

Registration number 823770

Cadogan Estates (Agricultural Holdings) Limited

Directors' Report and Financial Statements

Year Ended 31 December 2012

MONDAY



A2107AWH

A30

30/09/2013

#463

COMPANIES HOUSE

Dixon Wilson
22 Chancery Lane
London
WC2A 1LS

Cadogan Estates (Agricultural Holdings) Limited

Contents

Year Ended 31 December 2012

Company Information	i
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4
Profit and Loss Account	5
Statement of Total Recognised Gains and Losses	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

Cadogan Estates (Agricultural Holdings) Limited

Company Information

Year Ended 31 December 2012

Directors The Earl Cadogan KBE DL
 The Hon J H M Bruce
 J D Gordon
 J A de Havilland
 C V Ellingworth

Company secretary May, May and Merrimans

Registered office 12 South Square
 Gray's Inn
 London
 WC1R 5HH

Auditors Dixon Wilson
 22 Chancery Lane
 London
 WC2A 1LS

Cadogan Estates (Agricultural Holdings) Limited
Directors' Report
Year Ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Directors of the company

The directors who held office during the year were as follows

The Earl Cadogan KBE DL

The Hon J H M Bruce

J D Gordon

J A de Havilland

C V Ellingworth

Principal activity

The principal activity of the company is farming, fishing and estate management in Scotland

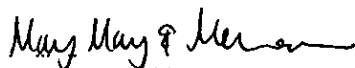
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 20/9/13 and signed on its behalf by



May, May and Merrimans
Company secretary

Cadogan Estates (Agricultural Holdings) Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report 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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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.

Independent Auditor's Report to the Members of Cadogan Estates (Agricultural Holdings) Limited

We have audited the financial statements of Cadogan Estates (Agricultural Holdings) Limited for the year ended 31 December 2012, set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 an auditor's report 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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

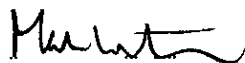
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.



Mark Waterman (Senior Statutory Auditor)
For and on behalf of Dixon Wilson, Statutory Auditor
22 Chancery Lane
London, WC2A 1LS

Date 27 February 2013

Cadogan Estates (Agricultural Holdings) Limited
Profit and Loss Account
Year Ended 31 December 2012

	Note	2012 £	2011 £
Turnover		300,985	276,352
Cost of sales		<u>(580,896)</u>	<u>(560,175)</u>
Gross loss		(279,911)	(283,823)
Administrative expenses		<u>63,437</u>	<u>(203,108)</u>
Operating loss	2	(216,474)	(486,931)
Profit on disposal of fixed assets		7,386	2,377
Waiver of loan from parent company		-	2,564,000
Release of provision/(provision) against freehold investment property		275,000	(275,000)
Interest payable and similar charges		<u>(446)</u>	<u>(681)</u>
Profit on ordinary activities before taxation		<u>65,466</u>	<u>1,803,765</u>
Profit for the financial year	8	<u>65,466</u>	<u>1,803,765</u>

Cadogan Estates (Agricultural Holdings) Limited
Statement of Total Recognised Gains and Losses
Year Ended 31 December 2012

	Note	2012 £	2011 £
Profit for the financial year		65,466	1,803,765
Unrealised surplus/(deficit) on revaluation of properties		<u>253,047</u>	<u>(547,641)</u>
Total recognised gains and losses relating to the year		<u>318,513</u>	<u>1,256,124</u>

Cadogan Estates (Agricultural Holdings) Limited**(Registration number: 823770)****Balance Sheet at 31 December 2012**

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	4	<u>6,427,588</u>	<u>5,870,420</u>
Current assets			
Stocks		262,364	256,402
Debtors	5	240,150	70,028
Cash at bank and in hand		<u>124,953</u>	<u>60,997</u>
		627,467	387,427
Creditors: Amounts falling due within one year	6	<u>(4,545,036)</u>	<u>(4,066,341)</u>
Net current liabilities		<u>(3,917,569)</u>	<u>(3,678,914)</u>
Net assets		<u>2,510,019</u>	<u>2,191,506</u>
Capital and reserves			
Called up share capital	7	5,000	5,000
Capital redemption reserve	8	136,071	136,071
Revaluation reserve	8	3,570,869	3,317,823
Profit and loss account	8	<u>(1,201,921)</u>	<u>(1,267,388)</u>
Shareholders' funds		<u>2,510,019</u>	<u>2,191,506</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on 26/9/13 and signed on its behalf by


J D Gordon
Director

Cadogan Estates (Agricultural Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

I Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention modified by the revaluation of investment properties and in accordance with the Financial Standard for Smaller Entities (effective April 2008) on a going concern basis as the company has agreed support from its parent company

Turnover

Turnover consists of income from farming, recognised at the point of sale, and letting of sporting rights and rental income recognised on an accruals basis. Turnover is stated net of VAT

Depreciation

No depreciation is provided for in respect of investment properties in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). Such properties are held for their investment potential and not for consumption within the business. This is a departure from the Companies Act 2006 which requires all properties to be depreciated and the directors consider that to depreciate them would not enable the financial statements to give a true and fair view.

