

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021  
FOR  
JOHN ROSS JR. (ABERDEEN) LIMITED**

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**JOHN ROSS JR. (ABERDEEN) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2021**

**DIRECTORS:** C C Leigh  
V L Leigh-Pearson  
I Kasela

**SECRETARY:** C C Leigh

**REGISTERED OFFICE:** 78 - 84 Sinclair Road  
Aberdeen  
Aberdeenshire  
AB11 9PP

**REGISTERED NUMBER:** SC104274 (Scotland)

**AUDITORS:** CMB Partnership Limited  
Chartered Accountants and Statutory Auditor  
7 Wey Court  
Mary Road  
Guildford  
Surrey  
GU1 4QU

## **JOHN ROSS JR. (ABERDEEN) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021**

The directors present their strategic report for the year ended 30 June 2021.

#### **REVIEW OF BUSINESS**

The company's principal activity is the processing of salmon into raw fillets and smoked and ready to eat products.

The company is directly owned by JRJ & PRF Limited, and it operates from a production facility in Aberdeen and sales offices in Guildford, supplying a variety of customers in UK and worldwide. The ultimate parent company is AS PR Foods, a company registered in Estonia.

The Company reported a profit after tax of £731,005 (2020 : £1,044,538) on turnover of £11,790,669 (2020 : £13,546,428). Whilst turnover has shown a decrease from the previous year, profits have remained consistent.

Net assets were £1,336,193 (2020 : £1,768,672) a decrease on the previous year, with dividend payments of £1,163,484 (2020 : £1,457,664).

The company has faced the most extreme challenges since its inception in this financial year, yet despite it all it has managed to remain healthy, strong, and stable.

Multiple lockdowns as a result of the Covid 19 pandemic caused the hospitality industry to shut down overnight, which significantly impacted our revenue stream. Furthermore, when lockdown measures were loosened, the ordering pattern was highly unpredictable. Managing this fluctuation in orders coupled with a high degree of unknowns proved incredibly challenging in terms of production and staffing.

Due to borders closing, many markets were closed for freight. In other instances, freight rates increased by up to 400%. This made export to some markets either impossible or unviable.

In the second half of the year, Brexit bureaucracy and IT system failures caused unprecedented backlogs in the supply chain. This caused the entire industry to shut down without notice for a prolonged period.

The business also suffered from multiple price rises from a number of inward suppliers, particularly for packaging, transport and raw material (fish) prices. Lengthy lead times on packaging supplies were another factor that required additional management.

Throughout all these challenges the management and staff have shown immense resilience, dedication and adaptability in the face of an ever-changing environment. The entire team have also had to implement planning and delivery contingency plans, the result of which has enabled us to secure what we regard as exceptionally good results given the current climate.

Our employees' wellbeing continues to be at the forefront of our concerns and we maintain a Covid-focussed strategy, which includes social distancing, mask wearing and working in bubbles.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The key business risks and uncertainties affecting the Company are identified as being the sales price to customer : the raw material price of fish : the health and safety and legislative controls surrounding the food industry : cashflow and employee retention.

Sales pricing is managed very closely by our experienced sales team and monitored against market conditions and competitor strategies.

Raw material pricing is reviewed on a regular basis, and forward contracts entered into as and when opportunity exists.

Health and safety and legislative controls are managed tightly by highly experienced production management with support of administrative staff to ensure continual improvement to processes and procedures.

Cashflow is monitored by our qualified finance team on a daily basis, with measurement against forecast to ensure sound business decisions are made.

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**KEY PERFORMANCE INDICATORS**

The Company monitors its financial and operational performance on a daily basis, which includes production quantities, yields, price variances, cashflows, revenue and costs against key targets and forecasts. These figures are discussed at regular intervals through management meetings and key information passed to Directors for discussion at Board level.

