

# **Falklands Landholdings Corporation**

## **Board members' report and financial statements**

**For the year ended 30 June 2025**

**FALKLANDS LANDHOLDINGS CORPORATION**  
**(A Company Limited by Guarantee)**

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**FALKLANDS LANDHOLDINGS CORPORATION**  
**(A Company Limited by Guarantee)**

**BOARD MEMBERS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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

**Board members' responsibilities statement**

The Falklands Landholdings Corporation board members are responsible for preparing the Board members' Report and the financial statements in accordance with applicable Falkland Islands law and regulations.

The Falklands Landholdings Corporation Ordinance 2000 (as amended) requires the Falklands Landholdings Corporation board members to prepare financial statements for each financial year. The board members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the corporation and of the profit or loss of the corporation for that period.

In preparing these financial statements, the board members are required to:

- select suitable accounting policies for the corporation's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the corporation will continue in business.

The Falklands Landholdings Corporation board members are responsible for keeping adequate accounting records that are sufficient to show and explain the corporation's transactions and disclose with reasonable accuracy at any time the financial position of the corporation and to enable them to ensure that the financial statements comply with the Falklands Landholdings Corporation Ordinance 2000 (as amended) and the Finance and Audit Ordinance 1988. They are also responsible for safeguarding the assets of the corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Principal activity**

The principal activities of Falklands Landholdings Corporation (FLH) remain the production and export of high-quality greasy wool to buyers around the world plus sale of beef cattle and surplus sheep to Sand Bay abattoir.

The business continues to operate in an efficient and effective manner with strong governance over farming and business operations.

FLH is totally reliant on world export prices for greasy wool with very little influence over prices received.

The international wool market continued to be challenging throughout 2024-25 although price levels showed a modest increase over the year. The primary market for Falkland's wool continued to be Europe, with smaller volumes sold to Uruguay. European demand remained stagnant due to a range of factors, including the ongoing conflicts in Ukraine and Gaza, while key buyers in Uruguay held sufficient stocks of unsold wool. As a result, securing offers for wool remained difficult for much of the period.

Conditions improved slightly in mid-2025, when sales activity became easier, and all remaining wool stocks were sold.

Overall, this resulted in the business moving from a position of loss (£297,698) in 2023-24 to a modest but welcomed profit of £79,786 in 2024-25. The outlook for fine wool markets is more positive in the coming years, with recent reports indicating growing demand for RWS certified wool compared with non-certified wool.

FLH recognises the business's vulnerability to global greasy wool markets and continues to explore business opportunities to reduce reliance on greasy wool sales in the future.

FLH continues to invest in and develop its tourism enterprise

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**BOARD MEMBERS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

The FLH Board understands the challenges and opportunities that have been faced by staff and management at all the FLH farms during the last financial year. The Board thanks all staff for their effort and commitment to FLH over this time.

The profit recorded for the year includes a revaluation gain of £25,758 (2024: loss of £1,763) in respect of livestock assets. This reflects a slight increase in sheep numbers due to an improved lambing percentage, together with lower sales of beef cattle to FIMCo, which increased the total number of cattle held by FLH from 424 in 2024 to 502 in 2025.

Discussions have taken place with FIMCo to address the recent decline in national cattle numbers, which has been driven by inconsistent market signals and uncertainty around sale opportunities. A recent increase in prices paid by FIMCo has improved the economic viability of cattle production, alongside an improved approach to ensuring contracted animals are processed through the plant. As farms retain heifers and cows for breeding, a period of adjustment is expected.

The Corporation's Balance Sheet at year end is shown on page 8.

