

MIGDALE SMOLT LIMITED

**UNAUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 30 APRIL 2019

PAGES FOR FILING WITH REGISTRAR



MIGDALE SMOLT LIMITED

COMPANY INFORMATION

Directors	H G Murray G L Murray A M MacKenzie
Secretary	Ledingham Chalmers LLP
Company number	SC119825
Registered office	Kintail House INVERNESS IV2 3BW
Accountants	Johnston Carmichael LLP Clava House Cradlehall Business Park INVERNESS IV2 5GH

MIGDALE SMOLT LIMITED

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MIGDALE SMOLT LIMITED

BALANCE SHEET

AS AT 30 APRIL 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		973,569		738,014
Current assets					
Stocks		72,719		15,380	
Biological assets	4	531,597		522,100	
Debtors	5	959,910		1,478,223	
Cash at bank and in hand		1,170,315		552,799	
		<u>2,734,541</u>		<u>2,568,502</u>	
Creditors: amounts falling due within one year	6	<u>(561,837)</u>		<u>(554,831)</u>	
Net current assets			<u>2,172,704</u>		<u>2,013,671</u>
Total assets less current liabilities			<u>3,146,273</u>		<u>2,751,685</u>
Provisions for liabilities					
Deferred tax liability		9,506		11,721	
		<u>(9,506)</u>		<u>(11,721)</u>	
Net assets			<u>3,136,767</u>		<u>2,739,964</u>
Capital and reserves					
Called up share capital	7	49,999		49,999	
Profit and loss reserves		3,086,768		2,689,965	
Total equity			<u>3,136,767</u>		<u>2,739,964</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

MIGDALE SMOLT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2019

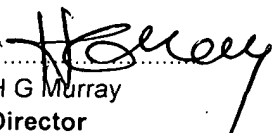
For the financial year ended 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 26/06/19 and are signed on its behalf by:


H G Murray
Director

Company Registration No. SC119825

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

Company information

Migdale Smolt Limited (SC119825) is a private company limited by shares incorporated in Scotland. The registered office is Kintail House, INVERNESS, IV2 3BW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 applicable to small entities have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services in the normal course of business and is shown net of VAT and relevant discounts. Turnover is recognised on the accruals basis.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings freehold	5% straight line
Land and buildings leasehold	straight line over the life of the lease
Plant and machinery	15% reducing balance and 16.5% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.5 Stocks

Stock is valued at the lower of cost and net realisable value.

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

1.6 Biological assets

The company rears smolts and as a result holds fish as biological assets within current assets.

In accordance with FRS102 these assets are defined as biological assets and are held at the lower of cost and estimated selling price less costs to complete and sell.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

The company makes contributions into the personal pension funds of certain of its directors and employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 18 (2018 - 18).

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2018	204,111	2,161,648	2,365,759
Additions	265,826	134,275	400,101
Disposals	(34,197)	(76,724)	(110,921)
At 30 April 2019	435,740	2,219,199	2,654,939
Depreciation and impairment			
At 1 May 2018	133,713	1,494,032	1,627,745
Depreciation charged in the year	8,208	122,367	130,575
Eliminated in respect of disposals	(34,197)	(42,753)	(76,950)
At 30 April 2019	107,724	1,573,646	1,681,370
Carrying amount			
At 30 April 2019	328,016	645,553	973,569
At 30 April 2018	70,398	667,616	738,014

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

4 Biological assets

	Smolts £
Cost	
At 1 May 2018	522,100
Change in inventory	9,497
	<u>531,597</u>
At 30 April 2019	<u>531,597</u>
Depreciation	
At 1 May 2018 & 30 April 2019	-
	<u>-</u>
Carrying amount	
At 30 April 2019	<u>531,597</u>
At 30 April 2018	<u>522,100</u>

	Smolts £
Carrying amount at 30 April 2019 classified as:	
Current assets	<u>531,597</u>
Carrying amount at 30 April 2018 classified as:	
Current assets	<u>522,100</u>

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	17,227	188,195
Amounts owed by group undertakings	859,972	1,199,898
Other debtors	36,329	49,159
Prepayments and accrued income	46,382	40,971
	<u>959,910</u>	<u>1,478,223</u>

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	382,732	312,584
Corporation tax	71,636	174,370
Other taxation and social security	27,809	22,940
Other creditors	8,710	8,248
Accruals and deferred income	70,950	36,689
	<u>561,837</u>	<u>554,831</u>

7 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid 49,999 Ordinary shares of £1 each	49,999	49,999
	<u>49,999</u>	<u>49,999</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	<u>39,403</u>	<u>52,841</u>

9 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019 £	2018 £
Acquisition of tangible fixed assets	-	155,000
	<u>-</u>	<u>155,000</u>

MIGDALE SMOLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

10 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Other related parties	5,677	6,677
	<u>5,677</u>	<u>6,677</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Other related parties	859,972	1,199,898
	<u>859,972</u>	<u>1,199,898</u>

11 Parent company

The parent company is Badbea Crofters Limited whose registered office is Dornoch Road, BONAR BRIDGE, Sutherland, IV24 3EB. The ultimate controlling party is the board of directors of that company.