**FINANCIAL RISK MANAGEMENT**

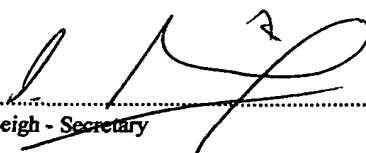
The Company's principal financial instruments comprise bank balances, trade debtors, amounts owed to group undertakings, bank loans and hire purchase agreements. The main purpose of financial instruments is to raise sufficient funds to finance the Company's continuing operations.

Trade debtors are managed by experienced credit controllers by tightly managing customer credit limits and with assistance of an external debt insurance company.

Amounts due to group undertakings are managed by detailed cashflow forecasting model and close liaison with group companies to ensure sufficient funds available to meet commitments.

Bank loans and hire purchase agreements are entered into, where interest rates and repayment terms meet the Company's objectives and correspond with cashflow projections.

**ON BEHALF OF THE BOARD:**

  
.....  
C C Leigh - Secretary

Date: ..... 29/11/2021

## **JOHN ROSS JR. (ABERDEEN) LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2021**

John Ross Jr (Aberdeen) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is as follows:

78-84 Sinclair Road  
Aberdeen  
Aberdeenshire  
AB11 9PP

#### **DIVIDENDS**

The company paid dividends totalling £1,163,484 during the year.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2020 to the date of this report.

C C Leigh  
V L Leigh-Pearson  
I Kasela

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

The auditors, CMB Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### **ON BEHALF OF THE BOARD:**

  
.....  
C C Leigh - Secretary

Date: 29/11/2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN ROSS JR. (ABERDEEN) LIMITED**

### **Opinion**

We have audited the financial statements of John Ross Jr. (Aberdeen) Limited (the 'company') for the year ended 30 June 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
JOHN ROSS JR. (ABERDEEN) LIMITED**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN ROSS JR. (ABERDEEN) LIMITED**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.

Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include health and safety legislation, anti-bribery and corruption, human rights and employment law and GDPR.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of any relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
JOHN ROSS JR. (ABERDEEN) LIMITED**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 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 a Report of the Auditors 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.

*CMB Partnership Ltd*

Colin Campbell (Senior Statutory Auditor)  
for and on behalf of CMB Partnership Limited  
Chartered Accountants and Statutory Auditor  
7 Wey Court  
Mary Road  
Guildford  
Surrey  
GU1 4QU

Date: 29/11/21

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	30.6.21 £	£	30.6.20 £	£
<b>TURNOVER</b>	3		11,970,669		13,546,428
Cost of sales			8,389,493		9,850,543
<b>GROSS PROFIT</b>			3,581,176		3,695,885
Distribution costs		1,801,316		1,792,985	
Administrative expenses		945,156		709,891	
			2,746,472		2,502,876
			834,704		1,193,009
Other operating income			77,642		78,070
<b>OPERATING PROFIT</b>	6		912,346		1,271,079
Income from shares in group undertakings		-		36,000	
Interest receivable and similar income		-		1,792	
			-		37,792
			912,346		1,308,871
Interest payable and similar expenses	7		14,253		18,264
<b>PROFIT BEFORE TAXATION</b>			898,093		1,290,607
Tax on profit	8		167,088		246,069
<b>PROFIT FOR THE FINANCIAL YEAR</b>			731,005		1,044,538

The notes form part of these financial statements

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	30.6.21 £	30.6.20 £
<b>PROFIT FOR THE YEAR</b>		<b>731,005</b>	<b>1,044,538</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>731,005</b>	<b>1,044,538</b>

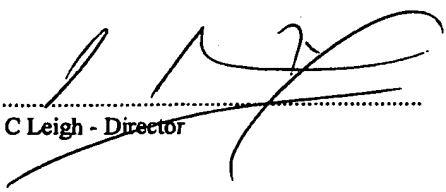
**The notes form part of these financial statements**