**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.

**Board members**

The board members who served during the year and up to the date of this report were:

MLA T Barkman (Member of the Legislative Assembly) (Chair) – resigned 31/10/2025  
MLA J Birmingham (Member of the Legislative Assembly) – resigned 31/10/2025  
MLA C Roberts (Member of Legislative Assembly – Chair) – appointed 20/01/2026  
MLA M Goss (Member of Legislative Assembly) – appointed 20/01/2026  
Mr A Keeling (FIG Chief Executive - Vice Chair) – resigned 31/03/2025  
Mrs A Cluasen (FIG Chief Executive – Vice Chair) – appointed 01/04/2025  
Mr J Ferguson (General Manager) – resigned 31/03/2025  
Mr P Phillips (General Manager) – appointed 01/04/2025  
Mr K Knight (Member of the RBA)  
Mr T Miller (Member of the Public)  
Mr R Lee (Member of the Public)

**Disclosure of information to auditors**

Each of the persons who are board members at the time when this Board members' Report is approved has confirmed that:

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

**Post balance sheet events**

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

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**BOARD MEMBERS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**Auditors**

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

This report was approved by the board on 11th February 2026 and signed on its behalf.



Board member



Board member

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FALKLANDS**  
**LANDHOLDINGS CORPORATION FOR THE YEAR ENDED 30 JUNE 2025**

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### **Opinion**

We have audited the financial statements of Falklands Landholdings Corporation (the 'corporation') for the year ended 30 June 2025 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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 Falklands Landholdings Corporation Ordinance 2000 (as amended) and the Finance and Audit Ordinance 1988.

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; and
- have been prepared in accordance with the requirements of the Falklands Landholdings Corporation Ordinance 2000 (as amended) and the Finance Audit Ordinance 1988.

### **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 corporation 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 Board members' 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 corporation'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 Board members 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 Board members 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.

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FALKLANDS**  
**LANDHOLDINGS CORPORATION FOR THE YEAR ENDED 30 JUNE 2025**

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**Matters on which we are required to report by exception**

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

**Responsibilities of Board Members**

As explained more fully in the Board Members' Responsibilities Statement set out on page 1, the Board Members 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 Board members 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 Board members are responsible for assessing the corporation'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 Board members either intend to liquidate the corporation 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 corporation 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 corporation 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 corporation which were contrary to applicable laws and regulations, including fraud.

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FALKLANDS**  
**LANDHOLDINGS CORPORATION FOR THE YEAR ENDED 30 JUNE 2025**

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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, Falklands Landholdings Corporation Ordinance 2000 (as amended) and the Finance and Audit Ordinance 1988.

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

*Forvis Mazars LLP*

Forvis Mazars LLP (Feb 23, 2026 14:16:51 GMT)

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

8<sup>th</sup> Floor Assembly Building C, Cheese Lane, Bristol, BS2 0JJ

Date 23/02/2026

**FALKLANDS LANDHOLDINGS CORPORATION**  
**(A Company Limited by Guarantee)**

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

	<b>2025</b> £	<b>2024</b> £
Turnover	2,596,063	2,236,837
Cost of sales	(2,635,014)	(2,630,754)
<b>Gross gain/(loss)</b>	<u>(38,951)</u>	<u>(393,917)</u>
Administrative expenses	(188,183)	(203,664)
Other operating income	241,216	259,344
Grants and subsidies	6,000	6,000
<b>Operating gain/(loss)</b>	<u>20,083</u>	<u>(332,237)</u>
Gain/(loss) on revaluation of fixed assets	25,758	(1,763)
<b>Gain/(Loss) on ordinary activities before interest</b>	<u>45,841</u>	<u>(334,000)</u>
Interest receivable and similar income	33,945	36,302
<b>Gain/(Loss) before tax</b>	<u>79,786</u>	<u>(297,698)</u>
<b>Gain/(Loss) after tax</b>	<u>79,786</u>	<u>(297,698)</u>
Retained earnings at the beginning of the year	7,282,479	7,580,177
	<u>7,282,479</u>	<u>7,580,177</u>
Gain/(Loss) for the year	79,786	(297,698)
<b>Retained earnings at the end of the year</b>	<u>7,362,265</u>	<u>7,282,479</u>

The notes on pages 10 to 18 form part of these financial statements.


