	-	-	-
P Phillips	-	-	-	-	-	-	-	-
Cape Dolphin Limited	-	-	-	10,829	-	-	-	-
EBF Limited	-	189	-	12,015	-	-	-	-
Wickham Heights	-	6,777	-	-	-	514	-	-
Seafish Chandlery	-	218,487	-	246,622	-	19,032	-	190
T4FF Limited	19,442	24,502	-	-	1,564	2,902	-	-
A&D Gould Farming	-	-	23,957	12,876	-	-	-	-
White Rock Farm	-	-	8,409	10,945	-	-	-	-
SAAS	-	-	270,493	86,371	-	-	18,348	270

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2022

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

	Martin Slater	Neil Judd	Alex Olmedo	Alex Gould	John Ferguson	Louise Ellis	Rodney Lee	Teslyn Barkman
Cape Dolphin Limited								
Dunnose Head Farm				x				
EBF Limited								
Engage Limited								
Falkland Farmers Limited	x							
FIDC	x	x				x		
FIFCA								
FITB			x					
FLH		x			x		x	x
Jan Clarke Haulage								
Kelper Recycling Limited								
Lorenzo Farm								
Nova Seafish Limited								
Pebble Island Farm				x				
Royal Naval Association								
Seafish Chandlery Limited								
Seafish (Falklands) Limited								
South American Atlantic Shipping Ltd								x
T4FF Limited			x					
White Rock Farm							x	
White Rock Haulage								
Wickham Heights Limited								
Wool Co		x			x			