**JOHN ROSS JR. (ABERDEEN) LIMITED (REGISTERED NUMBER: SC104274)**

**BALANCE SHEET  
30 JUNE 2021**

	Notes	30.6.21 £	30.6.20 £
<b>FIXED ASSETS</b>			
Tangible assets	11	1,556,285	1,696,262
Investments	12	311,779	311,779
		<u>1,868,064</u>	<u>2,008,041</u>
<b>CURRENT ASSETS</b>			
Stocks	13	642,491	662,985
Debtors	14	1,163,777	894,263
Cash at bank		329,313	681,857
		<u>2,135,581</u>	<u>2,239,105</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	2,105,785	1,736,832
<b>NET CURRENT ASSETS</b>		<u>29,796</u>	<u>502,273</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,897,860</u>	<u>2,510,314</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(481,286)	(647,995)
<b>PROVISIONS FOR LIABILITIES</b>	20	(80,381)	(93,647)
<b>NET ASSETS</b>		<u>1,336,193</u>	<u>1,768,672</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	20,150	20,150
Capital redemption reserve	22	1,111	1,111
Retained earnings	22	1,314,932	1,747,411
<b>SHAREHOLDERS' FUNDS</b>		<u>1,336,193</u>	<u>1,768,672</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29/11/2021 and were signed on its behalf by:

  
C C Leigh - Director

The notes form part of these financial statements

**JOHN ROSS JR. (ABERDEEN) LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1 July 2019</b>	20,150	2,160,537	1,111	2,181,798
<b>Changes in equity</b>				
Dividends	-	(1,457,664)	-	(1,457,664)
Total comprehensive income	-	1,044,538	-	1,044,538
<b>Balance at 30 June 2020</b>	<u>20,150</u>	<u>1,747,411</u>	<u>1,111</u>	<u>1,768,672</u>
<b>Changes in equity</b>				
Dividends	-	(1,163,484)	-	(1,163,484)
Total comprehensive income	-	731,005	-	731,005
<b>Balance at 30 June 2021</b>	<u>20,150</u>	<u>1,314,932</u>	<u>1,111</u>	<u>1,336,193</u>

The notes form part of these financial statements

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	30.6.21 £	30.6.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,032,102	1,789,856
Interest paid		(14,253)	(18,264)
Tax paid		(190,074)	(211,000)
<b>Net cash from operating activities</b>		<u>827,775</u>	<u>1,560,592</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(72,994)	(447,789)
Sale of tangible fixed assets		18,800	13,697
Interest received		-	1,792
Dividends received		-	36,000
<b>Net cash from investing activities</b>		<u>(54,194)</u>	<u>(396,300)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		60,202	69,236
Capital repayments in year		(53,420)	120,358
Equity dividends paid		(1,163,484)	(1,457,664)
<b>Net cash from financing activities</b>		<u>(1,156,702)</u>	<u>(1,268,070)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(383,121)</u>	<u>(103,778)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	623,632	727,410
<b>Cash and cash equivalents at end of year</b>	2	<u>240,511</u>	<u>623,632</u>

The notes form part of these financial statements

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	30.6.21	30.6.20
	£	£
Profit before taxation	898,093	1,290,607
Depreciation charges	198,980	215,689
Profit on disposal of fixed assets	(4,809)	(12,661)
Finance costs	14,253	18,264
Finance income	-	(37,792)
	<u>1,106,517</u>	<u>1,474,107</u>
Decrease in stocks	20,494	91,268
(Increase)/decrease in trade and other debtors	(269,514)	508,682
Increase/(decrease) in trade and other creditors	174,605	(284,201)
	<u>1,032,102</u>	<u>1,789,856</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 June 2021**

	30.6.21	1.7.20
	£	£
Cash and cash equivalents	329,313	681,857
Bank overdrafts	(88,802)	(58,225)
	<u>240,511</u>	<u>623,632</u>

**Year ended 30 June 2020**

	30.6.20	1.7.19
	£	£
Cash and cash equivalents	681,857	770,321
Bank overdrafts	(58,225)	(42,911)
	<u>623,632</u>	<u>727,410</u>