**FALKLANDS LANDHOLDINGS CORPORATION**  
**(A Company Limited by Guarantee)**

**BALANCE SHEET**  
**AS AT 30 JUNE 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	5	4,430,764	4,413,302
Investments	6	100	100
		<u>4,430,864</u>	<u>4,413,402</u>
<b>Current assets</b>			
Stocks	7	745,917	554,059
Debtors: amounts falling due within one year	8	808,935	262,857
Cash at bank and in hand		1,480,060	2,138,016
		<u>3,034,912</u>	<u>2,954,932</u>
Creditors: amounts falling due within one year	9	(103,511)	(85,855)
<b>Net current assets</b>		<u>2,931,401</u>	<u>2,869,077</u>
<b>Total assets less current liabilities</b>		<u>7,362,265</u>	<u>7,282,479</u>
<b>Net assets</b>		<u>7,362,265</u>	<u>7,282,479</u>
<b>Capital and reserves</b>			
Profit and loss account	10	7,362,265	7,282,479
<b>Funds</b>		<u>7,362,265</u>	<u>7,282,479</u>

All amounts relate to continuing operations.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

 11th February 2026

Board member

The notes on pages 10 to 18 form part of these financial statements

**FALKLANDS LANDHOLDINGS CORPORATION**  
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**CASH FLOW STATEMENT**  
**AS AT 30 JUNE 2025**

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		<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
Net cash flow from operating activities	<b>11</b>	(419,980)	540,076
Return on investments and servicing of finance	<b>12</b>	33,945	36,301
Capital expenditure and financial investment	<b>12</b>	(271,921)	(456,601)
Increase/(decrease) in cash in the year		<u>(657,956)</u>	<u>(119,776)</u>

**RECONCILIATION OF NET CASH FLOW TO THE MOVEMENT IN NET FUNDS/DEBT**  
**For the year ended 30 June 2025**

Increase/(decrease) in cash in the year	(657,956)	(119,776)
Net funds at 1 July 2024	2,138,016	2,018,239
<b>Net funds at 30 June 2025</b>	<u>1,480,060</u>	<u>2,138,016</u>

The notes on pages 10 to 18 form part of these financial statements

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

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**1. Accounting policies**

**1.1 Accounting Convention**

The Financial Statements have been prepared under the historical cost convention.

**1.2 Basis of preparation**

The board members have prepared the financial statements on a going concern basis. The board members consider this to be appropriate as they have received assurances from the company's loan creditors to the effect that the loan creditors will continue to make funds available to the company for the foreseeable future and will continue to meet the company's obligations to the other creditors as and when they fall due.

**1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

**1.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases.

Freehold Buildings	- 4% straight line
Plant & Equipment	- 20% straight line
Motor vehicles	- 25% straight line
Office equipment and fixtures	- 20% straight line
Fencing	- 5% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Land is recorded at historic cost. Buildings and fencing have been recorded at depreciated historic cost. No further consideration of potential impairment in recoverable amount or value in use of land, buildings and fencing has been incorporated in these financial statements, as the board members consider that attempting to make a reliable assessment would be impractical.

**1.5 Livestock**

Investments are stated at market value. Market value is the closing mid-market price on the last day of trading before the Balance Sheet date. Where market values are not available Investments are stated at the lower of cost and the board members' valuation. Where a valuation is undertaken consideration is given to the most recent information available. Realisable value in the short term could differ materially from the amount which these investments are included in the accounts.

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

**1. Accounting policies (continued)**

**1.6 Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.7 Government grants and subsidies**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and Loss Account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and Loss Account as the related expenditure is incurred.

**2. Operating gain/(loss)**

The operating loss is stated after charging:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the company	297,803	350,524
Auditors' remuneration	10,480	9,540
Board members expenses	89,566	80,651
Other wages and salaries	966,943	905,652
	<u>                    </u>	<u>                    </u>
And after crediting the following grants and subsidies:		
Grants received in respect of Camp School	6,000	6,000
Subsidy in respect of animals sold to FIMCO	0	0
	<u>                    </u>	<u>                    </u>

**3. Employees**

The average monthly number of employees, including the board members, during the year was as follows:

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
Farm Workers	40	38
Administration	2	2
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>

Staff costs, including board members' remuneration, were as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	955,170	884,502
Other pension costs	101,339	101,802
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>

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

**4. Board members' remuneration**

During the year retirement benefits were accruing to 1 board member (2024 - 1) in respect of defined contribution pension schemes.

