

LANDCATCH NATURAL SELECTION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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LANDCATCH NATURAL SELECTION LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:	D Danson B Geurts Hendrix Genetics B.V. J W P Van Den Berg
REGISTERED OFFICE:	Ormsary Fish Farm Ormsary Lochgilphead Argyll PA31 8PE
REGISTERED NUMBER:	SC214851 (Scotland)
SENIOR STATUTORY AUDITOR:	Timothy Godson FCA
AUDITORS:	Duncan & Toplis Limited, Statutory Auditor 15 Chequergate Louth Lincolnshire LN11 0LJ
BANKERS:	Royal Bank of Scotland 122 Cathcart Street Greenock PA15 1BA
SOLICITORS:	Murray Snell 40 North Castle Street Edinburgh EH2 3BN

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	4		2,755,123		1,541,244
CURRENT ASSETS					
Stocks	5	622,864		566,163	
Debtors	6	1,162,236		1,841,084	
Cash at bank		<u>3,592,618</u>		<u>1,711,580</u>	
		5,377,718		4,118,827	
CREDITORS					
Amounts falling due within one year	7	<u>2,073,912</u>		<u>1,823,421</u>	
NET CURRENT ASSETS			<u>3,303,806</u>		<u>2,295,406</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,058,929</u>		<u>3,836,650</u>
PROVISIONS FOR LIABILITIES	9		<u>26,324</u>		<u>-</u>
NET ASSETS			<u><u>6,032,605</u></u>		<u><u>3,836,650</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		1,985,367		1,985,367
Retained earnings			<u>4,047,238</u>		<u>1,851,283</u>
SHAREHOLDERS' FUNDS			<u><u>6,032,605</u></u>		<u><u>3,836,650</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2022 and were signed on its behalf by:

J W P Van Den Berg - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

Landcatch Natural Selection Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Providing genetic services

Revenue from when Landcatch Natural Selection Limited act as an agent for genetic services contracts is recognised based on commission on the invoice value following delivery of the service.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land and buildings	- 4% to 10% straight line and Nil
Plant and machinery	- 6% to 25% straight line
Fixtures and fittings	- 10 to 20% straight line
Computer equipment	- 50% straight line

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value as follows:

Cost is actual purchase cost, feeding costs, attributable labour and production overheads, based on a normal activity level less an allowance for mortalities during the growth cycle. Net realisable value is based on estimated selling prices less estimated selling costs.

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

As it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

RDEC tax credits are treated as government grants.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date, which has been provided by the group. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Operating leases

Rentals paid under operating leases are charge to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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.

Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Interest income

Interest income is recognised in profit or loss using the effective interest method.

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.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2020 - 30) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2021	406,839	6,652,646	95,954	81,712	7,237,151
Additions	-	1,466,679	-	-	1,466,679
Disposals	(18,881)	(363,989)	-	(818)	(383,688)
At 31 December 2021	<u>387,958</u>	<u>7,755,336</u>	<u>95,954</u>	<u>80,894</u>	<u>8,320,142</u>
DEPRECIATION					
At 1 January 2021	344,257	5,198,529	71,409	81,712	5,695,907
Charge for year	13,021	231,525	8,254	-	252,800
Eliminated on disposal	(18,881)	(363,989)	-	(818)	(383,688)
At 31 December 2021	<u>338,397</u>	<u>5,066,065</u>	<u>79,663</u>	<u>80,894</u>	<u>5,565,019</u>
NET BOOK VALUE					
At 31 December 2021	<u>49,561</u>	<u>2,689,271</u>	<u>16,291</u>	<u>-</u>	<u>2,755,123</u>
At 31 December 2020	<u>62,582</u>	<u>1,454,117</u>	<u>24,545</u>	<u>-</u>	<u>1,541,244</u>

5. STOCKS

	2021 £	2020 £
Stocks	101,344	126,679
Livestock	<u>521,520</u>	<u>439,484</u>
	<u>622,864</u>	<u>566,163</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	658,583	1,090,921
Amounts owed by group undertakings	5,665	-
Other debtors	21,875	-
Tax	-	22,252
VAT	52,794	80,539
Deferred tax asset		
Accelerated capital allowances	-	244,150
Prepayments	<u>423,319</u>	<u>403,222</u>
	<u>1,162,236</u>	<u>1,841,084</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank overdrafts	14,186	2,273
Trade creditors	532,540	666,727
Amounts owed to group undertakings	11,428	272,390
Other taxes and social security	19,444	24,684
Other creditors	42,745	30,058
Accruals and deferred income	1,453,569	827,289
	<u>2,073,912</u>	<u>1,823,421</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follow:

	2021	2020
£	£	£
Property		
Not later than 1 year	240,239	241,488
Later than 1 year and not later than 5 years	960,955	965,953
Later than 5 years	<u>1,267,442</u>	<u>1,491,519</u>
	<u>2,468,636</u>	<u>2,698,960</u>

	2021	2020
£	£	£
Utilities		
Not later than 1 year	537,295	535,018
Later than 1 year and not later than 5 years	2,149,179	2,140,074
Later than 5 years	<u>2,417,826</u>	<u>2,942,601</u>
	<u>5,104,300</u>	<u>5,617,693</u>

9. PROVISIONS FOR LIABILITIES

	2021	
	£	
Deferred tax		
Accelerated capital allowances	<u>26,324</u>	
		Deferred tax
		£
Balance at 1 January 2021		(244,150)
Charge to Statement of Income and Retained Earnings during year		<u>270,474</u>
Balance at 31 December 2021		<u>26,324</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
1	Ordinary	£1	1	1
1,985,366	Class A Ordinary	£1	<u>1,985,366</u>	<u>1,985,366</u>
			<u>1,985,367</u>	<u>1,985,367</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Timothy Godson FCA (Senior Statutory Auditor)
 for and on behalf of Duncan & Toplis Limited, Statutory Auditor

12. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in a independently administered fund. The pension charge amounted to £36,639 (2020 - £36,351). Contributions amounting to £3,681 (2020 - £6,058) were payable to the fund and are included in creditors.

13. CAPITAL COMMITMENTS

At 31 December 2021 the company had capital commitments of £Nil (2020 - £80,244).

14. RELATED PARTY DISCLOSURES

Lancatch Natural Selection Limited are exempt from disclosing the related parties as per FRS 102 33.1A, which states 'disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member'.

Remuneration paid to key management personnel for the year ended 31 December 2021 was £75,385 (2020 - £75,768)

15. ULTIMATE CONTROLLING PARTY

The company is a subsidiary of Joice and Hill Poultry Limited which is incorporated in the UK.

The largest group in which the results of the company are consolidated is that headed by Hendrix Genetics B.V., incorporated in the Netherlands. The consolidated accounts are available to the public and may be obtained from the parent company address at Villa 'de Korver', Spoorstraat 69, 5830 AC BOXMEER, Netherlands.

The ultimate controlling party is Thijs Hendrix Beheer B.V.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.