The notes form part of these financial statements

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

**3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)**

	At 1.7.20 £	Cash flow £	At 30.6.21 £
<b>Net cash</b>			
Cash at bank	681,857	(352,544)	329,313
Bank overdrafts	(58,225)	(30,577)	(88,802)
	<u>623,632</u>	<u>(383,121)</u>	<u>240,511</u>
<b>Debt</b>			
Finance leases	(178,738)	53,420	(125,318)
Debts falling due after 1 year	(357,183)	90,779	(266,404)
	<u>(535,921)</u>	<u>144,199</u>	<u>(391,722)</u>
<b>Total</b>	<u>87,711</u>	<u>(238,922)</u>	<u>(151,211)</u>

The notes form part of these financial statements



## **JOHN ROSS JR. (ABERDEEN) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

#### **1. STATUTORY INFORMATION**

John Ross Jr. (Aberdeen) 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**

##### **General information and basis of accounting**

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

John Ross Jr (Aberdeen) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is as follows:

78-84 Sinclair Road  
Aberdeen  
Aberdeenshire  
AB11 9PP

The company's functional and presentational currency is pound sterling.

##### **Turnover**

Turnover is recognised following despatch and represents net invoiced sales of fish, excluding value added tax.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	10% Straight line
Fixtures and fittings	15% Straight line
Motor vehicles	25% Straight line
Short leasehold	Over the term of the lease

Short leasehold includes buildings erected on leased land. The cost of this is depreciated to the estimated residual value of the building, having regard to the ground lease attached.

##### **Impairment of assets**

Assets, other than those measured at fair value are assessed for indication of impairment at each balance sheet date. If there is objective evidence of impairment, and impairment loss is recognised in the profit and loss account.

##### **Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. 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.

##### **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.

## JOHN ROSS JR. (ABERDEEN) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2021

#### 2. ACCOUNTING POLICIES - continued

##### Financial instruments

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price.

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price. Trade payables are obligations for goods or services that have been supplied in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities where payment is due within one year or less.

##### Going concern

The company meets its day to day working capital requirement through its bank accounts. The company's forecasts and projections taking into account possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. The directors therefore have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

##### Taxation

Taxation expense for the period comprise current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income.

Current and deferred taxation assets and liabilities are not discounted.

Current tax is the amount of tax payable in respect of taxable profit for the year or prior years. Tax is calculated on the basis of tax rates that have been enacted or substantially enacted at the year end.

Deferred tax arises from the timing differences that are differences between the taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Investments are held at cost with a provision made for any permanent diminution in value.

#### 3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company:

An analysis of turnover by geographical market is given below:

	30.6.21	30.6.20
	£	£
United Kingdom	7,839,108	8,015,900
Europe	3,418,252	5,042,951
Other	713,309	487,577
	<u>11,970,669</u>	<u>13,546,428</u>

#### 4. EMPLOYEES AND DIRECTORS

	30.6.21	30.6.20
	£	£
Wages and salaries	2,306,867	2,451,689
Social security costs	191,140	192,987
Other pension costs	56,226	34,290
	<u>2,554,233</u>	<u>2,678,966</u>

**JOHN ROSS JR. (ABERDEEN) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021****4. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	30.6.21	30.6.20
Production	82	96
Selling	3	5
Administration	11	13
	<u>96</u>	<u>114</u>

**5. DIRECTORS' EMOLUMENTS**

Total directors remuneration was £239,108 (2020 - £231,076). Directors pension contributions to money purchase schemes were £19,991 (2020 - £18,900). Two directors (2020 - 2) had retirement benefits accruing under money purchase schemes.

