

Unaudited Financial Statements
for the Year Ended 31 October 2022
for
Denis Cadzow and Company Limited

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for the Year Ended 31 October 2022

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Denis Cadzow and Company Limited

Company Information
for the Year Ended 31 October 2022

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

Balance Sheet
31 October 2022

	Notes	£	31.10.22 £	£	31.10.21 £
FIXED ASSETS					
Tangible assets	4		9,816,134		7,008,085
Investments	5		<u>294,270</u>		<u>305,870</u>
			10,110,404		7,313,955
CURRENT ASSETS					
Stocks	6	305,347		251,271	
Debtors	7	27,524		20,046	
Cash at bank and in hand		<u>814</u>		<u>814</u>	
		333,685		272,131	
CREDITORS					
Amounts falling due within one year	8	<u>359,186</u>		<u>348,094</u>	
NET CURRENT LIABILITIES			<u>(25,501)</u>		<u>(75,963)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			10,084,903		7,237,992
CREDITORS					
Amounts falling due after more than one year	9		(788,432)		(753,231)
PROVISIONS FOR LIABILITIES	11		<u>(935,633)</u>		<u>(402,028)</u>
NET ASSETS			<u>8,360,838</u>		<u>6,082,733</u>
CAPITAL AND RESERVES					
Called up share capital	12		42,000		42,000
Revaluation reserve			8,173,406		6,020,993
Fair value transfer			377,607		361,660
Retained earnings			<u>(232,175)</u>		<u>(341,920)</u>
SHAREHOLDERS' FUNDS			<u>8,360,838</u>		<u>6,082,733</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2022 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
- (b) 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 2022

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

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 12 June 2023 and were signed on its behalf by:

I Young - Director

Notes to the Financial Statements
for the Year Ended 31 October 2022

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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" 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
Improvements to property	- 2% 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.

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

2. **ACCOUNTING POLICIES - continued**

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.

Hire purchase and leasing commitments

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

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 4 (2021 - 4) .

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

4. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £	Plant and machinery £
COST OR VALUATION				
At 1 November 2021	5,647,764	1,560,345	14,986	441,827
Additions	-	-	-	182,206
Disposals	(3,150)	-	-	-
Revaluations	2,188,597	196,444	-	-
At 31 October 2022	<u>7,833,211</u>	<u>1,756,789</u>	<u>14,986</u>	<u>624,033</u>
DEPRECIATION				
At 1 November 2021	-	336,162	300	322,247
Charge for year	-	-	299	90,974
Eliminated on disposal	-	-	-	-
Revaluation adjustments	-	(336,162)	-	-
At 31 October 2022	<u>-</u>	<u>-</u>	<u>599</u>	<u>413,221</u>
NET BOOK VALUE				
At 31 October 2022	<u>7,833,211</u>	<u>1,756,789</u>	<u>14,387</u>	<u>210,812</u>
At 31 October 2021	<u>5,647,764</u>	<u>1,224,183</u>	<u>14,686</u>	<u>119,580</u>
	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 November 2021	19,536	124,247	5,942	7,814,647
Additions	-	-	-	182,206
Disposals	-	(61,447)	-	(64,597)
Revaluations	-	-	-	2,385,041
At 31 October 2022	<u>19,536</u>	<u>62,800</u>	<u>5,942</u>	<u>10,317,297</u>
DEPRECIATION				
At 1 November 2021	18,448	124,247	5,158	806,562
Charge for year	544	-	393	92,210
Eliminated on disposal	-	(61,447)	-	(61,447)
Revaluation adjustments	-	-	-	(336,162)
At 31 October 2022	<u>18,992</u>	<u>62,800</u>	<u>5,551</u>	<u>501,163</u>
NET BOOK VALUE				
At 31 October 2022	<u>544</u>	<u>-</u>	<u>391</u>	<u>9,816,134</u>
At 31 October 2021	<u>1,088</u>	<u>-</u>	<u>784</u>	<u>7,008,085</u>

