# TAYLOR CLARK LIMITED

Company number: 00340727

# Annual Report 2023

# Annual report
for the year ended 31 March 2023

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# Directors and advisers

| | |
|---|---|
| **Directors** | ***Richard Bennison** FCA *Chairman* |
| | **Caroline Madelin** ACMA *Managing Director* |
| | ***Briony Wilson** |
| | ***Graeme Coulthard** |
| | *Non-executive |
| **Secretary** | **Michele Judge** ACMA |
| **Consultant** | **Robin Clark** OBE FCA Hon FRCSLT |
| **Registered Office** | 20 York Street<br>London<br>W1U 6PU<br>Telephone: 020 7486 0100<br>Fax: 020 7224 0384<br>Email: mail@taylorclark.co.uk |
| **Auditor** | RSM UK Audit LLP |
| **Bankers** | Virgin Money<br>C Hoare & Co |
| **Registered number** | 00340727 |
| **Date of Incorporation** | 27 May 1938 |

# Strategic report

The Directors present their Strategic report for the year ended 31 March 2023.

## Group activities

The activities of the Group consist of investments in financial markets and property.

## Strategy

The strategy of the Company continues to focus on investing to deliver long-term capital growth and paying regular dividends to shareholders.

As an investment company for family shareholders, the Company can take a medium to long-term view of investments. The Board aims to participate in gains resulting from rising markets balanced by a defensive element to the portfolio that should provide some protection if markets fall. Just as significant, is the continuing ability of the Company to take advantage of opportunities as they arise. The Board believes this approach should result in long-term returns outperforming the market as a whole.

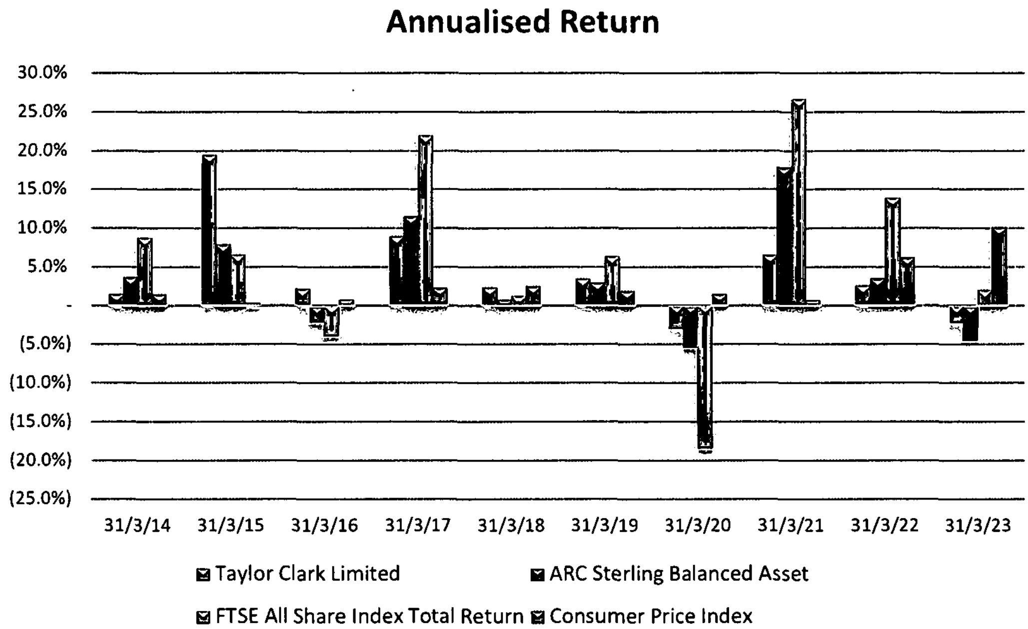
## Group results

The Group net asset value decreased from £200.6m at 31 March 2022 to £195.6m at 31 March 2023. Adding back £0.6m of dividends paid to shareholders during the year, the decrease was £4.4m, which represents a decrease of 2.2% on the opening net assets. The decrease is attributable to a loss in fair value of financial investments and impairment losses recognised on our indirect property investments. The change in net asset value (before distributions to shareholders) remains the main performance indicator used by the Board.

A comparison of the returns over the last 10 years against the ARC Sterling Balanced Asset, a benchmark used by wealth managers for a balanced asset portfolio, as well as other relevant indices, are shown in the tables below. The returns achieved by the Company in the last 12 months to 31 March 2023 have not kept pace with CPI, as inflation remains stubbornly high. The performance of the Company in the last 12 months to 31 March 2023 has also lagged against the FTSE All Share indices, however this is directly related to the creation last year of a brand new £40.0m portfolio with wealth managers Cazenove Capital and further investment of £20.0m in our Investec portfolio. The new portfolios, and our existing financial investments, continue to be impacted by the ongoing war in Ukraine, high levels of inflation, rising interest rates and the recent mini US banking crisis, which may yet take more victims. Despite these ongoing challenges, it remains encouraging to see our performance for the year outpacing the ARC Sterling Balanced Asset, which is the most comparable benchmark to our asset allocation and takes account of our exposure to long-term property funds and private equity investments, most of which are held at cost less impairment. This means we do not recognise any increase in value until investments are realised, usually after a significant period of time. This is highlighted by our performance over the last 10 years, where we outperformed the ARC Sterling Balanced Asset and almost all other benchmarks. Currently, this can be attributed to the realisation of our hotel portfolio in the US in the years ended 31 March 2015 and 2016, where profits of £37.1m were realised and ties back to our strategy of taking a medium to long-term view of investments, together with a defensive element to our portfolio resulting in our long term returns outperforming the market as a whole. Lastly it is important to be aware of the unrealised gains on our unquoted property funds and farmland, which at 31 March 2023 were £6.3m and £10.2m respectively.

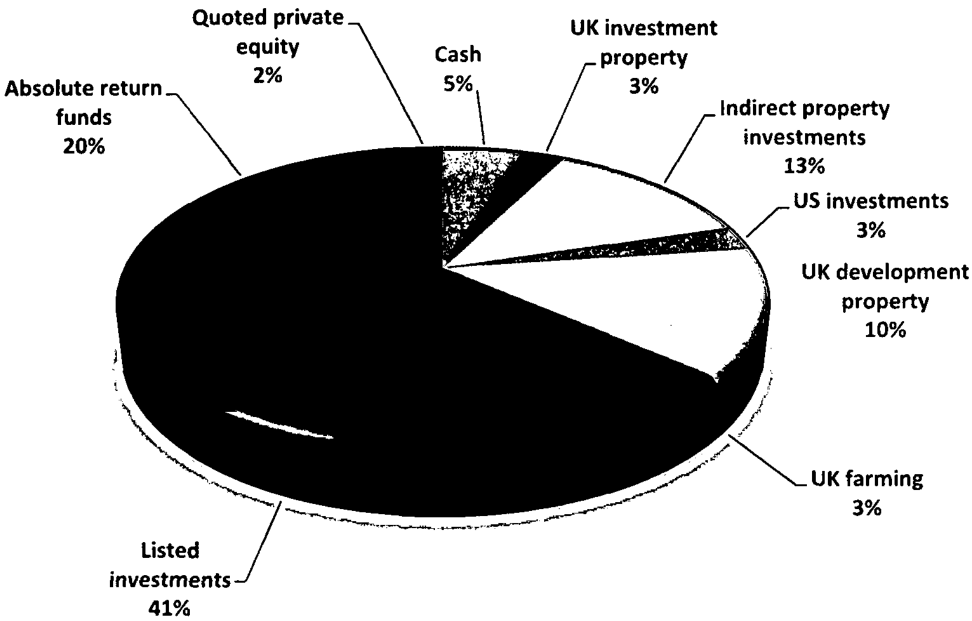
# Strategic report
continued

| Compound Average Return | 1 year 31 March 2023 | 3 years 31 March 2021 | 5 years 31 March 2019 | 10 years 31 March 2014 |
|---|---|---|---|---|
| Taylor Clark Limited | (2.2%) | 2.3% | 1.4% | 4.0% |
| ARC Sterling Balanced Asset | (4.5%) | 5.2% | 2.6% | 3.4% |
| FTSE All Share Index Total Return | 2.0% | 13.8% | 5.0% | 5.8% |
| FTSE All Share Index | (1.6%) | 10.1% | 1.3% | 2.1% |
| Consumer Price Index | 10.1% | 5.6% | 4.0% | 2.7% |
| Cash (BoE Base Rate) | 4.3% | 1.7% | 1.2% | 0.8% |

