

SHETLAND ISLANDS SMOLTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED
31 JULY 2009



THE A9 PARTNERSHIP LIMITED
Chartered Accountants & Registered Auditor
47 Commercial Road
Lerwick
Shetland
ZE1 0NJ

SHETLAND ISLANDS SMOLTS LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

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SHETLAND ISLANDS SMOLTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO SHETLAND ISLANDS
SMOLTS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 7, together with the financial statements of Shetland Islands Smolts Limited for the period from 1 February 2008 to 31 July 2009 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

OTHER INFORMATION

On 21/5/10 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the period from 1 February 2008 to 31 July 2009, and the full text of the company audit report is reproduced on pages 2 to 3 of these financial statements.

47 Commercial Road
 Lerwick
 Shetland
 ZE1 0NJ

21/5/10

The A9 Partnership Limited

THE A9 PARTNERSHIP LIMITED
 Chartered Accountants
 & Registered Auditor

SHETLAND ISLANDS SMOLTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SHETLAND ISLANDS SMOLTS LIMITED

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

We have audited the financial statements of Shetland Islands Smolts Limited for the period from 1 February 2008 to 31 July 2009 on pages 6 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on page 8.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

SHETLAND ISLANDS SMOLTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SHETLAND ISLANDS SMOLTS LIMITED *(continued)*

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

ADVERSE OPINION

As explained in notes 1 and 12 the company has ceased trading and is in the process of winding up its operations. These circumstances indicate a material uncertainty as to whether the company may be able to realise its tangible fixed assets at the carrying value of £355,797 in its balance sheet at 31 July 2009.

No adjustment has been made to write down the carrying value of the company's tangible fixed assets to their net realisable values on a break up basis.

In our opinion, because no adjustment has been made to write down the carrying value of the company's tangible fixed assets, and because any such adjustment would be likely to be material to the financial statements, the financial statements do not give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2009 and of its loss for the period then ended.

In all other aspects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

Notwithstanding our adverse opinion on the financial statements, in our opinion the information given in the Directors' Report is consistent with the financial statements.



THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Registered Auditor

47 Commercial Road
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21/5/10

SHETLAND ISLANDS SMOLTS LIMITED

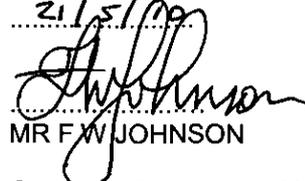
ABBREVIATED BALANCE SHEET

31 JULY 2009

	Note	31 Jul 09 £	£	31 Jan 08 £	£
FIXED ASSETS	2				
Tangible assets			355,797		432,718
CURRENT ASSETS					
Debtors		-		1,596	
CREDITORS: Amounts falling due within one year	3	<u>3,478,823</u>		<u>3,327,651</u>	
NET CURRENT LIABILITIES			<u>(3,478,823)</u>		<u>(3,326,055)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(3,123,026)</u>		<u>(2,893,337)</u>
GOVERNMENT GRANTS	4		<u>18,764</u>		<u>38,189</u>
			<u>(3,141,790)</u>		<u>(2,931,526)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	7		80,000		80,000
Other reserves			28,500		28,500
Profit and loss account			<u>(3,250,290)</u>		<u>(3,040,026)</u>
DEFICIT			<u>(3,141,790)</u>		<u>(2,931,526)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director and authorised for issue on

21/5/09

 MR F W JOHNSON

Company Registration Number: SC127590

The notes on pages 5 to 7 form part of these abbreviated accounts.

SHETLAND ISLANDS SMOLTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

No adjustments have been made to reflect the assets of the company at their net realisable value or to record additional liabilities as a result of the company ceasing to trade as a going concern.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	40 years
Plant & Machinery	-	10-20 years

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

SHETLAND ISLANDS SMOLTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 February 2008 and 31 July 2009	<u>1,848,261</u>
DEPRECIATION	
At 1 February 2008	1,415,543
Charge for period	<u>76,921</u>
At 31 July 2009	<u>1,492,464</u>
NET BOOK VALUE	
At 31 July 2009	<u>355,797</u>
At 31 January 2008	<u>432,718</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	31 Jul 09	31 Jan 08
	£	£
Bank loans and overdrafts	3,399,426	3,219,307
Other creditors including taxation and social security	<u>20,000</u>	<u>20,000</u>
	<u>3,419,426</u>	<u>3,239,307</u>

4. GOVERNMENT GRANTS

	31 Jul 09	31 Jan 08
	£	£
Received and receivable	138,806	138,806
Amortisation	<u>(120,042)</u>	<u>(100,617)</u>
	<u>18,764</u>	<u>38,189</u>

5. SECURITIES

The company has granted securities to its bankers in terms of a bond and floating charge. The bank also hold cross guarantees in respect of all borrowings of this company, Framgord Limited and Millbrook Fisheries Limited.

SHETLAND ISLANDS SMOLTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 FEBRUARY 2008 TO 31 JULY 2009

6. RELATED PARTY TRANSACTIONS

During the year the company was controlled by Framgord Limited, which is ultimately controlled by F W Johnson (Director).

Framgord Limited made payments totalling £8,577 to creditors on behalf of the company during the period. This amount along with the opening balance of £2,052, making a total of £10,629, was written off.

During the period Mr J I Polson, Mr A Polson, Mr A S J Polson and Mr S Polson were shareholders of the company. At the period end they had a loan of £nil (2008 - £8,000) due from the company. During the period the full amount of the loan was written off.

During the period Mr W M Williamson was a shareholder of the company. At the period end he had a loan of £nil (2008 - £5,000) due from the company.

7. SHARE CAPITAL

Authorised share capital:

	31 Jul 09	31 Jan 08
	£	£
80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

Allotted, called up and fully paid:

	31 Jul 09		31 Jan 08	
	No	£	No	£
80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>

8. ULTIMATE PARENT COMPANY

The company's ultimate holding company is Framgord Limited.

9. CONTINGENT LIABILITIES

The company previously issued guarantees to its bank in respect of the borrowings of its parent company, Framgord Limited, and its parents subsidiary, Millbrook Fisheries Limited, and at 31 July 2009 the bank borrowings of these two companies stood at £987,670 (2008: £1,064,733) and £2,651,480 (2008: £2,511,030) respectively.

10. CESSATION OF TRADE

The company ceased trading during the year ended 31 January 2003, is in the process of winding up its operations, and potential buyers are actively being sought. The accounts do not include any adjustments to restate assets and liabilities, as required, on the basis that the company is no longer a going concern. While any adjustments required have not been quantified, the director is of the opinion that these would be material to the accounts.