



AFRICAN LAKES COMPANY LIMITED

Company registration number SC463944

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020

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AFRICAN LAKES COMPANY LIMITED

COMPANY INFORMATION

Directors	R S Anderson J C Elliot P A Bradley
Registered number	SC463944
Registered office	4 Hope Street St Andrews KY16 9HJ
Accountants	Azets Exchange Place 3 Semple Street Edinburgh EH3 8BL

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	4	-	38,709
		<hr/>	<hr/>
		-	38,709
Current assets			
Debtors: amounts falling due within one year	5	365,672	353,714
Cash at bank and in hand		974,323	1,559,380
		<hr/>	<hr/>
		1,339,995	1,913,094
Creditors: amounts falling due within one year	6	(757,712)	(1,262,358)
		<hr/>	<hr/>
Net current assets		582,283	650,736
		<hr/>	<hr/>
Total assets less current liabilities		582,283	689,445
Creditors: amounts falling due after more than one year	7	(999,000)	(999,000)
		<hr/>	<hr/>
Net liabilities		(416,717)	(309,555)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital		1,111	1,111
Profit and loss account		(417,828)	(310,666)
		<hr/>	<hr/>
		(416,717)	(309,555)
		<hr/>	<hr/>

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 the 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.

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 Section 1A 'Small Entities' of Financial Reporting Standard 102.

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

As permitted by Section 444 of the Companies Act 2006, the directors have not delivered to the Registrar a copy of the company's Statement of Income and Retained Earnings for the year ended 30 November 2020.

AFRICAN LAKES COMPANY LIMITED
REGISTERED NUMBER:SC463944

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 NOVEMBER 2020

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
J C Elliot

Director

Date: 20 May 2021

The notes on pages 4 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 30 November 2020.

The continuing activity of African Lakes Company Limited ('the company') is that of an investment company.

The company is a private company limited by shares and is incorporated in United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC463944.

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 applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

In common with most businesses the company is facing potential issues in respect of the COVID-19 pandemic. This is an ongoing situation and the company is adopting a strategy to manage the everchanging situation as effectively as possible.

The directors are satisfied that these events do not affect the company's ability to continue as a going concern.

The directors are aware of the company's net liability position. It has been confirmed that no demand will be made to redeem the loan notes held within creditors greater than one year until funds are available. On this basis the directors consider it appropriate to prepare the accounts on a going concern basis.

2.3 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.4 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.8 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.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to fixed asset investments are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the life of the investment 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. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Interest income

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

2.13 Taxation

Tax is recognised in profit or loss 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 reporting date in the countries where the company operates and generates income.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2018 - 4).

AFRICAN LAKES COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

4. Fixed asset investments

	Investments in associates £
At 1 December 2019	38,709
Disposals	(38,629)
Foreign exchange movement	(80)
	<hr/>
At 30 November 2020	<hr/> <hr/> -

Participating interests

During the year, African Lakes Company Limited divested from Corran Farming Ltd, a company registered in Malawi. Prior to the divestment, Corran Farming Ltd was an associate of African Lakes Company Limited and the company held 33% of its Ordinary share capital.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

5. Debtors

	2020 £	2019 £
Other debtors	364,989	348,381
Prepayments and accrued income	683	5,333
	<u>365,672</u>	<u>353,714</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,619	-
Other creditors	157	400,000
Accruals and deferred income	753,936	862,358
	<u>757,712</u>	<u>1,262,358</u>

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

	2020 £	2019 £
Other creditors	999,000	999,000
	<u>999,000</u>	<u>999,000</u>

Included within other creditors is £999,000 (2018 - £999,000) of loan notes. The loan notes are unsecured and interest of 5% per annum is charged. These are to be redeemed at the company's discretion subject to a maturity date of 24 August 2027. No demand will be made to redeem the loan notes in the year ended 30 November 2021.

8. Post balance sheet events

After the year end the company invested approximately \$1m USD in St Andrew Macadamia Limited, a company registered in Malawi. The investment represents a 32.35% shareholding in the company. Subject to and in accordance with the terms, conditions and provisions of the investment agreement, further investment is anticipated over the period to 31 January 2023.

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.