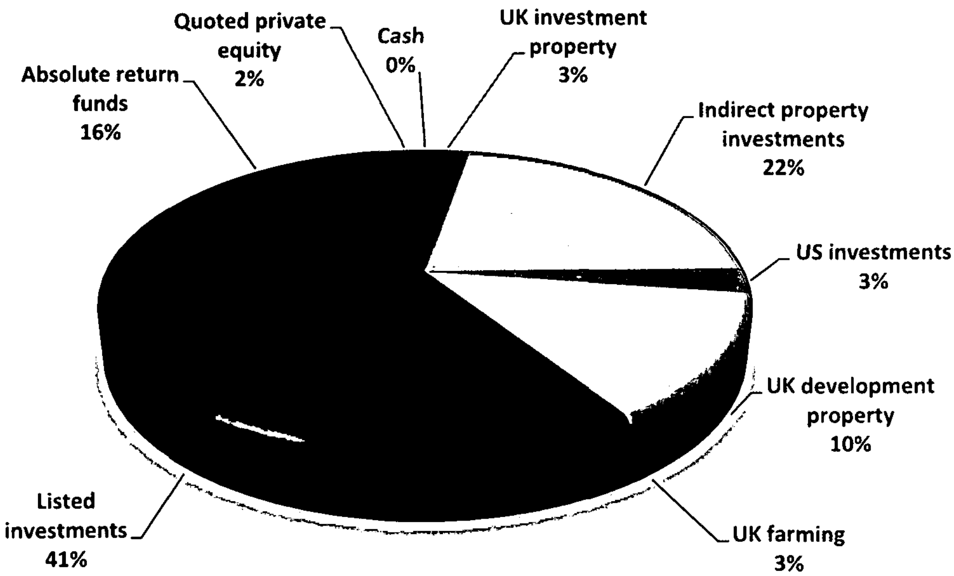


# Strategic report
continued

The Group asset allocation *without* commitments at market value as of 31 March 2023 can be seen below:




The Group asset allocation *with* commitments at market value as of 31 March 2023 can be seen below:




*Quoted financial investments*

The Group has a spread of financial investments composed of equity funds (investment trusts, unit trusts and ETFs) and absolute return funds. Our equity and bond funds continue to be managed by Investec and Cazenove and our absolute return funds by Ruffer and Troy. Investment performance, both in absolute terms and relative to the market, is regularly reviewed and adjustments are made to the portfolio when necessary. The Board monitors the performance of individual investment managers on a regular basis and may choose to withdraw funds from a manager if it has lost confidence in their investment strategy or in their ability to execute that strategy, but not generally solely based on short-term underperformance.

After the completion of the major strategic restructure of its portfolios last year, the Company made further changes to the mix of investments, selling out of growth funds and into value stocks. Sales of £5.9m were realised and invested back in purchases of £5.9m. In addition to this £5.0m was invested in a quoted private equity fund.

As of 31 March 2023, the market value of these investments was £124.1m *(2022: £124.9m)*, which represented 63% *(2022: 62%)* of Group net assets.

*Assets held in the USA*

The net book value of the assets held in the US as of 31 March 2023 was £5.1m *(2022: £6.6m)*, representing 3% *(2022: 3%)* of Group net assets. Over the year, the US dollar gained 6.1% against sterling, resulting in net unrealised gains of £0.4m on these assets.

This year has been challenging for our New York property investments and unfortunately one of them, an office building in Brooklyn, has been handed back to the bank following an unsuccessful sales campaign. The remaining investments, consisting of residential and office space have needed financial support during the year, mainly due to a lack of demand for office space, and debt refinancing in a higher interest rate environment. We are hopeful that with careful management these will pull through. During the year the Brooklyn property was written off in full and provisions of £2.6m were recognised. These losses were partially offset by the exchange gain which has resulted in a carrying value at 31 March 2023 of £3.3m *(2022: £5.5m)*.

*Direct property investment and joint ventures*

During the year another tenant was secured for Building 2 (c. 96,000 sq. ft.) at Atlantic Square, bringing the total leases to 4 across approximately 60% of the building. We continue to engage with potential new tenants but the Glasgow market for office space has become challenging, with the calendar year to December 2022 being the city's quietest year for leasing deals over the last decade.

I am pleased to report that we have maintained 100% occupancy of the flats at 20 York Street throughout the year. London's rental market remains strong and our location is a popular choice for office workers and students.

*Investment in unquoted property funds*

The Group is invested in several unquoted property funds, with the most significant managers being Orion Capital Managers and Melford Capital. These give access to a range of different managers and a chance to participate in investments that would be too big for the Group to undertake on its own. The investments made by these funds are in the UK and Western Europe.

The underlying property assets of the various funds increased in value during the year, which is encouraging. UK retail parks continue to perform well and many of the various European properties, including hotels, resorts, residential and retail units, also recognised significant increases in value during the year. Due to the long-life cycles of these funds, we do not carry them at market value but instead test our original investment for impairment. This means that even though there has been an overall increase in the underlying values of the property assets

# Strategic report
continued

of £6.3m, we do not recognise this in the accounts and as of 31 March 2023, the Group has written back provisions of £0.2m *(2022: £0.3m increase in provisions)* in the year against these funds, which is pleasing.

During the year we invested £5.0m in a new project with the Mactaggart Family, whom we have worked closely with for many years. The project is a property development in Basingstoke, which is due for completion in mid-2024. We have invested in the project via a loan, which is recognised in other debtors.

The Group received income distributions totalling £0.2m *(2022: £0.1m)* which are included within other operating income in the profit and loss account. In addition, the Group received capital distributions of £1.6m *(2022: £0.5m)* and made further investments of £3.4m *(2022: £2.2m)*.

As of 31 March 2023, total commitments were £50.5m *(2022: £50.5m)*, of which £18.0m *(2022: £18.2m)* is outstanding.

*Cash and borrowings*

As of 31 March 2023, the Group held sterling, US dollar and Euro bank balances totalling £13.2m *(2022: £24.9m)* and there were no bank borrowings. These funds have been divided and placed with Virgin Money, C Hoare & Co, First Republic and Cazenove Capital.

### Principal risks

The principal risks the Company faces are linked to the portfolio of financial and property investments and are common to any portfolio of this kind. These risks include valuation/market price risk, currency risk, liquidity risk, development and letting risk relating to our property developments and the risk that the third-party managers with whom funds have been invested do not perform as expected.

To manage financial and property investment risk, the Board sets limits on the funds allocated to any activities. The allocation and the underlying investments are reviewed during quarterly Board meetings throughout the year. The Board also maintains regular contact with fund and property managers.

### Future developments

Looking forward to the future, the Group is under no illusions it is a challenging one. We continue to monitor the ongoing geo-political tensions, inflationary pressures and effect of interest rate rises on the financial system. We are however confident that we are in a robust financial position, with access to liquid funds and no debt. We maintain our close relationships with trusted partners and remain open to new opportunities, which we can take advantage of as they arise.

By order of the Board,

CMadelin

**Caroline Madelin**
*Managing Director*

2 August 2023

# Directors' report

### Dividends
Dividends paid during the year consist of an interim dividend of 8.3700 pence per Ordinary A Share and 9.2070 pence per Ordinary B Share in respect of the year ended 31 March 2023.

### Directors
The Directors in office at the date of this report are set out on page 2.

### Directors' indemnity provisions
The Group maintains a Directors and Officers insurance policy which covers the Directors and Officers of the Company against defending a claim made against them in their capacity as a Director or Officer of the Company.

### Political contributions
Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

### Disclosure of information to auditor
The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office although this is dependent on a resolution to be proposed at the forthcoming Annual General Meeting.

