
KAMES FISH FARMING LIMITED

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021



KAMES FISH FARMING LIMITED
REGISTERED NUMBER: SC051158

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	3,703,126	3,883,566
Investments	5	87,465	87,465
		<u>3,790,591</u>	<u>3,971,031</u>
Current assets			
Stocks	6	6,314,702	3,783,545
Debtors: amounts falling due after more than one year	7	29,000	36,000
Debtors: amounts falling due within one year	7	1,180,630	847,688
Cash at bank and in hand	8	876,149	1,523,608
		<u>8,400,481</u>	<u>6,190,841</u>
Creditors: amounts falling due within one year	9	(2,166,584)	(1,388,491)
Net current assets		<u>6,233,897</u>	<u>4,802,350</u>
Total assets less current liabilities		<u>10,024,488</u>	<u>8,773,381</u>
Creditors: amounts falling due after more than one year	10	(1,841,092)	(1,317,213)
Provisions for liabilities			
Deferred tax	13	(597,675)	(388,379)
		<u>(597,675)</u>	<u>(388,379)</u>
Net assets		<u><u>7,585,721</u></u>	<u><u>7,067,789</u></u>
Capital and reserves			
Called up share capital		24,884	24,884
Share premium account		27,715	27,715
Capital redemption reserve		75,878	75,878
Profit and loss account		7,457,244	6,939,312
		<u>7,585,721</u>	<u>7,067,789</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

KAMES FISH FARMING LIMITED
REGISTERED NUMBER: SC051158

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 October 2021.



Mr Stuart G Cannon
Director

The notes on pages 3 to 13 form part of these financial statements.

KAMES FISH FARMING LIMITED

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

1. General information

Kames Fish Farming Limited is a limited company incorporated in Scotland. Its registered office is Kilmelford, Oban, PA34 4XA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

KAMES FISH FARMING LIMITED

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

2. Accounting policies (continued)

2.3 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.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

KAMES FISH FARMING LIMITED

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

2. Accounting policies (continued)

2.8 Pensions

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 the Statement of comprehensive income 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.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 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.

KAMES FISH FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
L/Term Leasehold Property	- over the period of the lease
Plant & machinery	- 20% straight line
Motor vehicles	- 20% straight line
Assets Under the Course of Construction	- not depreciated; not yet in use
Equipment	- 10-20% 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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.

2.12 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.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 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.

KAMES FISH FARMING LIMITED

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

2. Accounting policies (continued)

2.15 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 the Statement of comprehensive income 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.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

3. Employees

The average monthly number of employees, including directors, during the year was 44 (2020 - 39).

KAMES FISH FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

4. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Assets under construction £	Fish equipment £	Total £
Cost or valuation							
At 1 February 2020	877,350	312,174	326,932	162,486	68,981	4,126,793	5,874,716
Additions	-	-	47,799	12,650	324,000	1,019,326	1,403,775
Disposals	-	-	-	-	-	(1,103,395)	(1,103,395)
Transfers between classes	5,000	(5,000)	68,981	-	(68,981)	-	-
At 31 January 2021	882,350	307,174	443,712	175,136	324,000	4,042,724	6,175,096
Depreciation							
At 1 February 2020	42,943	50,544	172,835	63,856	-	1,660,972	1,991,150
Charge for the year on owned assets	22,709	27,044	58,952	32,627	-	578,402	719,734
Disposals	-	-	-	-	-	(238,914)	(238,914)
At 31 January 2021	65,652	77,588	231,787	96,483	-	2,000,460	2,471,970
Net book value							
At 31 January 2021	816,698	229,586	211,925	78,653	324,000	2,042,264	3,703,126
At 31 January 2020	834,407	261,630	154,097	98,630	68,981	2,465,821	3,883,566

KAMES FISH FARMING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Freehold	816,698	834,407
Long leasehold	229,586	261,629
	<u>1,046,284</u>	<u>1,096,036</u>

5. Fixed asset investments

	Trade investments £
At 1 February 2020	87,465
At 31 January 2021	<u>87,465</u>
At 31 January 2020	<u>87,465</u>

Investments relate to shares in Oceanpick Limited.

The directors fully expect to recover the investment in Oceanpick Limited in the long term.

