

**FALKLAND ISLANDS MEAT COMPANY LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2025**

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### COMPANY INFORMATION

<b>Directors</b>	Teslyn Barkman John Ferguson (vice chair) (resigned 1 April 2025) Zachary Franklin (chair) Stephen Dent (appointed 29 February 2024) Andrea Clausen (appointed 29 February 2024, resigned 17 March 2025) Stephen Fowmes (appointed 4 September 2024) Paul Phillips (vice chair) (appointed 1 April 2025) James Wilson (appointed 17 March 2025) Iain Berntsen (appointed 1 June 2025)
<b>Company secretary</b>	Waverley Law Limited
<b>Registered number</b>	12825
<b>Registered office</b>	Shackleton House West Hillside Stanley Falkland Islands
<b>Independent auditors</b>	Forvis Mazars LLP Chartered Accountants Bristol United Kingdom
<b>Bankers</b>	Standard Chartered Bank Stanley

**FALKLAND ISLANDS MEAT COMPANY LIMITED**

**CONTENTS**

	Page
<b>Directors' Report</b>	1 - 3
<b>Independent Auditors' Report</b>	4 - 6
<b>Profit and Loss Account</b>	7
<b>Balance Sheet</b>	8
<b>Notes to the Financial Statements</b>	9 - 17
The following pages do not form part of the statutory financial statements:	
<b>Detailed Profit and Loss Account and Summaries</b>	18 - 20

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2025

The directors present their report and the financial statements for the year ended 30 June 2025.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and generally accepted accounting practice.

Falkland Islands company law requires the directors to prepare financial statements for each financial year which show 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 judgments and accounting estimates that are reasonable and prudent;
- 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 that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the applicable law. 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.

#### **Principal activity**

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.

#### **Dividends paid**

There were no dividends paid in the year under review (2024 - £nil).

#### **Results**

The Profit and Loss Account for the year is set out on page 7.

#### **Directors**

The directors who served during the year were:

Teslyn Barkman  
John Ferguson (vice chair) (resigned 1 April 2025)  
Zachary Franklin (chair)  
Stephen Dent (appointed 29 February 2024)  
Andrea Clausen (appointed 29 February 2024, resigned 17 March 2025)  
Stephen Fowmes (appointed 4 September 2024)  
Paul Phillips (vice chair) (appointed 1 April 2025)  
James Wilson (appointed 17 March 2025)  
Iain Berntsen (appointed 1 June 2025)

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

#### Review of developments and future prospects

In 2024/2025 FIMCo exported 35 containers of product prior to the end of the 2024/25 financial year, reducing export stock volume to less than one container load. Market demand continues to be high for proteins with many challenges around the world to meet those demands.

BRC9 was achieved in April 2025 which in turn brought additional enquiries for product from customers in the UK, growing confidence in FIMCo as suppliers and we continue to build and develop on that achievement.

2025/26, production is 90% presold including a volume of lower grade carcass for a specific customer, producing three additional containers of export to the UK. This will increase revenue to farm suppliers.

Quotas continue to be a limiting factor to export to the EU with demand from customers exceeding the quota that we can supply without tariffs incurred. We continue to maximise shipment to this market.

Offal production is still under review as to viability with 1 x FCL pre-sold for 2025/26.

Sales into Gulf States are still available but at present prices offered are not as attractive as the UK.

With the legislation date for outlawing the current refrigerant gas used (R404A) in 2030 fast approaching, the refrigeration plant will need major overhaul or complete renewal as it cannot operate with the new refrigerant gas. Two UK based suppliers have been working on the requirements with two options under review. FIMCo are also working with an independent adviser to help us ensure best value. Power usage is a key element which we continue to work to reduce demand on the network. Alongside this, with additional experienced support, we are building on a five year capex funding to best identify and secure requirements, limiting risk to production, seeking the necessary financial support in a clear planned plant.

Working alongside suppliers, the Beef Suppliers Working Group (BSWG) was formed to address the reduction in supply of cattle to FIMCo. With several positive meetings taking place this has been welcomed as a positive response. A beef supplier portal has been launched with access to all suppliers forming a major part of long-term planning for suppliers and FIMCo, also building supplier confidence in ability to sell livestock. Whilst it will take 3 - 5 years to rebuild the supply of cattle, we are already seeing supplier confidence building.

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are 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.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### Auditors

The auditors, Forvis Mazars LLP, will be proposed for reappointment in accordance with the applicable law.

FALKLAND ISLANDS MEAT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025

This report was approved by the board on

and signed on its behalf.

A handwritten signature in black ink, consisting of several fluid, connected strokes that form a stylized name.