### Directors' report: statutory and other disclosures
This Directors' report should be read in conjunction with the Strategic report which is deemed to form part of this Directors' report to the extent required by applicable law or regulation.

By order of the board

CMadelin

**Caroline Madelin**
*Managing Director*

20 York Street
London
W1U 6PU
2 August 2023

# Statement of Directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Strategic Report and 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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 group and parent company and of the groups profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

# Independent Auditor's Report to the members of Taylor Clark Limited

## Opinion

We have audited the financial statements of Taylor Clark Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated profit and loss account and other comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing and evaluating management's cash flow forecasts to July 2024. No significant observations were identified and the directors' assessment appears to be 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 group's or the parent 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.

# Independent Auditor's Report to the members of Taylor Clark Limited
continued

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent company 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.

# Independent Auditor's Report to the members of Taylor Clark Limited
continued

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, 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 is 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's 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 an auditor's report 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.

## The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

# Independent Auditor's Report to the members of Taylor Clark Limited
continued

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting tax computations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

## 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 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.

Euan Banks

**Euan Banks** *(Senior Statutory Auditor)*
*For and on behalf of RSM UK Audit LLP, Statutory Auditor*
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

2 August 2023

# Consolidated profit and loss account and other comprehensive income

for the year ended 31 March 2023

| | Note | 2023 £'000 | 2022 £'000 |
|---|---|---|---|
| **Turnover** | 2 | **670** | 537 |
| Cost of sales | | **(494)** | (453) |
| **Gross profit** | | **176** | 84 |
| Administrative expenses | | **(1,620)** | (1,230) |
| Other operating income | 3 | **1,362** | 2,066 |
| **Operating (loss)/profit** | | **(82)** | 920 |
| Share of (loss)/profit of joint ventures net of tax | | **(140)** | 381 |
| (Loss)/gain on fixed asset investment disposals | | **(331)** | 30 |
| Unrealised gain on fair value measurement of investment property | | **255** | 435 |
| Unrealised fair value (loss)/gain on fixed asset investments | 16 | **(5,923)** | 4,934 |
| Impairment loss on fixed asset investments | | **(2,386)** | (316) |
| **(Loss)/profit before interest** | | **(8,607)** | 6,384 |
| Interest receivable and similar income | 5 | **1,993** | 833 |
| Interest payable and similar expenses | 6 | **(5)** | (3) |
| **(Loss)/profit before taxation** | | **(6,619)** | 7,214 |
| Tax on (loss)/profit | 9 | **1,877** | (2,341) |
| **(Loss)/profit after tax** | | **(4,742)** | 4,873 |
| **Other comprehensive income** | | | |
| Foreign exchange differences on translation of foreign operations | | **428** | 279 |
| **Total comprehensive (loss)/income for the year** | | **(4,314)** | 5,152 |

The notes on pages 20 to 44 form part of these financial statements.

# Consolidated balance sheet
for the year ended 31 March 2023

| | Note | 2023<br>£'000 | 2022<br>£'000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 12 | **3,721** | 3,904 |
| Biological assets | 13 | **61** | 50 |
| Investment property | 14 | **7,742** | 7,485 |
| Investments in joint ventures | 15 | **3,092** | 3,232 |
| Other investments | 16 | **143,494** | 144,505 |
| | | **158,110** | 159,176 |
| **Current assets** | | | |
| Stocks | 18 | **217** | 185 |
| Debtors due after more than one year | 19 | **17,228** | 16,509 |
| Debtors due within one year | 19 | **10,155** | 4,999 |
| Cash at bank and in hand | 20 | **13,245** | 24,936 |
| | | **40,845** | 46,629 |
| Creditors: amounts falling due within one year | 21 | **(556)** | (246) |
| **Net current assets** | | **40,289** | 46,383 |
| **Total assets less current liabilities** | | **198,399** | 205,559 |
| Deferred tax liability | 22 | **(2,793)** | (5,003) |
| **Net assets** | | **195,606** | 200,556 |
| **Capital and reserves** | | | |
| Called up share capital | 23 | **698** | 698 |
| Capital redemption reserve | 23 | **1,605** | 1,605 |
| Profit and loss account: | | | |
| Distributable | | **189,912** | 185,656 |
| Non-distributable | | **3,391** | 12,597 |
| | 23 | **193,303** | 198,253 |
| Shareholders' funds | | **195,606** | 200,556 |

These financial statements were approved by the board of directors on 2 August 2023 and signed on its behalf by CMadelin

**C E Madelin** *Director*

The notes on pages 20 to 44 form part of these financial statements.

Company number: 00340727

# Company balance sheet

*for the year ended 31 March 2023*

| | Note | 2023 £'000 | 2022 £'000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 12 | **1,745** | 2,041 |
| Investment property | 14 | **3,550** | 3,550 |
| Other investments | 16 | **154,238** | 153,087 |
| | | **159,533** | 158,678 |
| **Current assets** | | | |
| Debtors due within one year | 19 | **17,853** | 12,431 |
| Cash at bank and in hand | 20 | **11,266** | 22,959 |
| | | **29,119** | 35,390 |
| Creditors: amounts falling due within one year | 21 | **(6,149)** | (6,014) |
| **Net current assets** | | **22,970** | 29,376 |
| **Total assets less current liabilities** | | **182,503** | 188,054 |
| Deferred tax liability | 22 | **(2,579)** | (4,823) |
| **Net assets** | | **179,924** | 183,231 |
| **Capital and reserves** | | | |
| Called up share capital | 23 | **698** | 698 |
| Capital redemption reserve | 23 | **1,605** | 1,605 |
| Profit and loss account: | | | |
| *Distributable* | | **174,023** | 170,426 |
| Non-distributable | | **3,598** | 10,502 |
| | 23 | **177,621** | 180,928 |
| Shareholders' funds | | **179,924** | 183,231 |

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss related notes as it prepares group accounts. The Company's profit and total comprehensive income for the year was a loss of £2,671,000 *(2022: profit of £9,861,000).*

These financial statements were approved by the board of directors on 2 August 2023 and signed on its behalf by CMadelin

**C E Madelin** *Director*

The notes on pages 20 to 44 form part of these financial statements.

Company number: 00340727

# Consolidated statement of changes in equity

for the year ended 31 March 2023

| | Note | *Called up share capital* £'000 | *Capital redemption reserve* £'000 | *Profit and loss account* £'000 | *Total equity* £'000 |
|---|---|---|---|---|---|
| Balance at 1 April 2021 | | 698 | 1,605 | 195,396 | 197,699 |
| Total comprehensive income for the year | | | | | |
| Profit or loss | | – | – | 4,873 | 4,873 |
| Other comprehensive income | | | | | |
| Foreign exchange differences on translation of foreign operations | | – | – | 279 | 279 |
| Total comprehensive income for the year | | – | – | 5,152 | 5,152 |
| Transactions with owners, recorded directly in equity | | | | | |
| Dividends | 11 | – | – | (2,295) | (2,295) |
| Total contributions by and distributions to owners | | – | – | (2,295) | (2,295) |
| Balance at 31 March 2022 | | 698 | 1,605 | 198,253 | 200,556 |
| **Balance at 1 April 2022** | | **698** | **1,605** | **198,253** | **200,556** |
| **Total comprehensive income for the year** | | | | | |
| **Profit or loss** | | **–** | **–** | **(4,742)** | **(4,742)** |
| **Other comprehensive income** | | | | | |
| **Foreign exchange differences on translation of foreign operations** | | **–** | **–** | **428** | **428** |
| **Total comprehensive income for the year** | | **–** | **–** | **(4,314)** | **(4,314)** |
| **Transactions with owners, recorded directly in equity** | | | | | |
| **Dividends** | 11 | **–** | **–** | **(636)** | **(636)** |
| **Total contributions by and distributions to owners** | | **–** | **–** | **(636)** | **(636)** |
| **Balance at 31 March 2023** | | **698** | **1,605** | **193,303** | **195,606** |

The notes on pages 20 to 44 form part of these financial statements.