6. Stocks

	2021 £	2020 £
Raw materials and consumables	6,005,507	3,556,802
Work in progress (goods to be sold)	12,439	20,377
Finished goods and goods for resale	296,756	206,366
	<u>6,314,702</u>	<u>3,783,545</u>

KAMES FISH FARMING LIMITED

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

7. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	29,000	36,000
	<u>29,000</u>	<u>36,000</u>
	<u>29,000</u>	<u>36,000</u>
	2021 £	2020 £
Due within one year		
Trade debtors	1,105,808	763,369
Other debtors	47,735	61,900
Prepayments and accrued income	27,087	22,419
	<u>1,180,630</u>	<u>847,688</u>
	<u>1,180,630</u>	<u>847,688</u>

Included in other debtors is a loan advanced to the Argyllshire Gathering for £50,000 during the year ended 31 January 2018. This loan attracts interest at 4% per annum. Repayments of £7,000 are made annually, therefore £7,000 is included as being due within one year (2020 - £7,000) with £29,000 being included in more than one year (2020 - £36,000).

Included in trade debtors is a balance of £52,400 (2020 - £52,000) owing by Oceanpick, a company in which Kames Fish Farming has an investment.

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	876,149	1,523,608
	<u>876,149</u>	<u>1,523,608</u>
	<u>876,149</u>	<u>1,523,608</u>

KAMES FISH FARMING LIMITED

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

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	154,406	170,609
Other loans	104,000	104,000
Trade creditors	1,414,455	704,869
Corporation tax	167,047	202,843
Other taxation and social security	38,808	53,568
Obligations under finance lease and hire purchase contracts	8,086	12,250
Other creditors	196,011	-
Accruals and deferred income	83,771	140,352
	<u>2,166,584</u>	<u>1,388,491</u>

The bank and other loans are secured by standard securities over the property and certain other fixed assets.

Other creditors include amounts due to Mr S Cannon and The Honourable E J H G Gully, both directors of the company. These amounts have been fully repaid to the directors since the year end.

10. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	1,448,414	759,384
Other loans	43,333	147,333
Net obligations under finance leases and hire purchase contracts	-	8,086
Accruals and deferred income	349,345	402,410
	<u>1,841,092</u>	<u>1,317,213</u>

The bank and other loans are secured by standard securities over the property and certain other fixed assets.

KAMES FISH FARMING LIMITED

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

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	154,406	170,609
Other loans	104,000	104,000
	<u>258,406</u>	<u>274,609</u>
Amounts falling due 1-2 years		
Bank loans	266,970	173,090
Other loans	43,333	104,000
	<u>310,303</u>	<u>277,090</u>
Amounts falling due 2-5 years		
Bank loans	713,471	446,335
Other loans	-	43,333
	<u>713,471</u>	<u>489,668</u>
Amounts falling due after more than 5 years		
Bank loans	467,973	139,959
	<u>467,973</u>	<u>139,959</u>
	<u><u>1,750,153</u></u>	<u><u>1,181,326</u></u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	8,086	12,250
Between 1-5 years	-	8,086
	<u>8,086</u>	<u>20,336</u>

KAMES FISH FARMING LIMITED

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

13. Deferred taxation

	2021 £	2020 £
At beginning of year	388,379	313,868
Credited to profit or loss	209,296	74,511
At end of year	597,675	388,379

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	337,965	190,619
Rollover relief on depreciating and non-depreciating assets	259,710	197,760
	597,675	388,379

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £64,787 (2020 - £62,787). Contributions totalling £nil (2020 - £nil) were outstanding at the balance sheet date.

15. Related party transactions

During the year the company amalgamated the business of SEMP Fisheries, a partnership in which company directors Mr S Cannon and The Honourable E J H G Gully were partners, into its operations. As a result of this, the company has outstanding loans payable to Mr S Cannon (£64,477) and The Honourable E J H G Gully (£97,584) and these amounts are included in creditors due within one year. Both amounts have been fully repaid to the directors since the year end.

The company also traded with its investment, Oceanpick Limited, in the year, and supplied them with anchors, nets & installation of equipment, totalling £400 (2020 - £nil). The amount repaid by Oceanpick Limited during the year was £nil (2020 - £13,087), leaving £52,400 (2020 - £52,000) due to Kames Fish Farming Limited at the year end.