Director

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### Independent auditor's report to the Members of The Falkland Islands Meat Company Limited

#### Opinion

We have audited the financial statements of The Falkland Islands Meat Company (the 'company') for the year ended 30 June 2025 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 corporation's affairs as at 30 June 2025 and of its result for the year then ended.
- have been properly prepared in accordance with applicable Falkland Islands law and International Standards on Auditing (UK and Ireland); and
- 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

### 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 1, 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.

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### Auditor's responsibilities for the audit of the financial statements (continued)

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.

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](http://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.

  
Forvis Mazars LLP (Jan 16, 2026 17:11 GMT)

**Forvis Mazars LLP Chartered Accountants and Statutory Auditor**

8th Floor Assembly Building C, Cheese Lane, Bristol, BS2 0JJ

Date 16/01/2026

FALKLAND ISLANDS MEAT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 £	2024 £
Turnover	3	3,812,688	3,481,281
Cost of sales		(3,485,579)	(3,745,371)
<b>Gross profit/(loss)</b>		<b>327,109</b>	<b>(264,090)</b>
Administrative expenses		(816,136)	(890,910)
Other operating income		509,436	1,519,682
<b>Operating profit</b>	4	<b>20,409</b>	<b>364,682</b>
Interest payable and similar expenses		(2,171)	(1,962)
<b>Profit before tax</b>		<b>18,238</b>	<b>362,720</b>
<b>Profit after tax</b>		<b>18,238</b>	<b>362,720</b>
Retained earnings at the beginning of the year		538,866	176,146
		538,866	176,146
Profit for the year		18,238	362,720
<b>Retained earnings at the end of the year</b>		<b>557,104</b>	<b>538,866</b>

There were no recognised gains and losses for 2025 or 2024 other than those included in the profit and loss account.


The notes on pages 9 to 17 form part of these financial statements.

FALKLAND ISLANDS MEAT COMPANY LIMITED

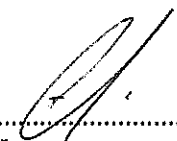
BALANCE SHEET  
AS AT 30 JUNE 2025

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	6	2,901,482	3,033,978
		<u>2,901,482</u>	<u>3,033,978</u>
<b>Current assets</b>			
Stocks	7	204,669	269,466
Debtors: amounts falling due within one year	8	676,584	579,717
Cash at bank and in hand	9	65,867	101,502
		<u>947,120</u>	<u>950,685</u>
Creditors: amounts falling due within one year	10	(720,981)	(717,208)
<b>Net current assets</b>		<u>226,139</u>	<u>233,477</u>
<b>Total assets less current liabilities</b>		<u>3,127,621</u>	<u>3,267,455</u>
Creditors: amounts falling due after more than one year	11	(2,520,517)	(2,678,589)
<b>Net assets</b>		<u><u>607,104</u></u>	<u><u>588,866</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	50,000	50,000
Profit and loss account		557,104	538,866
		<u><u>607,104</u></u>	<u><u>588,866</u></u>

The financial statements were approved and authorised for issue by the directors and were signed on their behalf by:

  
.....  
Director

Date: 12/01/2026

  
.....  
Director

Date 13/01/26

The notes on pages 9 to 17 form part of these financial statements.

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

#### 1. General information

Falkland Islands Meat Company Limited is a company limited by shares and registered in the Falkland Islands with its registered office at Shackleton House, West Hillside, Stanley, Falkland Islands.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland as it applies in the Falkland Islands. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The following principal accounting policies have been applied:

##### 2.2 Going concern

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.

##### 2.3 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 in the Islands.

##### 2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land	- Nil
Buildings	- 10 - 50 years
Plant and machinery	- 5 years
Motor vehicles	- 5 years
Fixtures and fittings	- 3 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

## FALKLAND ISLANDS MEAT COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

#### 2. Accounting policies (continued)

##### 2.10 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.11 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.

##### 2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment.

##### 2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 3. Turnover

The whole of the turnover is attributable to the principal activity of the company.