# Company statement of changes in equity
for the year ended 31 March 2023

| | Note | *Called up share capital* £'000 | *Capital redemption reserve* £'000 | *Profit and loss account* £'000 | *Total equity* £'000 |
|---|---|---|---|---|---|
| Balance at 1 April 2021 | | 698 | 1,605 | 173,362 | 175,665 |
| Total comprehensive income for the year | | | | | |
| Profit or loss | | – | – | 9,861 | 9,861 |
| Total comprehensive income for the year | | – | – | 9,861 | 9,861 |
| Transactions with owners, recorded directly in equity | | | | | |
| Dividends | 11 | – | – | (2,295) | (2,295) |
| Total contributions by and distributions to owners | | – | – | (2,295) | (2,295) |
| Balance at 31 March 2022 | | 698 | 1,605 | 180,928 | 183,231 |
| **Balance at 1 April 2022** | | **698** | **1,605** | **180,928** | **183,231** |
| **Total comprehensive income for the year** | | | | | |
| **Profit or loss** | | **–** | **–** | **(2,671)** | **(2,671)** |
| **Total comprehensive income for the year** | | **–** | **–** | **(2,671)** | **(2,671)** |
| **Transactions with owners, recorded directly in equity** | | | | | |
| **Dividends** | 11 | **–** | **–** | **(636)** | **(636)** |
| **Total contributions by and distributions to owners** | | **–** | **–** | **(636)** | **(636)** |
| **Balance at 31 March 2023** | | **698** | **1,605** | **177,621** | **179,924** |

The notes on pages 20 to 44 form part of these financial statements.

# Consolidated cash flow statement

for the year ended 31 March 2023

| | Note | 2023 £'000 | 2022 £'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit for the year | | **(4,742)** | 4,873 |
| *Adjustments for:* | | | |
| Depreciation charges | 4 | **211** | 227 |
| Foreign exchange losses/(gains) | 5 | **200** | (222) |
| Income from fixed asset investments | 3 | **(1,353)** | (1,895) |
| Dividends received from joint ventures | | **-** | (150) |
| Change in value of investment property | 14 | **(255)** | (435) |
| Fair value adjustments of fixed asset investments | 16 | **5,923** | (4,934) |
| Fair value adjustment of biological assets | 13 | **(18)** | (12) |
| Provisions made against fixed asset investments | 16 | **2,386** | 316 |
| Provisions made against tangible fixed assets | 12 | **192** | – |
| Share of loss/(profit) of joint ventures | 15 | **140** | (381) |
| Interest receivable and similar income | 5 | **(1,993)** | (611) |
| Interest payable and similar charges | 6 | **5** | 3 |
| Gain on sale of fixed assets | | **(11)** | (25) |
| Loss/(gain) on sale of fixed asset investments | | **331** | (30) |
| Taxation | 9 | **(1,877)** | 2,341 |
| | | **(861)** | (935) |
| Increase/(decrease) in trade and other debtors | | **(4,356)** | 2,223 |
| Increase in stocks | | **(32)** | (35) |
| Increase/(decrease) in trade and other creditors | | **310** | (569) |
| | | **(4,939)** | 684 |
| Interest received | | **208** | 28 |
| Tax paid | | **(182)** | (592) |
| **Net cash (utilised)/generated from operating activities** | | **(4,913)** | 120 |
| **Cash flows from investing activities** | | | |
| Proceeds from sale of tangible fixed assets | | **18** | 25 |
| Proceeds from sale of fixed assets investments | | **5,861** | 15,004 |
| Income from fixed asset investments | | **881** | 1,599 |
| Return of capital from unlisted investments | 16 | **1,972** | 518 |
| Dividends received from joint ventures | | **-** | 150 |
| Acquisition of tangible fixed assets | 12 | **(220)** | (74) |
| Acquisition of fixed asset investments | 16 | **(15,105)** | (62,209) |
| ***Net cash utilised from investing activities*** | | **(6,593)** | (44,987) |
| **Cash flows from financing activities** | | | |
| Dividends paid | 11 | **(636)** | (2,295) |
| **Net cash utilised from financing activities** | | **(636)** | (2,295) |
| Net decrease in cash and cash equivalents | | **(12,142)** | (47,162) |
| Cash and cash equivalents at 1 April 2022 | | **24,936** | 71,467 |
| Effect of exchange rate fluctuations on cash held | | **451** | 631 |
| ***Cash and cash equivalents at 31 March 2023*** | | **13,245** | 24,936 |

The notes on pages 20 to 44 form part of these financial statements.

# Notes on the accounts

## 1 Accounting policies

Taylor Clark Limited (the "Company") is a private company limited by shares, incorporated, domiciled and registered in England in the UK.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;

- No separate parent company Cash Flow Statement with related notes is included; and

- Key Management Personnel compensation has not been included a second time.

- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

*1.1 Measurement convention*

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: biological assets, investment property and financial instruments classified at fair value.

*1.2 Going concern*

The Group's business activities are set out in the Strategic report on pages 4 to 7. The Group's directors have considered the Group's cash requirements for the 12-months following the signing of these accounts, including commitments of £18.0m, which could be called during this period. They have also considered the effect of higher interest rates, increased inflation and the war in Ukraine in relation to both financial and property investments held and the possibility of having to provide support to certain projects. With regards to the financial investments, the Group's diverse portfolio has protected it from any significant losses and its defensive investments, which are highly liquid, have performed well in the current climate.

The directors have also prepared a severe, but plausible downside scenario in which total commitments of £18.0m could be called during the next 12 months and have determined that the Group's ample cash balances and highly liquid defensive financial investments were more than sufficient to cover these potential outflows. On the basis of their assessment of the Group's financial position and resources, the directors believe that the Group is well placed to manage its business risks. Therefore, the Group's directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# Notes on the accounts
continued

1 Accounting policies *(continued)*

The Directors have assessed the current uncertainty in the UK economy caused by high interest rates and inflation and determined this does not affect the going concern of the Company. While the impact on the capital prices is potentially significant, this will not cause any disruption to the activities of the Company which mainly focus on holding investments.

*1.3 Basis of consolidation*

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2023. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries and jointly controlled entities are carried at cost less impairment.

*1.4 Foreign currency*

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

*1.5 Basic financial instruments*

*Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

*Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

# Notes on the accounts
continued

1 Accounting policies *(continued)*

*Investments in ordinary shares*

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

*1.6 Other financial instruments*

Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

*1.7 Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The Company assesses at each reporting date whether tangible fixed assets are impaired. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

| | |
|---|---|
| Freehold buildings | – 4% |
| Other tangible assets: | |
| Short life equipment | – 50% |
| Farming equipment | – At between 10% and 20% |
| Other plant and equipment | – At between 10% and 33% |

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

*1.8 Investment property*

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

ii. no depreciation is provided in respect of investment properties applying the fair value model.

*1.9 Biological assets*

Biological assets are measured at fair value less costs to sell, with any change therein recognised in profit or loss.

1 Accounting policies *(continued)*

*1.10 Stocks*

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, on the basis of independent professional valuations.

*1.11 Impairment*

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*1.12 Employee benefits*

Defined contribution plans and other long-term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

*1.13 Provisions*

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

*1.14 Turnover*

Turnover represents the amounts receivable (excluding value added tax) in respect of farming activities and rental income in the United Kingdom.

The Company recognises revenue from the sale of goods when all the following conditions are satisfied:

(a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the entity;

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# Notes on the accounts
continued

1 Accounting policies *(continued)*

*Rental income*

Rentals are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

*1.15 Expenses*

*Operating leases*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

*Interest payable*

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

*1.16 Interest receivable*

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

*1.17 Taxation*

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which 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. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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.

*1.18 Accounting estimates and judgements*

In the application of the Group's accounting policies which are described in Note 1, the directors are required to make judgements, estimates and assumptions about 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 considered to be relevant. Actual results may differ from these estimates.

# Notes on the accounts
continued

1 Accounting policies *(continued)*

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.

For assets and liabilities held at fair value, the directors' estimate of fair value is based upon valuations provided annually by external, independent valuers, each of whom have an appropriate recognised professional qualification and relevant experience.