**5. Tangible fixed assets**

**Cost or valuation**

	At 1 July 2024	Additions	Disposals	Revaluation	Transfers	At 30 June 2025
	£	£	£	£	£	£
Land & Buildings	3,956,543	44,073	-	-	5,513	4,006,129
Plant & Equipment	1,959,538	97,254	(6,000)	-	27,855	2,078,647
Motor Vehicles	1,244,657	58,830	-	-	18,995	1,322,481
Office Equipment	180,768	17,112	-	-	-	197,880
Fencing	1,274,479	31,300	-	-	-	1,305,779
Livestock	843,449	-	-	25,758	-	869,207
Goose Green Development	150,234	-	-	-	-	150,234
Assets under construction	56,629	40,938	-	-	(52,363)	45,204
	<u>9,666,296</u>	<u>289,507</u>	<u>(6,000)</u>	<u>25,748</u>	<u>-</u>	<u>9,975,561</u>

**Depreciation**

	At 1 July 2024	Charge for year	Disposals	At 30 June 2025
	£	£	£	£
Land & Buildings	1,261,666	103,517	-	1,365,183
Plant & Equipment	1,782,781	80,734	(6,000)	1,857,515
Motor Vehicles	1,157,358	59,474	-	1,216,832
Office Equipment	146,785	14,432	-	161,216
Fencing	754,170	39,647	-	793,817
Livestock	-	-	-	-
Goose Green Development	150,234	-	-	150,234
	<u>5,252,994</u>	<u>297,803</u>	<u>(6,000)</u>	<u>5,544,797</u>

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

**Net Book Value**

	<b>30 June 25</b>	<b>30 June 24</b>
	£	£
Land & Buildings	2,640,946	2,694,877
Plant & Equipment	221,132	176,757
Motor Vehicles	105,649	87,299
Office Equipment	36,664	33,984
Fencing	511,962	520,309
Livestock	869,207	843,449
Goose Green Development	-	-
Assets under construction	45,204	56,629
	<u>4,430,764</u>	<u>4,413,302</u>

The net book value of the freehold land and buildings was split as follows:

	<b>2025</b>	<b>2024</b>
	£	£
Land	779,365	761,462
Buildings	1,861,581	1,933,415
	<u>2,640,946</u>	<u>2,694,877</u>

Upon the dissolution of the former Falkland Landholdings Limited company, all fixed assets were transferred to the Falkland Landholdings Corporation. Opening fixed asset costs upon incorporation on 1 February 2001 were assigned as the book values of the fixed assets on the Falkland Landholdings Limited as at the date of the dissolution of that company, 31 January 2001.

The analysis of livestock numbers at 30 June 2025 and 30 June 2024, and the comparative valuations at each respective balance sheet date, are as follows:

	<b>Number</b>	<b>Valuation</b>	<b>Number</b>	<b>Valuation</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
		£		£
Sheep	132,137	844,107	128,590	822,249
Cattle	502	25,100	424	21,200
	<u>132,639</u>	<u>869,207</u>	<u>129,014</u>	<u>843,449</u>

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

**6. Fixed asset investments**

	<b>Investments in subsidiary companies</b>	<b>Total</b>
	£	£
<b>Cost or valuation</b>		
At 1 July 2024	100	100
At 30 June 2025	<u>100</u>	<u>100</u>

**Subsidiary Undertakings**

The shares are in respect of Falkland Farmers Limited which is incorporated in the Falkland Islands and this investment represents a 0.1% share of the ordinary share capital of the company. The board members estimate that the market value of this investment is not less than its original cost.