Analysis of turnover by country of destination:

	2025	2024
	£	£
Falkland Islands	1,099,165	1,191,897
Overseas	2,713,523	2,289,384
	<u>3,812,688</u>	<u>3,481,281</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

4. Operating profit

The operating profit/(loss) is stated after charging/(crediting):

	2025	2024
	£	£
Government grants receivable	(509,121)	(1,516,582)
Depreciation	275,872	295,577
Auditors' remuneration - audit fees	9,540	9,210
	<u>          </u>	<u>          </u>

5. Employees

	2025	2024
	£	£
Wages and salaries	1,118,509	1,058,411
Pension cost	109,827	108,654
	<u>          </u>	<u>          </u>
	<u>1,228,336</u>	<u>1,167,065</u>

	2025	2024
<b>Average number of persons employed</b>		
Labour	43	22
Administration	8	8
	<u>          </u>	<u>          </u>
	<u>51</u>	<u>30</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

6. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 July 2024	6,498,313	1,867,179	68,369	21,849	8,455,710
Additions	61,500	81,700	-	339	143,539
Disposals	-	(4,950)	-	(479)	(5,429)
At 30 June 2025	<u>6,559,813</u>	<u>1,943,929</u>	<u>68,369</u>	<u>21,709</u>	<u>8,593,820</u>
<b>Depreciation</b>					
At 1 July 2024	3,714,488	1,648,141	42,344	16,758	5,421,731
Charge for the year on owned assets	193,071	69,158	9,960	3,683	275,872
Disposals	-	(4,950)	-	(315)	(5,265)
At 30 June 2025	<u>3,907,559</u>	<u>1,712,349</u>	<u>52,304</u>	<u>20,126</u>	<u>5,692,338</u>
<b>Net book value</b>					
At 30 June 2025	<u>2,652,254</u>	<u>231,580</u>	<u>16,065</u>	<u>1,583</u>	<u>2,901,482</u>
At 30 June 2024	<u>2,783,825</u>	<u>219,037</u>	<u>26,025</u>	<u>5,091</u>	<u>3,033,978</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 11).

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  
FOR THE YEAR ENDED 30 JUNE 2025

7. Stocks

	2025 £	2024 £
Consumables	83,606	97,229
Goods for resale	121,063	172,237
	<u>204,669</u>	<u>269,466</u>

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

8. Debtors: amounts due within one year

	2025 £	2024 £
Trade debtors	642,630	507,683
Prepayments	29,286	72,034
Accrued income	4,668	-
	<u>676,584</u>	<u>579,717</u>

9. Cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	65,867	101,502
Less: bank overdrafts	(366,012)	(330,707)
	<u>(300,145)</u>	<u>(229,205)</u>

**FALKLAND ISLANDS MEAT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

**10. Creditors: Amounts falling due within one year**

	2025	2024
	£	£
Bank overdraft	366,012	330,707
Deferred income - capital grant in respect of fixed assets transferred from parent undertaking (see note 11)	219,482	212,211
Accruals and other creditors	111,829	75,165
Trade creditors	8,659	68,712
Loan from FIG	-	15,275
Loan from FIDC for consultant	14,999	15,138
	720,981	717,208

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

**11. Creditors: Amounts falling due after more than one year**

	2025	2024
	£	£
Deferred income - capital grant in respect of fixed assets transferred from parent undertaking	2,481,813	2,627,127
Loan from FIDC	34,471	34,471
Loan from FIDC for consultant	4,233	16,991
	2,520,517	2,678,589

The capital grant of £2,701,295 (2024: £2,839,338) 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 6). 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 £219,482 (2024: £212,211) 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 2026.

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

Transfer of Road Asset - 2025: £34,471 (2024: £34,471) - Loan from FIDC was 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 and interest until the company's cash flow improves and it is able to make the repayments. FIDC has confirmed that there is no intention for repayments to resume in the next financial year.

Hire of Consultant - 2025: £19,232 (2024: £32,129). Loan from FIDC to assist with hiring a consultant to assist with the company's business plan and budgets was agreed in October 2023. The loan was for an amount of £40,000 and is repayable over 3 years. Interest is charged at a variable rate of 3.5% above the Bank of England Base Rate. The loan was drawn down in November 2023 and an amount of £1,003 was repaid in February 2024 as it was unused. Repayments have been made monthly in accordance with the agreement. The loan is unsecured.

Cabin loan from FIG £nil (2024: £15,275). Loan from FIG repayable in monthly instalments of £3,444 over 10 years. There is no interest charged on this loan. The loan was repaid during the year.

FALKLAND ISLANDS MEAT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

12. Share capital

	2025	2024
	£	£
<b>Authorised, allotted, called up and fully paid</b>		
50,000 (2024 - 50,000) Ordinary shares of £1.00 each	<u>50,000</u>	<u>50,000</u>

13. Controlling party

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  
FOR THE YEAR ENDED 30 JUNE 2025**

**14. Related party transactions**

During the year the company has undertaken a number of transactions with entities that are defined as a related party. The following are related to the company as either the parent or ultimate parent entity or by common control.