**6. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	30.6.21	30.6.20
	£	£
Depreciation - owned assets	198,980	215,566
Profit on disposal of fixed assets	(4,809)	(12,661)
Auditors remuneration	6,800	6,800
Cost of inventory sold	<u>6,542,789</u>	<u>7,633,154</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	30.6.21	30.6.20
	£	£
Bank loan and finance lease interest	14,253	18,264
	<u>14,253</u>	<u>18,264</u>

**8. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	30.6.21	30.6.20
	£	£
Current tax:		
UK corporation tax	180,354	231,074
Deferred tax	<u>(13,266)</u>	<u>14,995</u>
Tax on profit	<u>167,088</u>	<u>246,069</u>

**JOHN ROSS JR. (ABERDEEN) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021****8. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.21 £	30.6.20 £
Profit before tax	<u>898,093</u>	<u>1,290,607</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	170,638	245,215
Effects of:		
Expenses not deductible for tax purposes	-	523
Income not taxable for tax purposes	(3,789)	(6,840)
Capital allowances in excess of depreciation	-	(7,709)
Depreciation in excess of capital allowances	25,985	-
Group relief	(12,480)	(115)
Deferred tax	<u>(13,266)</u>	<u>14,995</u>
Total tax charge	<u>167,088</u>	<u>246,069</u>

**9. DIVIDENDS**

	30.6.21 £	30.6.20 £
Ordinary shares of £1 each		
Ordinary, "A", "B" and "C" shares	<u>1,163,484</u>	<u>1,457,664</u>
	<u>1,163,484</u>	<u>1,457,664</u>

**10. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**11. TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 July 2020	1,546,176	1,173,639	27,320	120,361	2,867,496
Additions	13,408	18,698	8,868	32,020	72,994
Disposals	-	-	(205,807)	(39,500)	(245,307)
At 30 June 2021	1,559,584	1,192,337	(169,619)	112,881	2,695,183
<b>DEPRECIATION</b>					
At 1 July 2020	353,503	740,178	11,065	66,488	1,171,234
Charge for year	72,850	91,193	9,365	25,572	198,980
Eliminated on disposal	-	(203,374)	(2,433)	(25,509)	(231,316)
At 30 June 2021	426,353	627,997	17,997	66,551	1,138,898
<b>NET BOOK VALUE</b>					
At 30 June 2021	1,133,231	564,340	(187,616)	46,330	1,556,285
At 30 June 2020	1,192,673	433,461	16,255	53,873	1,696,262

Included in fixed assets are plant and machinery together with motor vehicles under hire purchase and finance lease agreements with a net book value of £187,099 (2020 - £205,798). The depreciation on these assets charged in the period is £36,728 (2020 - £37,975). Net obligations under hire purchase and finance lease contracts are secured on the assets acquired.

**12. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 July 2020 and 30 June 2021	311,779
<b>NET BOOK VALUE</b>	
At 30 June 2021	311,779
At 30 June 2020	311,779

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**12. FIXED ASSET INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Associated company**

**Coln Valley Smokery Limited**

Registered office:

Nature of business: Fish wholesalers

Class of shares:	% holding	30.6.21	30.6.20
Ordinary	36.00	£	£
Aggregate capital and reserves		382,358	334,556
Profit for the year		47,802	121,550

Due to other shareholdings in the group, the investment is shown as shares in group undertakings.

**13. STOCKS**

	30.6.21	30.6.20
	£	£
Raw materials	377,998	342,128
Finished goods	264,493	320,857
	<u>642,491</u>	<u>662,985</u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.21	30.6.20
	£	£
Trade debtors	1,051,396	855,239
Other debtors	1,667	17,662
Vat recoverable	29,965	17,953
Prepayments and accrued income	80,749	3,409
	<u>1,163,777</u>	<u>894,263</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.21	30.6.20
	£	£
Bank loans and overdrafts (see note 17)	88,802	58,225
Hire purchase contracts (see note 18)	85,771	78,457
Trade creditors	1,280,535	992,138
Amounts owed to group undertakings	275,000	250,000
Tax	83,304	93,024
Social security and other taxes	44,815	48,814
Other creditors	50,381	19,070
Accruals and deferred income	197,177	197,104
	<u>2,105,785</u>	<u>1,736,832</u>

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.6.21	30.6.20
	£	£
Bank loans (see note 17)	266,404	357,183
Hire purchase contracts (see note 18)	39,547	100,281
Accruals and deferred income	175,335	190,531
	<u>481,286</u>	<u>647,995</u>

Creditors over one year includes deferred income totalling £175,335 (2020 - £190,531) in respect of grants receivable. These items all relate to fixed assets purchased by the company and will be credited to the profit and loss account over the useful life of the asset concerned.