For assets and liabilities held at cost less impairment, the directors' estimate of carrying value is based upon reporting provided by external managers and the directors' own judgement.

In accordance with FRS 102.29, deferred tax assets are only recognised to the extent that it is probable they are recoverable against future taxable profits or deferred tax liability reversals.

There are no other critical judgements or key sources of estimation uncertainty that the directors have made in the process of applying the company's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

# Notes on the accounts
continued

2 Turnover and business segment analysis

*By activity*

| **2023** | ***Property*** | ***Financial Investments*** | ***Other*** | ***Total*** |
|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** |
| **Turnover** | | | | |
| **Rental income** | **249** | **–** | **–** | **249** |
| **Farming** | **–** | **–** | **421** | **421** |
| | **249** | **–** | **421** | **670** |
| **Operating profit/(loss)** | **113** | **1,353** | **(1,548)** | **(82)** |
| **Share of loss of joint ventures** | **(140)** | **–** | **–** | **(140)** |
| **Loss on fixed asset investment disposals** | **–** | **(331)** | **–** | **(331)** |
| **Gain on fair value measurement of investment property** | **255** | **–** | **–** | **255** |
| **Impairment loss on fixed asset investments** | **–** | **(2,386)** | **–** | **(2,386)** |
| **Loss on fair value measurement of fixed asset investments** | **–** | **(5,923)** | **–** | **(5,923)** |
| **Interest receivable** | **719** | **–** | **1,274** | **1,993** |
| **Interest payable** | **–** | **–** | **(5)** | **(5)** |
| **Profit/(loss) before taxation** | **947** | **(7,287)** | **(279)** | **(6,619)** |
| **Assets employed** | | | | |
| **Group** | **34,039** | **143,494** | **14,981** | **192,514** |
| **Share of joint ventures** | **3,092** | **–** | **–** | **3,092** |
| | **37,131** | **143,494** | **14,981** | **195,606** |

## 2 Turnover and business segment analysis *(continued)*

| 2022 | *Property* | *Financial Investments* | *Other* | *Total* |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| Turnover | | | | |
| Rental income | 238 | – | – | 238 |
| Farming | – | – | 299 | 299 |
| | 238 | – | 299 | 537 |
| Operating profit/(loss) | 243 | 1,895 | (1,218) | 920 |
| Share of profit of joint ventures | 381 | – | – | 381 |
| Gains on property disposals | – | – | – | – |
| Gains on fixed asset investment disposals | – | 30 | – | 30 |
| Gain on fair value measurement of investment property | 435 | – | – | 435 |
| Impairment loss on fixed asset investments | – | (316) | – | (316) |
| Gain on fair value measurement of fixed asset investments | – | 4,934 | – | 4,934 |
| Interest receivable | 580 | – | 253 | 833 |
| Interest payable | – | – | (3) | (3) |
| Profit/(loss) before taxation | 1,639 | 6,543 | (968) | 7,214 |
| Assets employed | | | | |
| Group | 28,565 | 144,505 | 24,254 | 197,324 |
| Share of joint ventures | 3,232 | – | – | 3,232 |
| | 31,797 | 144,505 | 24,254 | 200,556 |

The 'Other' column includes group overhead costs in Operating profit/(loss).

# Notes on the accounts
continued

2 Turnover and business segment analysis *(continued)*

*By geographical market*

*(by destination and origin)*

| | **2023** UK £'000 | **2023** North America £'000 | **2023** Total £'000 | 2022 UK £'000 | 2022 North America £'000 | 2022 Total £'000 |
|---|---|---|---|---|---|---|
| Turnover | | | | | | |
| Rental income | **249** | **–** | **249** | 238 | – | 238 |
| Farming | **421** | **–** | **421** | 299 | – | 299 |
| | **670** | **–** | **670** | 537 | – | 537 |
| Operating (loss)/profit | **(25)** | **(57)** | **(82)** | 964 | (44) | 920 |
| Share of (loss)/profit of joint ventures | **(140)** | **–** | **(140)** | 381 | – | 381 |
| (Loss)/gain on fixed asset investment disposals | **(331)** | **–** | **(331)** | 30 | – | 30 |
| Gain on fair value measurement of investment property | **255** | **–** | **255** | 435 | – | 435 |
| Impairment gain/(loss) on fixed assets investments | **229** | **(2,615)** | **(2,386)** | (861) | 545 | (316) |
| (Loss)/gain on fair value measurement of fixed asset investments | **(5,923)** | **–** | **(5,923)** | 4,934 | – | 4,934 |
| Interest receivable | **1,937** | **56** | **1,993** | 826 | 7 | 833 |
| Interest payable | **(5)** | **–** | **(5)** | (3) | – | (3) |
| (Loss)/profit before taxation | **(4,003)** | **(2,616)** | **(6,619)** | 6,706 | 508 | 7,214 |
| Assets employed | | | | | | |
| Group | **188,147** | **4,367** | **192,514** | 190,728 | 6,596 | 197,324 |
| Share of joint ventures | **3,092** | **–** | **3,092** | 3,232 | – | 3,232 |
| | **191,239** | **4,367** | **195,606** | 193,960 | 6,596 | 200,556 |

3 Other operating income

| | **2023** £'000 | 2022 £'000 |
|---|---|---|
| Income from fixed asset investments | **1,353** | 1,895 |
| Other items | **9** | 171 |
| | **1,362** | 2,066 |

# Notes on the accounts
continued

4 **Expenses and auditors' remuneration**

| *Included in profit/(loss) are the following:* | **2023 £'000** | 2022 £'000 |
|---|---|---|
| Gain on fair value measurement of investment property | **(255)** | (435) |
| Loss/(gain) on sale of fixed assets investments | **331** | (30) |
| Impairment loss on fixed assets investments | **2,386** | 316 |
| Loss/(gain) on fair value measurement of fixed asset investments | **5,923** | (4,934) |
| Depreciation | **211** | 227 |
| Auditor's remuneration: | | |
| Audit of these financial statements | **78** | 71 |
| Audit of subsidiaries | **12** | 12 |

5 **Interest receivable and similar income**

| | **2023 £'000** | 2022 £'000 |
|---|---|---|
| Bank and other interest receivable | **213** | 31 |
| Currency translation differences | **430** | 222 |
| USD forward contract | **631** | – |
| Interest receivable from joint ventures | **719** | 580 |
| | **1,993** | 833 |

6 *Interest payable and similar expenses*

| | **2023 £'000** | 2022 £'000 |
|---|---|---|
| Bank and other interest payable | **5** | 3 |
| | **5** | 3 |

# Notes on the accounts
continued

7 Staff costs and directors' emoluments

The average number of persons employed by the group (including directors) during the year was as follows:

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Property, management and administration | **6** | 6 |
| Other | **3** | 3 |
| | **9** | 9 |

The aggregate payroll costs of these persons were as follows:

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Wages and salaries | **542** | 519 |
| Social security costs | **66** | 60 |
| Other pension costs | **98** | 93 |
| | **706** | 672 |

**Directors' remuneration:**

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Director's emoluments | **361** | 343 |

The aggregate of emoluments of the highest paid director (excluding pension contributions) were £128,000 *(2022: £122,000)* and company pension contributions of £30,000 *(2022: £29,000)* were made to a money purchase scheme on their behalf.

During the year, retirement benefits were accruing to 1 director *(2022: 1)* in respect of defined contribution pension schemes.

8 Pensions

*Defined contributions pension scheme*

Since 1 January 2011 the Group has operated a defined contribution scheme for certain UK based employees. The pension charge for the period includes contributions payable by the Group to the scheme of £98,000 *(2022: £93,000)*. The contribution of the Group for the scheme was 27.5% *(2022: 27.5%)* of pensionable salary. The employees contributed an additional 6% *(2022: 6%)*.

There were no contributions payable to the scheme at the year end *(2022: £nil)*.