Other fixed assets are depreciated on a straight line basis at the annual rates set out below:

Asset class	Depreciation method and rate
Vehicles, plant, fixtures and fittings	20% per annum on written down value
Furniture	10% per annum on cost

Investment properties

Investment properties are included in the accounts at open market value at the year end. Any surplus arising on revaluation is taken through the statement of total recognised gains and losses to the revaluation reserve. Any resulting deficit, if temporary, is taken through the statement of total recognised gains and losses to the revaluation reserve. If a deficit below original cost arises and is deemed to be permanent it is taken through the profit and loss account. Additions to properties include costs of a capital nature only, interest and other costs in respect of developments and refurbishments are written off as incurred.

Stock

Stocks comprise farm livestock and foodstuffs. Stocks are included at the lower of cost and net realisable value.

Deferred tax

Provision is made for deferred tax liabilities in respect of all timing differences arising from the different treatment of items for accounting and taxation purposes without discounting.

Deferred tax assets in respect of such timing differences are recognised to the extent that they are regarded as being more likely than not, recoverable in the short to medium term, and are not discounted.

No deferred taxation is provided on the revaluation of investment properties.

Cadogan Estates (Agricultural Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating loss

Operating loss is stated after charging/(crediting)

	2012 £	2011 £
Auditor's remuneration - the audit of the company's annual accounts	2,000	2,000
Depreciation of tangible fixed assets	34,129	29,784
Planning costs for hydro project	(135,332)	135,332
	<hr/>	<hr/>

3 Taxation

Tax on profit on ordinary activities

	2012 £	2011 £
--	-----------	-----------

Current tax

UK Corporation tax

<hr/>	-	<hr/>
-------	---	-------

No deferred tax asset has been recognised for tax relief of £850,304 (2011 - £801,998) on trading losses carried forward, nor £59,598 (2011 - £62,189) on capital losses carried forward, as it is unlikely that trading or capital profits will be generated to utilise these losses in the short to medium term.

Cadogan Estates (Agricultural Holdings) Limited
Notes to the Financial Statements
Year Ended 31 December 2012

4 Tangible fixed assets

	Freehold investment properties £	Vehicles, plant, fixtures and furniture £	Total £
Cost or valuation			
At 1 January 2012	5,750,000	386,378	6,136,378
Revaluation	528,047	-	528,047
Additions	21,953	49,080	71,033
Disposals	-	(32,838)	(32,838)
At 31 December 2012	<u>6,300,000</u>	<u>402,620</u>	<u>6,702,620</u>
Depreciation			
At 1 January 2012	-	265,958	265,958
Charge for the year	-	34,129	34,129
Eliminated on disposals	-	(25,055)	(25,055)
At 31 December 2012	<u>-</u>	<u>275,032</u>	<u>275,032</u>
Net book value			
At 31 December 2012	<u>6,300,000</u>	<u>127,588</u>	<u>6,427,588</u>
At 31 December 2011	<u>5,750,000</u>	<u>120,420</u>	<u>5,870,420</u>

Revaluations

The freehold investment properties class of fixed assets was revalued on 31 December 2012 by the directors who are internal to the company. The basis of this valuation was open market value. This class of assets has a current value of £6,300,000 (2011 - £5,750,000) and a carrying amount at historical cost of £4,147,064 (2011 - £4,125,111). The depreciation on this historical cost is £nil (2011 - £nil).

The last external valuation of freehold investment properties was carried out on 31 December 2007.

If the freehold investment properties were sold at current market values, it is estimated that no corporation tax would be payable.

Cadogan Estates (Agricultural Holdings) Limited
Notes to the Financial Statements
Year Ended 31 December 2012

5 Debtors

	2012 £	2011 £
Trade debtors	23,883	37,825
Other debtors	<u>216,267</u>	<u>32,203</u>
	<u>240,150</u>	<u>70,028</u>

Included within other debtors is £172,747 (2011 - £nil) of recoverable Hydro expenses

6 Creditors: Amounts falling due within one year

	2012 £	2011 £
Trade creditors	22,651	22,208
Bank loans and overdrafts	77,017	-
Amounts owed to group undertakings	4,375,700	3,975,700
Other creditors	<u>69,668</u>	<u>68,433</u>
	<u>4,545,036</u>	<u>4,066,341</u>

The amounts owed to group undertakings represents a loan from its parent company Cadogan Settled Estates Limited of £4,375,700 (2011 - £3,975,700) The loan is interest free and repayable on demand, although Cadogan Settled Estates Limited has confirmed it will continue to provide financial support to the company

7 Share capital

Allotted, called up and fully paid shares

	No.	2012 £	No.	2011 £
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

Cadogan Estates (Agricultural Holdings) Limited
Notes to the Financial Statements
Year Ended 31 December 2012

8 Reserves

	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2012	136,071	3,317,822	(1,267,387)	2,186,506
Profit for the year	-	-	65,466	65,466
Surplus on property revaluation	-	253,047	-	253,047
At 31 December 2012	<u>136,071</u>	<u>3,570,869</u>	<u>(1,201,921)</u>	<u>2,505,019</u>

9 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £11,779 (2011 - £10,794).

Contributions totalling £nil (2011 - £nil) were payable to the scheme at the end of the year.

10 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

Cadogan Estates (Agricultural Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

11 Control

The company is controlled by Cadogan Settled Estates Limited

The ultimate ownership of Cadogan Settled Estates Limited is vested in the Eighth Earl Cadogan's 6 December 1961 Settlement. The trustees of the Eighth Earl Cadogan's 6 December 1961 Settlement are The Hon J H M Bruce, J D Gordon, J A de Havilland and C V Ellingworth

Group accounts are prepared by Cadogan Settled Estates Limited and can be obtained from Companies House