Included in cost or valuation of land and buildings is freehold land of £ 7,831,987 (2021 - £ 5,646,540) which is not depreciated.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

4. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 October 2022 is represented by:

	Freehold property £	Long leasehold £	Improvements to property £	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	-	-
Valuation in 2022	2,188,597	196,444	-	-
Cost	<u>49,496</u>	<u>7,743</u>	<u>14,986</u>	<u>624,033</u>
	<u>7,833,211</u>	<u>1,756,789</u>	<u>14,986</u>	<u>624,033</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
Valuation in 2022	-	-	-	2,385,041
Cost	<u>19,536</u>	<u>62,800</u>	<u>5,942</u>	<u>784,536</u>
	<u>19,536</u>	<u>62,800</u>	<u>5,942</u>	<u>10,317,297</u>

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

	31.10.22 £	31.10.21 £
Cost	<u>185,431</u>	<u>185,431</u>
Aggregate depreciation	<u>51,727</u>	<u>48,018</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 2022 by Davidson & Robertson, Chartered Surveyor .

On transition to FRS 102 the company took advantage of the transitional relief to use a previous valuation as deemed cost.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

5. FIXED ASSET INVESTMENTS

Investments were as follows:

	31.10.22	31.10.21
	£	£
Unlisted Investments	220	220
Herd	<u>294,050</u>	<u>305,650</u>
	<u>294,270</u>	<u>305,870</u>

Reconciliation of the carrying amounts of biological assets:

	Bulls £	Cows £	Heifers £	Gimmers £	Rams £	Ewes £	Total £
Balance at 1st November 2021	35,000	228,000	39,000	2,750	900	-	305,650
Purchases	5,200	-	8,400	2,200	-	-	15,800
Sales	-	(45,000)	-	-	-	-	(45,000)
Transferred	(15,600)	34,500	(15,600)	3,850	-	1,750	8,900
Change in fair value less selling cost	1,400	-	7,800	-	(500)	-	8,700
Balance at 31st October 2022	<u>26,000</u>	<u>217,500</u>	<u>39,600</u>	<u>8,800</u>	<u>400</u>	<u>1,750</u>	<u>294,050</u>

6. STOCKS

	31.10.22	31.10.21
	£	£
Stocks	<u>305,347</u>	<u>251,271</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.22	31.10.21
	£	£
Trade debtors	-	1,130
Other debtors	<u>27,524</u>	<u>18,916</u>
	<u>27,524</u>	<u>20,046</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.22	31.10.21
	£	£
Bank loans and overdrafts	243,289	307,964
Hire purchase contracts	53,358	26,655
Trade creditors	48,931	74
Taxation and social security	2,562	2,475
Other creditors	<u>11,046</u>	<u>10,926</u>
	<u>359,186</u>	<u>348,094</u>

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

	31.10.22	31.10.21
	£	£
Bank loans	699,980	713,546
Hire purchase contracts	83,512	34,127
Other creditors	<u>4,940</u>	<u>5,558</u>
	<u>788,432</u>	<u>753,231</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

10. SECURED DEBTS

The following secured debts are included within creditors:

	31.10.22	31.10.21
	£	£
Bank overdrafts	243,289	307,964
Bank loans	699,980	713,546
	<u>943,269</u>	<u>1,021,510</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

	31.10.22	31.10.21
	£	£
Deferred tax		
Accelerated capital allowances	41,107	24,165
Other timing differences	894,526	377,863
	<u>935,633</u>	<u>402,028</u>

	Deferred tax
	£
Balance at 1 November 2021	402,028
Provided during year	533,605
Balance at 31 October 2022	<u>935,633</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.10.22	31.10.21
			£	£
21,840	A Ordinary	£1	21,840	21,840
10,080	B Ordinary	£1	10,080	10,080
10,080	C Ordinary	£1	10,080	10,080
			<u>42,000</u>	<u>42,000</u>

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At 31 October 2022 the company owed the directors £7,908 (2021: £7,908).

14. RELATED PARTY DISCLOSURES

There were no related party transactions during the year (2021: none).

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is J M Cadzow.

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.