## 9 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| *UK corporation tax* | | |
| Current tax expense on income for the year | **270** | 563 |
| Adjustment in respect of prior years | **104** | (59) |
| | **374** | 504 |
| *Foreign tax* | | |
| Current tax credit on income for the year | **(6)** | 35 |
| Total current tax | **368** | 539 |
| *Deferred taxation (see note 22)* | | |
| Origination and reversal of timing differences | **(17)** | 38 |
| Deferred tax on movement in fair value of financial investments | **(2,228)** | 726 |
| Adjustment in respect of prior years | **–** | 28 |
| Change in tax rate | **–** | 1,010 |
| Total deferred tax | **(2,245)** | 1,802 |
| Total tax (credit)/expense | **(1,877)** | 2,341 |

| | **2023** | | | 2022 | | |
|---|---|---|---|---|---|---|
| | **£'000 Current tax** | **£'000 Deferred tax** | **£'000 Total tax** | £'000 Current tax | £'000 Deferred tax | £'000 Total tax |
| Recognised in profit and loss account | **368** | **(2,245)** | **(1,877)** | 539 | 1,802 | 2,341 |
| | **368** | **(2,245)** | **(1,877)** | 539 | 1,802 | 2,341 |

# Notes on the accounts
continued

9 Taxation *(continued)*

Reconciliation of effective tax rate

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| (Loss)/profit for the year | **(4,742)** | 4,873 |
| Total tax (credit)/expense | **(1,877)** | 2,341 |
| (Loss)/profit excluding taxation | **(6,619)** | 7,214 |
| Tax using the UK corporation tax rate of 19% *(2022: 19%)* | **(1,258)** | 1,371 |
| Change in tax rate on deferred tax balances | **-** | 1,010 |
| Non-deductible expenses | **61** | 9 |
| Tax exempt revenues | **(348)** | (481) |
| Movement in fair value of financial investments | **1,125** | (988) |
| Profit on disposal of fixed asset investments | **62** | (10) |
| Chargeable gains | **87** | 733 |
| Deferred tax on movement in fair value of financial investments | **(2,228)** | 726 |
| Deferred tax not previously recognised | **18** | 66 |
| Current year losses for which no deferred tax asset was recognised | **5** | 25 |
| Overseas tax differences | **495** | (61) |
| Under/(over) provided in prior years | **104** | (59) |
| Total tax expense included in profit or loss | **(1,877)** | 2,341 |

In accordance with FRS 102.29, deferred tax assets are only recognised to the extent that it is probable they are recoverable against future taxable profits or deferred tax liability reversals. Accordingly a deferred tax asset of £601,000 *(2022: £598,000)* has not been recorded on the grounds that there is currently insufficient evidence that the asset will be recoverable against suitable taxable profits in the short term.

A UK corporation rate of 19% was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate of 19% to 17%. A further increase to 25% with effect from 1 April 2023 was substantively enacted on 24 May 2021 and will increase the company's future tax charge accordingly. The deferred tax liability at 31 March 2023 has been calculated at 25% *(2022: 25%)*.

10 (Loss)/profit for the financial year

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Dealt with in the accounts of the holding company | **(2,671)** | 9,861 |
| Retained by subsidiary undertakings | **(2,071)** | (4,988) |
| | **(4,742)** | 4,873 |

# Notes on the accounts
continued

## 11 Dividends

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Amounts recognised as distributions to equity shareholders in the year | | |
| Final dividends for the year ended 31 March 2022 | | |
| Ordinary A shares 0.0000p, *(31 March 2021: 10.8500p)* per share | **-** | 81 |
| Ordinary B shares 0.0000p, *(31 March 2021: 11.9350p)* per share | **-** | 745 |
| Interim dividends for the year ended 31 March 2023 | | |
| Ordinary A shares 8.3700p, *(31 March 2022: 7.7900p)* per share | **62** | 58 |
| Ordinary B shares 9.2070p, *(31 March 2022: 8.5690p)* per share | **574** | 534 |
| Final dividends for the year ended 31 March 2023 | | |
| Ordinary A shares 0.0000p, *(31 March 2022: 11.5400p)* per share | **-** | 86 |
| Ordinary B shares 0.0000p, *(31 March 2022: 12.6940p)* per share | **-** | 791 |
| Total dividends paid in the year | **636** | 2,295 |

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Proposed final dividends for the year ended 31 March 2023 | | |
| Ordinary A shares 17.660p, *(31 March 2022: 0.0000p)* per share | **132** | - |
| Ordinary B shares 19.430p, *(31 March 2022: 0.0000p)* per share | **1,211** | - |
| | **1,343** | - |

In July 2023 dividends of 17.660p and 19.430p for Ordinary A shares and Ordinary B shares respectively were proposed by the directors for approval at the forthcoming Annual General Meeting. They have therefore not been accounted for in the current accounting period.

Dividends paid to directors during the year were £43,000 *(2022: £96,000)*.

# Notes on the accounts
continued

12 Fixed assets: Tangible assets

| | *Freehold Land* £'000 | *Freehold property* £'000 | *Freehold property trading* £'000 | *Other tangible assets* £'000 | *Total* £'000 |
|---|---|---|---|---|---|
| *Group:* | | | | | |
| Cost or valuation: | | | | | |
| 1 April 2022 | 1,709 | 2,035 | 1,044 | 1,169 | 5,957 |
| Additions | 148 | – | – | 72 | 220 |
| Disposals | – | – | – | (21) | (21) |
| **31 March 2023** | **1,857** | **2,035** | **1,044** | **1,220** | **6,156** |

| | *Freehold Land* £'000 | *Freehold property* £'000 | *Freehold property trading* £'000 | *Other tangible assets* £'000 | *Total* £'000 |
|---|---|---|---|---|---|
| *Group:* | | | | | |
| Depreciation and impairment: | | | | | |
| 1 April 2022 | – | 415 | 713 | 925 | 2,053 |
| Charged in year | – | 81 | 35 | 95 | 211 |
| Impairment losses | – | 192 | – | – | 192 |
| Disposals | – | – | – | (21) | (21) |
| **31 March 2023** | **–** | **688** | **748** | **999** | **2,435** |
| Net book value: | | | | | |
| 1 April 2022 | 1,709 | 1,620 | 331 | 244 | 3,904 |
| **31 March 2023** | **1,857** | **1,347** | **296** | **221** | **3,721** |

| | *Freehold Land* £'000 | *Freehold property* £'000 | *Other tangible assets* £'000 | *Total* £'000 |
|---|---|---|---|---|
| *Company:* | | | | |
| Cost or valuation: | | | | |
| 1 April 2022 | 354 | 2,035 | 223 | 2,612 |
| Additions | – | – | 1 | 1 |
| Disposals | – | – | – | – |
| **31 March 2023** | **354** | **2,035** | **224** | **2,613** |

# Notes on the accounts
continued

12 Fixed assets: Tangible assets *(continued)*

| | *Freehold Land* £'000 | *Freehold property* £'000 | *Other tangible assets* £'000 | *Total* £'000 |
|---|---|---|---|---|
| *Company:* | | | | |
| Depreciation and impairment: | | | | |
| 1 April 2022 | – | 415 | 156 | 571 |
| Charged in year | – | 81 | 24 | 105 |
| Impairment losses | – | 192 | – | 192 |
| Disposals | – | – | – | – |
| **31 March 2023** | **–** | **688** | **180** | **868** |
| Net book value: | | | | |
| 1 April 2022 | 354 | 1,620 | 67 | 2,041 |
| **31 March 2023** | **354** | **1,347** | **44** | **1,745** |

13 Biological assets

| | £'000 |
|---|---|
| *Group:* | |
| At 1 April 2022 | 50 |
| Purchases | – |
| Sales | (7) |
| Changes in fair value | 18 |
| **At 31 March 2023** | **61** |
| | |
| *Company:* | – |
| **At 31 March 2022 and 31 March 2023** | **–** |

# Notes on the accounts
continued

## 14 Investment property

| | £'000 |
|---|---|
| *Group:* | |
| At 1 April 2022 | 7,485 |
| Additions | 2 |
| Net gain from fair value adjustments | 255 |
| **At 31 March 2023** | **7,742** |
| Historical cost | 5,140 |

| | £'000 |
|---|---|
| *Company:* | |
| **At 1 April 2022 and 31 March 2023** | **3,550** |
| Historical cost | 3,166 |

On 15 May 2023, a new investment property was purchased for £802,000.

