

Unaudited Financial Statements  
for the Year Ended 31 October 2017  
for  
Denis Cadzow and Company Limited

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for the Year Ended 31 October 2017

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Denis Cadzow and Company Limited

Company Information  
for the Year Ended 31 October 2017

<b>DIRECTORS:</b>	J M Cadzow T S Young I Young
<b>SECRETARY:</b>	A H & Co Ltd
<b>REGISTERED OFFICE:</b>	The Farm House Duncrahill Pencaitland Tranent East Lothian EH34 5ER
<b>REGISTERED NUMBER:</b>	SC033996 (Scotland)
<b>ACCOUNTANTS:</b>	A H & Co Ltd Chartered Accountants 6 Logie Mill Edinburgh Lothian EH7 4HG
<b>BANKERS:</b>	Weatherbys Bank Ltd Sanders Road Wellingborough Northamptonshire NN8 4BX

Balance Sheet  
31 October 2017

	Notes	31.10.17 £	£	31.10.16 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		6,931,264		6,929,438
Investments	5		<u>197,070</u>		<u>200,570</u>
			7,128,334		7,130,008
<b>CURRENT ASSETS</b>					
Stocks	6	116,234		120,102	
Debtors	7	135,350		82,320	
Cash at bank and in hand		<u>1,381</u>		<u>936</u>	
		252,965		203,358	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>242,256</u>		<u>187,566</u>	
<b>NET CURRENT ASSETS</b>			<u>10,709</u>		<u>15,792</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,139,043		7,145,800
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		(617,195)		(608,646)
<b>PROVISIONS FOR LIABILITIES</b>	11		<u>(348,381)</u>		<u>(348,916)</u>
<b>NET ASSETS</b>			<u>6,173,467</u>		<u>6,188,238</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		42,000		42,000
Revaluation reserve			6,281,846		6,337,115
Fair value transfer			251,105		187,128
Retained earnings			<u>(401,484)</u>		<u>(378,005)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>6,173,467</u>		<u>6,188,238</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued  
31 October 2017

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 12 July 2018 and were signed on its behalf by:

J M Cadzow - Director

Notes to the Financial Statements  
for the Year Ended 31 October 2017

1. **STATUTORY INFORMATION**

Denis Cadzow and Company 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**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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 as modified by the revaluation of certain assets.

The accounts have been prepared on a going concern basis, the acceptability of which is dependant on the continuing support of the company's directors and bankers.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

**Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	- 0% on cost
Long leasehold	- 4% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Government grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Crops are valued at cost of growing and fertilising. Horses are valued at the lower of cost and net realisable value or director valuation.

**Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

2. **ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

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.

**Investments**

Unquoted investments are valued at fair value. Provision is made for any permanent diminution in value.

Within investments there is livestock which has been measured at fair value. Fair value has been calculated based on the evidence available from an active market, taking into account the expected selling price less estimated costs to sell.

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Provisions**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2016 - 6) .

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

4. **TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Plant and machinery £
<b>COST OR VALUATION</b>			
At 1 November 2016	5,646,540	1,560,345	191,094
Additions	-	-	8,196
At 31 October 2017	<u>5,646,540</u>	<u>1,560,345</u>	<u>199,290</u>
<b>DEPRECIATION</b>			
At 1 November 2016	-	317,231	182,760
Charge for year	-	3,786	4,895
Eliminated on disposal	-	-	-
At 31 October 2017	<u>-</u>	<u>321,017</u>	<u>187,655</u>
<b>NET BOOK VALUE</b>			
At 31 October 2017	<u>5,646,540</u>	<u>1,239,328</u>	<u>11,635</u>
At 31 October 2016	<u>5,646,540</u>	<u>1,243,114</u>	<u>8,334</u>

  

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 November 2016	16,662	194,032	4,215	7,612,888
Additions	154	23,848	-	32,198
Disposals	-	(18,963)	-	(18,963)
At 31 October 2017	<u>16,816</u>	<u>198,917</u>	<u>4,215</u>	<u>7,626,123</u>
<b>DEPRECIATION</b>				
At 1 November 2016	16,662	162,671	4,126	683,450
Charge for year	31	21,624	36	30,372
Eliminated on disposal	-	(18,963)	-	(18,963)
At 31 October 2017	<u>16,693</u>	<u>165,332</u>	<u>4,162</u>	<u>694,859</u>
<b>NET BOOK VALUE</b>				
At 31 October 2017	<u>123</u>	<u>33,585</u>	<u>53</u>	<u>6,931,264</u>
At 31 October 2016	<u>-</u>	<u>31,361</u>	<u>89</u>	<u>6,929,438</u>

Included in cost or valuation of land and buildings is freehold land of £ 5,646,540 (2016 - £ 5,646,540 ) which is not depreciated.



Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**4. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 October 2017 is represented by:

	Freehold property £	Long leasehold £	Plant and machinery £
Valuation in 1987	1,541,810	327,376	-
Valuation in 2002	80,000	419,244	-
Valuation in 2008	1,566,768	770,285	-
Valuation in 2013	2,406,540	35,697	-
Cost	<u>51,422</u>	<u>7,743</u>	<u>199,290</u>
	<u>5,646,540</u>	<u>1,560,345</u>	<u>199,290</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 1987	-	-	-	1,869,186
Valuation in 2002	-	-	-	499,244
Valuation in 2008	-	-	-	2,337,053
Valuation in 2013	-	-	-	2,442,237
Cost	<u>16,816</u>	<u>198,917</u>	<u>4,215</u>	<u>478,403</u>
	<u>16,816</u>	<u>198,917</u>	<u>4,215</u>	<u>7,626,123</u>

If land and buildings had not been revalued they would have been included at the following historical cost:

	31.10.17 £	31.10.16 £
Cost	<u>185,431</u>	<u>185,431</u>
Aggregate depreciation	<u>36,891</u>	<u>34,211</u>
Value of land in freehold land and buildings	<u>51,422</u>	<u>51,422</u>

Land and buildings were valued on an open market basis on 31 October 2013 by Davidson & Robertson, Chartered Surveyor

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

**5. FIXED ASSET INVESTMENTS**

Investments were as follows:

	31.10.17	31.10.16
	£	£
Unlisted Investments	220	220
Herd	<u>196,850</u>	<u>200,350</u>
	<u>197,070</u>	<u>200,570</u>

Reconciliation of the carrying amounts of biological assets:

	Bulls	Cows	Heifers	Total
	£	£	£	£
Balance at 1st November 2016	32,400	135,700	32,250	200,350
Purchases	4,000	-	-	4,000
Sales	(8,000)	(45,600)	-	(53,600)
Transferred	-	32,400	7,600	40,000
Changes in fair value less costs to sell	(8,400)	5,900	8,600	6,100
Balance at 31st October 2017	<u>20,000</u>	<u>128,400</u>	<u>48,450</u>	<u>196,850</u>

**6. STOCKS**

	31.10.17	31.10.16
	£	£
Stocks	<u>116,234</u>	<u>120,102</u>

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

	31.10.17	31.10.16
	£	£
Trade debtors	25,394	3,508
Other debtors	100,196	70,723
Corporation tax debtor	2,698	2,698
VAT	5,376	3,999
Prepayments	<u>1,686</u>	<u>1,392</u>
	<u>135,350</u>	<u>82,320</u>

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

	31.10.17	31.10.16
	£	£
Bank loans and overdrafts	195,935	137,680
Hire purchase contracts	5,000	15,933
Trade creditors	10,847	20,095
Social security and other taxes	4,548	3,556
Directors' current accounts	13,259	7,334
Accrued expenses	12,049	2,350
Deferred government grants	<u>618</u>	<u>618</u>
	<u>242,256</u>	<u>187,566</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

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

	31.10.17	31.10.16
	£	£
Bank loans - 1-2 years	600,000	600,000
Hire purchase contracts	9,167	-
Deferred government grants	8,028	8,646
	<u>617,195</u>	<u>608,646</u>

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.10.17	31.10.16
	£	£
Bank overdrafts	195,935	137,680
Bank loans	600,000	600,000
	<u>795,935</u>	<u>737,680</u>

The bank overdraft and loan are secured by a first ranked standard security over Duncrahill Farm which is owned by the company and a bond and floating charge over all assets and undertakings of the company.

11. **PROVISIONS FOR LIABILITIES**

	31.10.17	31.10.16
	£	£
Deferred tax		
Accelerated capital allowances	7,718	7,610
Other timing differences	340,663	341,306
	<u>348,381</u>	<u>348,916</u>
		Deferred tax
		£
Balance at 1 November 2016		348,916
Provided during year		(535)
Balance at 31 October 2017		<u>348,381</u>

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number	Class:	Nominal Value	31.10.17	31.10.16
			£	£
21,840	Ordinary A	£1	21,840	42,000
10,080	Ordinary B	£1	10,080	-
10,080	Ordinary C	£1	10,080	-
			<u>42,000</u>	<u>42,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

13. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The amount due to J M Cadzow as at 31st October 2017 was £13,259 (2016: £11,509)

14. **RELATED PARTY DISCLOSURES**

There were no related party transactions during the year (2016: none).

15. **ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

16. **FIRST YEAR ADOPTION**

**Transitional relief**

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to use a previous GAAP revaluation as deemed cost on an item of property, plant and equipment.

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