**7. Stocks**

	<b>2025</b>	<b>2024</b>
	£	£
Wool	597,568	375,210
Farm Materials	133,260	169,944
Farm Stores	8,321	8,905
Café Stores	6,768	-
	<u>745,917</u>	<u>554,059</u>

**8. Debtors**

	<b>2025</b>	<b>2024</b>
	£	£
Trade debtors	764,516	215,117
Prepayments and accrued income	44,419	47,740
	<u>808,935</u>	<u>262,857</u>

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

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

	<b>2025</b>	<b>2024</b>
	£	£
Trade creditors	53,614	60,470
Other creditors	672	672
Accruals & deferred income	31,639	24,713
	<u>85,925</u>	<u>85,855</u>

**10. Reconciliation of movement in members' funds**

	<b>2025</b>	<b>2024</b>
	£	£
Opening members funds	7,282,479	7,580,177
Gain/(Loss) for the financial year	79,786	(297,698)
	<u>7,362,265</u>	<u>7,282,479</u>

**11. Net cash flow from operating activities**

	<b>2025</b>	<b>2024</b>
	£	£
Operating profit/(loss)	20,083	(332,237)
Depreciation of tangible fixed assets	297,803	350,524
Decrease/(increase) in stocks	(191,858)	628,634
Decrease/(increase) in debtors	(546,078)	(98,379)
Increase/(decrease) in creditors	70	(8,466)
<b>Net cash inflow/(outflow) from operating activities</b>	<u>(419,980)</u>	<u>540,076</u>

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

**12. Analysis of cash flows for headings netted in cash flow statement**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	33,945	36,302
	<u>33,945</u>	<u>36,302</u>
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(248,569)	(399,970)
Sale of tangible fixed assets	17,586	19,679
Purchase of assets under construction	(40,938)	(56,630)
	<u>(271,921)</u>	<u>(456,600)</u>
<b>Net cash (outflow) from capital expenditure</b>	<b>(271,921)</b>	<b>(456,600)</b>

**13. Analysis of changes in net funds**

	<b>1 July 2024</b>	<b>Cash flow</b>	<b>30 June 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	2,138,016	(657,956)	1,480,060
	<u>2,138,016</u>	<u>(657,956)</u>	<u>1,480,060</u>

**14. Pension Scheme Arrangements**

During 2001, the Falklands Landholdings Pension Scheme was incorporated into the Falkland Islands Government (Old Scheme) Pension Fund and the net assets of the scheme were transferred, with that scheme assuming the majority of the liabilities for current, deferred and future pensions.

Copies of the financial statements of the Falkland Islands Government (Old Scheme) Pension Fund are available from the Treasury, Falkland Islands Government, Stanley.

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

**15. Related party transactions**

During the year ended 30 June 2025, the Corporation has undertaken a number of transactions with entities which are defined as a related party. The total income and expenditure attributable to those entities in the year ended 30 June 2025, as well as the balance due or recoverable from the entities at 30 June 2025 is listed below, along with the comparison figures for the year ended 30 June 2024.

	<b>Income</b>	<b>Income</b>	<b>Expenditure</b>	<b>Expenditure</b>	<b>Debtors</b>	<b>Debtors</b>	<b>Creditors</b>	<b>Creditors</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Falkland Islands Government - Grants and subsidies	6,000	6,000	-	-	-	-	-	-
Falkland Islands Government	10,620	12,608	58,867	31,692	-	-	-	296
Falkland Islands Meat Company	477,627	426,111	3,626	2,842	-	-	-	1,922
Falkland Islands Wool company	1,921,351	1,707,627	2,100	2,795	755,795	580,355	-	1,908
Rural Business Association	-	-	-	45	-	-	-	-
South American Atlantic Services Limited	-	-	120	-	-	-	-	-
Stanley Growers Ltd	-	-	495	1,089	-	-	-	-
Stanley Nurseries and Garden Centre	-	-	-	69	-	-	-	-
	<b>2,415,598</b>	<b>2,152,346</b>	<b>65,208</b>	<b>38,532</b>	<b>755,795</b>	<b>580,355</b>	<b>-</b>	<b>4,126</b>

These entities are connected to Falklands Landholdings Corporation through the following relationships with the Board Members.

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

15. Related party transactions (continued)

	Teslyn Barkman	John Birmingham	Andrew Keeling	Andrea Clausen	John Ferguson	Keith Knight	Tim Miller	Rodney Lee	Paul Phillips
FIG	x	x	x	x					
FIMCO	x				x			x	x
Falkland Islands Wool Company					x	x		x	x
SAAS	x	x	x	x					
Stanley Growers Ltd	x	x	x	x					