There were no contractual obligations to purchase, construct or develop investment property as of 31 March 2023, other than mentioned above, nor any contractual obligations for repairs, maintenance or enhancements of investment property.

£7,742,000 *(2022: £7,485,000)* (Company: £3,550,000 *(2022: £3,550,000)*) of investment property fair value is based on a valuation by external independent valuers Cluttons and Carter Jonas. The valuations were carried out by the valuers who hold appropriate recognised professional qualifications and have experience in the location and class of properties being valued. The valuation, which is supported by market evidence, is prepared by considering the future sale proceeds from the disposal of the properties and where relevant, any associated costs.

Any gain or loss arising from a change in fair value is recognised in profit or loss.

# Notes on the accounts
continued

15 Fixed assets: Investments in joint ventures

| | BAM TCP Atlantic Square Limited £'000 |
|---|---|
| Cost or valuation: | |
| At beginning of year | (959) |
| **At end of year** | **(959)** |
| Share of post acquisition reserves: | |
| At beginning of year | 4,191 |
| Retained losses | (140) |
| **At end of year** | **4,051** |
| Net book value: | |
| 1 April 2022 | 3,232 |
| **31 March 2023** | **3,092** |

At both 1 April 2022 and 31 March 2023 the Group held 50% of the voting rights and exercised joint control of BAM TCP Atlantic Square Limited (BAM TCP), a property development company registered in England and Wales.

16 Fixed assets: Other investments

| | Listed £'000 | Other £'000 | Total £'000 |
|---|---|---|---|
| *Group:* | | | |
| Cost or market value: | | | |
| At beginning of year | 124,934 | 31,472 | 156,406 |
| Additions | 11,325 | 3,780 | 15,105 |
| Return of capital | – | (1,972) | (1,972) |
| Disposals | (6,192) | (541) | (6,733) |
| Movement in fair value | (5,923) | – | (5,923) |
| Translation difference | – | 540 | 540 |
| **At end of year** | **124,144** | **33,279** | **157,423** |

16 Fixed assets: Other investments *(continued)*

| | Listed £'000 | Other £'000 | Total £'000 |
|---|---|---|---|
| *Group:* | | | |
| Provisions: | | | |
| At beginning of year | – | 11,901 | 11,901 |
| Disposals | – | (541) | (541) |
| Increase in the year | – | 2,386 | 2,386 |
| Translation difference | – | 183 | 183 |
| **At end of year** | **–** | **13,929** | **13,929** |
| Net book value: | | | |
| 1 April 2022 | 124,934 | 19,571 | 144,505 |
| **31 March 2023** | **124,144** | **19,350** | **143,494** |

| | Shares in subsidiary undertakings £'000 | Listed £'000 | Other £'000 | Total £'000 |
|---|---|---|---|---|
| *Company:* | | | | |
| Cost or valuation: | | | | |
| At beginning of year | 28,175 | 124,934 | 23,152 | 176,261 |
| Additions | – | 11,325 | 3,295 | 14,620 |
| Return of capital | – | – | (1,583) | (1,583) |
| Disposals | (14,092) | (6,192) | (541) | (20,825) |
| Movement in fair value | – | (5,923) | – | (5,923) |
| **At end of year** | **14,083** | **124,144** | **24,323** | **162,550** |

| | £'000 | £'000 | £'000 | £'000 |
|---|---|---|---|---|
| *Company:* | | | | |
| Provisions: | | | | |
| At beginning of year | 14,092 | – | 9,082 | 23,174 |
| Decrease in the year | – | – | (229) | (229) |
| Disposals | (14,092) | – | (541) | (14,633) |
| **At end of year** | **–** | **–** | **8,312** | **8,312** |
| Net book value: | | | | |
| 1 April 2022 | 14,083 | 124,934 | 14,070 | 153,087 |
| **31 March 2023** | **14,083** | **124,144** | **16,011** | **154,238** |

Listed investments are valued at market values. Unlisted investments are valued at cost less impairment.

# Notes on the accounts
continued

17 Subsidiary and joint venture undertakings

The company owned the proportions set out below of the issued share capital of the following subsidiary undertakings:

| | *Percentage of equity owned at 31 March 2023* | *Percentage of equity owned at 31 March 2022* | *Country of registration/ incorporation* |
|---|---|---|---|
| **Property** | | | |
| TCP Developments Limited | 100 | 100 | Scotland |
| BAM TCP Atlantic Square Limited | 50* | 50* | England |
| Taylor Clark Properties Limited – liquidated on 22 March 2023 | n/a | 100 | Scotland |
| TCP Pilgrim Limited – liquidated on 22 March 2023 | n/a | 100* | England |
| **Farming** | | | |
| Wylye Valley Farming Limited | 100 | 100 | England |
| **USA** | | | |
| Taylor Clark Inc | 100* | 100* | USA |
| **Other** | | | |
| Taylor Clark International | 100 | 100 | England |
| Taylor Clark Leisure plc – liquidated on 22 March 2023 | n/a | 100 | Scotland |

* *Owned by a subsidiary undertaking*

Wholly owned subsidiaries:
Registered Office for England - 20 York Street, London, W1U 6PU
Registered Office for Scotland - Suite 6 Kirk House, Kirk Road, Bearsden, Glasgow, G61 3RG
Registered Office for USA - 983 Azalea Drive, Costa Mesa, California 92626, USA

Joint ventures:
Registered Office for BAM TCP Atlantic Square Limited – Breakspear Park, Breakspear Way, Hemel Hempstead HP2 4FL

18 Stock

| | Group | |
|---|---|---|
| | **2023** | 2022 |
| | **£'000** | £'000 |
| Stock comprises: | | |
| Farm produce | **217** | 185 |
| | **217** | 185 |

# Notes on the accounts
continued

19 Debtors

| | Group | | Company | |
|---|---|---|---|---|
| | **2023** | 2022 | **2023** | 2022 |
| | **£'000** | £'000 | **£'000** | £'000 |
| *Amounts due after one year* | | | | |
| Amounts owed by joint ventures | **17,228** | 16,509 | **–** | – |
| | **17,228** | 16,509 | **–** | – |

| | Group | | Company | |
|---|---|---|---|---|
| | **2023** | 2022 | **2023** | 2022 |
| | **£'000** | £'000 | **£'000** | £'000 |
| *Amounts due within one year* | | | | |
| Trade debtors | **58** | 9 | **–** | – |
| Amounts owed by subsidiary undertakings | **–** | – | **7,796** | 7,478 |
| *Corporation tax receivable* | **169** | – | **–** | – |
| USD forward contract | **631** | – | **631** | – |
| Other debtors | **9,163** | 4,887 | **9,301** | 4,868 |
| Prepayments and accrued income | **134** | 103 | **125** | 85 |
| | **10,155** | 4,999 | **17,853** | 12,431 |

The amount due after one year of £17,228,000 (2022: £16,509,000) is a shareholder loan to BAM TCP Atlantic Square Limited a jointly controlled entity and is made up of £16,983,000 (2022: £16,410,000) principal and accrued interest of £245,000 BAM TCP has developed two commercial properties in Glasgow, one of which has been forward sold and the second being developed speculatively. Building 1 reached practical completion on 28 May 2021 and Building 2 on 24 August 2021.

Interest on the loan was charged at 5% until the completion of Building 2 on 24 August 2021 and base rate plus 2% thereafter.

Interest is capitalised on 30 June and 31 December each year. During the year loan repayments of £nil were received.

The remaining principal and interest is repayable after Building 2 is sold which at the date of signing these accounts is undetermined expected to be more than one year.

Amounts owed by subsidiaries are repayable on demand.

The USD forward contract of £631,000 is the fair value at 31 March 2023 of a contract the Company has entered into to sell $US5,000,000 on 3 October 2023.

