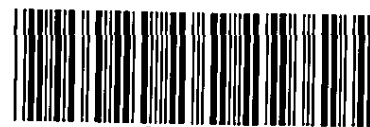


SHETLAND ISLANDS SMOLTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 JULY 2010

TUESDAY



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26/04/2011

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COMPANIES HOUSE

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

SHETLAND ISLANDS SMOLTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2010

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SHETLAND ISLANDS SMOLTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO SHETLAND ISLANDS SMOLTS LIMITED

IN ACCORDANCE WITH CHAPTER 3 OF SECTION 16 OF THE COMPANIES ACT 2006

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 year ended 31 July 2010 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. 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 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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.

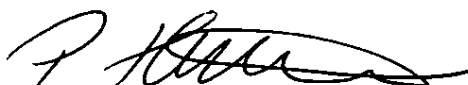
We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 6 to the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 21/4/11 we reported, as auditor of the company, to the members on the financial statements prepared under Section 396 of the Companies Act 2006 for the year ended 31 July 2010, and the full text of the company audit report is reproduced on pages 2 to 3 of these financial statements.



PAUL HETHERINGTON (Senior
Statutory Auditor)
For and on behalf of
THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Statutory Auditor

47 Commercial Road
Lerwick
Shetland
ZE1 0NJ

21/4/11

SHETLAND ISLANDS SMOLTS LIMITED

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

YEAR ENDED 31 JULY 2010

We have audited the financial statements of Shetland Islands Smolts Limited for the year ended 31 July 2010 on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 6 to the financial statements.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements.

ADVERSE OPINION ON FINANCIAL STATEMENTS

As explained in notes 1 and 13 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 £325,166 in its balance sheet at 31 July 2010. 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 to their net realisable values on a break up basis, 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 of the state of the company's affairs as at 31 July 2010 and of its loss for the year then ended; and
- have not been properly prepared in accordance with Generally Acceptable Accounting Practice applicable to Smaller Entities.

In all other respects, in our opinion the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

Notwithstanding our adverse opinion on the financial statements, in our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

SHETLAND ISLANDS SMOLTS LIMITED

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

YEAR ENDED 31 JULY 2010

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements and the director's report in accordance with the Small Companies regime.



PAUL HETHERINGTON (Senior
Statutory Auditor)
For and on behalf of
THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Statutory Auditor

47 Commercial Road
Lerwick
Shetland
ZE1 0NJ

21/4/11

SHETLAND ISLANDS SMOLTS LIMITED

ABBREVIATED BALANCE SHEET

31 JULY 2010

	Note	2010 £	2009 £
FIXED ASSETS	2		
Tangible assets		325,166	355,797
CREDITORS: Amounts falling due within one year	3	<u>3,506,851</u>	<u>3,478,823</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3,181,685)</u>	<u>(3,123,026)</u>
GOVERNMENT GRANTS	4	<u>5,814</u>	<u>18,764</u>
		<u>(3,187,499)</u>	<u>(3,141,790)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	80,000	80,000
Other reserves		28,500	28,500
Profit and loss account		<u>(3,295,999)</u>	<u>(3,250,290)</u>
DEFICIT		<u>(3,187,499)</u>	<u>(3,141,790)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

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

31 July 2010

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

YEAR ENDED 31 JULY 2010

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 April 2008).

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.

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.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 August 2009 and 31 July 2010	1,848,261
DEPRECIATION	
At 1 August 2009	1,492,464
Charge for year	30,631
At 31 July 2010	1,523,095
NET BOOK VALUE	
At 31 July 2010	325,166
At 31 July 2009	355,797

SHETLAND ISLANDS SMOLTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2010

3. CREDITORS: Amounts falling due within one year

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

	2010 £	2009 £
Bank loans and overdrafts	3,424,752	3,399,426
Other creditors including taxation and social security	20,000	20,000
	<u>3,444,752</u>	<u>3,419,426</u>

4. GOVERNMENT GRANTS

	2010 £	2009 £
Received and receivable	138,806	138,806
Amortisation	(132,992)	(120,042)
	<u>5,814</u>	<u>18,764</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.

6. APB ETHICAL STANDARDS

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

7. 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 £9,875 to creditors on behalf of the company during the period. This amount was written off.

8. SHARE CAPITAL

Authorised share capital:

	2010 £	2009 £
80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

Allotted, called up and fully paid:

	2010 No	£	2009 No	£
80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>

SHETLAND ISLANDS SMOLTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2010

9. ULTIMATE PARENT COMPANY

The company's ultimate holding company is Framgord Limited.

10. 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 2010 the bank borrowings of these two companies stood at £1,254,895 (2009: £987,670) and £2,438,399 (2009: £2,651,480) respectively.

11. 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.