**17. LOANS**

An analysis of the maturity of loans is given below:

	30.6.21	30.6.20
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>88,802</u>	<u>58,225</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>88,802</u>	<u>51,575</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>177,602</u>	<u>150,573</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>-</u>	<u>155,035</u>

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	30.6.21	30.6.20
	£	£
Net obligations repayable:		
Within one year	85,771	78,457
Between one and five years	39,547	100,281
	<u>125,318</u>	<u>178,738</u>

**JOHN ROSS JR. (ABERDEEN) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**18. LEASING AGREEMENTS - continued**

	Non-cancellable operating leases	
	30.6.21	30.6.20
	£	£
Within one year	21,009	52,134
Between one and five years	84,036	85,973
In more than five years	261,158	282,167
	<u>366,203</u>	<u>420,274</u>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	30.6.21	30.6.20
	£	£
Bank overdrafts	88,802	58,225
Bank loans	266,404	357,183
Hire purchase contracts	125,318	178,738
	<u>480,524</u>	<u>594,146</u>

**20. PROVISIONS FOR LIABILITIES**

	30.6.21	30.6.20
	£	£
Deferred tax	<u>80,381</u>	<u>93,647</u>
		Deferred tax
		£
Balance at 1 July 2020		93,647
Increase in year		<u>(13,266)</u>
Balance at 30 June 2021		<u>80,381</u>

**21. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			30.6.21	30.6.20
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	£1	10,000	10,000
10,000	"A" Ordinary	£1	10,000	10,000
150	Shares - "B", "C" and "D"			
	Ordinary (50 each)	£1	150	150
			<u>20,150</u>	<u>20,150</u>



**JOHN ROSS JR. (ABERDEEN) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021****21. CALLED UP SHARE CAPITAL - continued**

Any dividends paid on either class of share is at the discretion of the directors. On a winding up of the company, the Ordinary shares will be repaid in preference to the other classes of share. The "A", "B", "C" and "D" Ordinary shares carry no voting rights.

**22. RESERVES**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 July 2020	1,747,411	1,111	1,748,522
Profit for the year	731,005		731,005
Dividends	(1,163,484)		(1,163,484)
At 30 June 2021	<u>1,314,932</u>	<u>1,111</u>	<u>1,316,043</u>

**23. RELATED PARTY DISCLOSURES**

C Leigh, V Leigh-Pearson and I Kasela are directors in Coln Valley Smokery Limited. The company has a 36% interest in Coln Valley Smokery Limited. During the year, the company made sales of £645,616 (2020 - £790,833) to Coln Valley Smokery Limited. At 30 June 2021 the company owed £224,239 (2020 - £250,000) to Coln Valley Smokery Limited.

During the year a management fee of £nil (2020 - £18,266) was levied by AS PRFoods in the year.

**24. ULTIMATE CONTROLLING PARTY**

The company is under the control of AS PRFoods, a company registered in Estonia. Due to the disposition of shareholdings, no one individual has control of the company, and the directors control operations.

**25. GRANTS RECEIVABLE**

The company received grants towards the costs of building a new factory and associated machinery. The grants received against revenue items were credited to the profit and loss account to match against the related expenditure. Those grants received in respect of capital items are released to the profit and loss account over the life of the asset. Creditors include £190,527 (2020 - £210,471) of deferred income representing grants received towards fixed assets which will be credited to the profit and loss account over the life of the associated asset.