<b>30 June 2025</b>	<b>Income £</b>	<b>Expenses £</b>	<b>Debtor £</b>	<b>Creditor £</b>
<b>Parent entities</b>				
Falkland Islands Government	513,556	364,122	685	-
<b>Entities under common control</b>				
Falkland Farmers Limited	-	532	-	-
Falkland Landholdings Corporation	3,253	477,627	-	-
Falkland Islands Wool Company	-	-	-	-
Falkland Postal Service	-	-	-	-
Stanley Growers Limited	6,945	-	-	-
Stanley Services Limited	12,163	67,552	936	1,351
Stanley Support Services Limited	-	-	-	-
South American Atlantic Services	210	324,283	-	-
SJD Training Limited	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>30 June 2024</b>				
	<b>Income £</b>	<b>Expenses £</b>	<b>Debtor £</b>	<b>Creditor £</b>
<b>Parent entities</b>				
Falkland Islands Government	1,521,415	502,517	664	700
Falkland Islands Development Corporation	234	8,132	-	-
<b>Entities under common control</b>				
Falkland Farmers Limited	-	391	-	-
Falkland Landholdings Corporation	2,842	426,111	1,922	-
Falkland Islands Wool Company	-	-	-	-
Stanley Growers Limited	12,424	-	-	-
Stanley Services Limited	39,321	73,730	1,743	336
South American Atlantic Services	-	401,704	-	360
	<hr/>	<hr/>	<hr/>	<hr/>

FALKLAND ISLANDS MEAT COMPANY LIMITED

DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2025

	2025 £	2024 £
Turnover	3,812,688	3,481,281
Cost of sales	(3,485,579)	(3,745,371)
<b>Gross profit/(loss)</b>	<u>327,109</u>	<u>(264,090)</u>
Other operating income	509,436	1,519,682
<b>Less: overheads</b>		
Administration expenses	(816,136)	(890,910)
<b>Operating profit</b>	<u>20,409</u>	<u>364,682</u>
Interest payable	(2,171)	(1,962)
Taxation	-	-
<b>Profit for the year</b>	<u><u>18,238</u></u>	<u><u>362,720</u></u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2025

	2025 £	2024 £
<b>Turnover</b>		
Sales - Local wholesale	562,123	671,789
Sales - Local retail	493,793	469,359
Incinerator fee income	70,705	56,580
Sales - Export mutton	2,336,827	2,073,476
Sales - Export lamb	320,805	144,018
Sales - Export beef	-	33,738
Sales - Export sheep and lamb offals	55,861	38,152
Sales - Export beef offals	30	-
Rental income	47,149	58,081
Slaughter fee income	2,177	1,070
Other income	4,399	11,073
Local market discounts	(81,246)	(76,061)
Credit charges (late payments)	65	6
	<u>3,812,688</u>	<u>3,481,281</u>
	2025 £	2024 £
<b>Cost of sales</b>		
Opening stock	269,465	685,366
Livestock purchases	1,245,966	1,091,423
Livestock transport	626	23,955
Freight to customer	304,315	361,882
Wages	882,970	809,873
Recruitment, travel and accommodation	232,340	245,802
Other processing costs	1,013	11,649
Commissions on sales	75,759	69,251
Electricity	238,666	256,836
Fuel	39,571	45,417
Water	14,625	13,114
Consumables and packaging	244,398	269,835
Veterinary costs	77,255	60,650
Certification expenses	44,340	50,263
Laboratory costs	18,939	19,520
Closing stock	(204,669)	(269,465)
	<u>3,485,579</u>	<u>3,745,371</u>

FALKLAND ISLANDS MEAT COMPANY LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2025

	2025 £	2024 £
<b>Other operating income</b>		
Government grants receivable	509,121	1,516,582
Profit on disposal of fixed assets	315	3,100
	<u>509,436</u>	<u>1,519,682</u>
	2025 £	2024 £
<b>Administration expenses</b>		
Administration employment costs	345,365	357,192
Staff training and travel	13,936	3,614
Motor running costs	28,335	29,315
Telephone, internet and IT support	26,554	25,546
Legal, professional and audit	27,569	35,810
Advertising and promotion	10,413	12,444
Entertainment	1,975	2,416
Repairs and maintenance	128,944	120,391
Clothing and general consumables	10,402	12,453
Pest control	21,934	22,087
Insurances	73,389	76,664
Trade subscriptions	2,305	1,181
Bank charges and foreign exchange movement	7,849	9,323
Depreciation	275,872	295,578
Amortisation	(217,303)	(210,625)
General office expenses	8,416	7,264
Consultancy fees	-	38,997
Bad debts	50	(1,329)
Loan interest	50,131	52,589
	<u>816,136</u>	<u>890,910</u>
	2025 £	2024 £
<b>Interest payable</b>		
Loan interest payable	2,171	1,962
	<u>2,171</u>	<u>1,962</u>