20 Cash and cash equivalents

| | Group | | Company | |
|---|---|---|---|---|
| | **2023** | 2022 | **2023** | 2022 |
| | **£'000** | £'000 | **£'000** | £'000 |
| Cash at bank and in hand | **13,245** | 24,936 | **11,266** | 22,959 |
| | **13,245** | 24,936 | **11,266** | 22,959 |

The above balance includes restricted cash of £nil *(2022: £nil)*.

21 Creditors: amounts falling due within one year

| | Group | | Company | |
|---|---|---|---|---|
| | **2023** | 2022 | **2023** | 2022 |
| | **£'000** | £'000 | **£'000** | £'000 |
| Trade creditors | **41** | 35 | **30** | 21 |
| Amounts owed to subsidiary undertakings | **–** | – | **5,749** | 5,866 |
| Taxation and social security | **133** | 71 | **22** | 25 |
| Other creditors | **239** | 7 | **239** | 7 |
| Accruals and deferred income | **143** | 133 | **109** | 95 |
| | **556** | 246 | **6,149** | 6,014 |

Amounts owed to subsidiaries are repayable on demand.

22 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributed to the following:

*Group*

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Accelerated capital allowances | **(13)** | 34 |
| Revaluation of fixed asset investments | **2,772** | 4,999 |
| Revaluation of investment property | **34** | (30) |
| **Net tax liability** | **2,793** | 5,003 |

*Company*

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Accelerated capital allowances | **29** | 46 |
| Revaluation of investment property | **(222)** | (222) |
| Revaluation of fixed asset investments | **2,772** | 4,999 |
| Net tax liability | **2,579** | 4,823 |

In addition to the deferred tax assets and liabilities above, the Group has an unrecognised deferred tax asset of £601,000 *(2022: £598,000)*, in respect of losses (see Note 9).

The Company has an unrecognised deferred tax asset of £27,000 *(2022: £27,000)*, in respect of losses.

## 23 Capital and reserves

| | Ordinary A shares of £0.10 | | Ordinary B shares of £0.10 | | Total |
|---|---|---|---|---|---|
| | *Number* | *Value* | *Number* | *Value* | *Value* |
| | | £'000 | | £'000 | £'000 |
| **Share capital** | | | | | |
| *Allotted, called up and fully paid* | | | | | |
| **At 31 March 2022 and 2023** | **748,236** | **75** | **6,232,033** | **623** | **698** |

Ordinary A shares have voting rights and Ordinary B shares do not. Any dividends declared on Ordinary A shares must be accompanied by a dividend on the Ordinary B shares that is 110% of the Ordinary A share dividend.

No Ordinary B share dividend shall be declared unless it is accompanied by an Ordinary A share dividend.

The capital redemption reserve is a non-distributable reserve into which amounts are transferred following the redemption or purchase of the Company's own shares.

| **Capital redemption reserve** | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| *Group*: | | |
| **At 31 March 2022 and 2023** | **1,605** | 1,605 |
| *Company*: | | |
| **At 31 March 2022 and 2023** | **1,605** | 1,605 |

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

| **Profit and loss account** | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| *Group:* | | |
| At beginning of year | **198,253** | 195,396 |
| (Loss)/profit for the year | **(4,742)** | 4,873 |
| Currency translation difference | **428** | 279 |
| Dividends paid | **(636)** | (2,295) |
| **At end of year** | **193,303** | 198,253 |

Profit and loss reserves at 31 March 2023 comprise £189,912,000 available for distribution and £3,391,000 non-distributable *(2022: £185,656,000 distributable and £12,597,000 non-distributable)*.

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| *Company:* | | |
| At beginning of year | **180,928** | 173,362 |
| (Loss)/profit for the year | **(2,671)** | 9,861 |
| Dividends paid | **(636)** | (2,295) |
| **At end of year** | **177,621** | 180,928 |

Profit and loss reserves at 31 March 2023 comprise £174,023,000 available for distribution and £3,598,000 non-distributable *(2022: £170,426,000 distributable and £10,502,000 non-distributable)*.

# Notes on the accounts
continued

24 Financial instruments

The carrying amounts of the financial assets and liabilities include:

| *Group* | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Assets measured at fair value through profit and loss | **124,142** | 124,934 |
| Assets measured at cost less impairment | **19,315** | 19,536 |
| Assets measured at cost | **27,383** | 21,508 |
| Liabilities measured at cost | **(556)** | (246) |
| | **170,284** | 165,732 |

| *Company* | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Assets measured at fair value through profit and loss | **124,142** | 124,934 |
| Assets measured at cost less impairment | **15,977** | 14,036 |
| Assets measured at cost | **17,853** | 12,431 |
| Liabilities measured at cost | **(6,149)** | (6,014) |
| | **151,823** | 145,387 |

25 Commitments

The Company holds investments which may result in the drawdown of further funds in future periods. Under this arrangement, the Company is committed to providing further investment of £17,974,000 *(2022: £18,157,000)*. The remaining commitments will be met using cash and liquid financial investments held in the Company.

In January 2018 the Company's wholly owned subsidiary BAM TCP Atlantic Square Limited became a 50:50 joint venture with BAM Properties Limited. Under the joint venture agreement the Company together with the joint venture partner and BAM Properties' parent company, BAM Construct UK, has guaranteed the joint venture's obligations in relation to its development site in Glasgow.

Planning consent for the development of two multi-storey office buildings (Building 1 and 2) and a residential apartment building (Building 3) together with ancillary uses was granted in early 2016. In January 2018 Building 1 was forward sold to Legal and General. The joint venture is speculatively developing Building 2. Building 1 reached practical completion on 28 May 2021 and Building 2 on 24 August 2021. Building 2 is currently being marketed to potential tenants and as at the date of these accounts c. 60% of the building has been leased. The intention is to sell the building once it is fully let. The Company sold its share in Building 3 to joint venture partner, BAM Properties in March 2021.

# Notes on the accounts
continued

26 Related parties

*Identity of related parties with which the Group has transacted*

BAM TCP Atlantic Square Limited

On 26 January 2018 the wholly owned subsidiary BAM TCP Atlantic Square Limited (BAM TCP) became a 50:50 joint venture between the Group and BAM Properties Limited (BAM). To that effect, transactions occurred after that date between the Group and BAM TCP that do not fall within the exception contained in FRS 102.33.

A Loan of £16,983,000 *(2022: £16,410,000)* and interest of £245,000 *(2022: £99,000)* are receivable from BAM TCP at the year end.

*Transactions with key management personnel*

Total compensation of key management personnel in the year amounted to £361,000 *(2022: £343,000).*

*Other related parties*

The Company has supplied office accommodation and staff for the administration of The Underwood Trust, a UK registered charity (no: 266164). For these services management fees of £27,000 (2022: £27,000) have been received from the trust.

Two directors, one of who is also a shareholder, and one other shareholder of the Company are also trustees of the trust.

*Directors*

Dividends paid to directors during the year were £43,000 *(2022: £96,000).*

*Shareholders*

During the year a shareholder consecutively leased two flats at the Company's investment property, 20 York Street, London.

Both leases were at market value and the total amount of rent received from the leases during the year was £9,000 *(2022: £nil).*

During the year no amounts were written off any of the balances with related parties.

27 Ultimate parent company and parent company of the larger group

The Company is the ultimate parent company. The ultimate controlling parties of the Company are Mr R Clark and his family who are the only shareholders with voting rights.

No other group financial statements include the results of the Company.

# Financial record

for the years ended 31 March

| | **2023** | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| | **£'000** | £'000 | £'000 | £'000 | £'000 |
| **Group turnover** | **670** | 537 | 368 | 478 | 469 |
| **Reconciliation of movements in shareholders' funds** | | | | | |
| Profit/(loss) after taxation | **(4,742)** | 4,873 | 13,051 | (6,269) | 5,978 |
| Dividends | **(636)** | (2,295) | (1,369) | (1,344) | (1,314) |
| Other recognised gains | **428** | 279 | (804) | 496 | 706 |
| Net movement in shareholders' funds | **(4,950)** | 2,857 | 10,878 | (7,117) | 5,370 |
| Opening balance of shareholders' funds | **200,556** | 197,699 | 186,821 | 193,938 | 188,568 |
| **Closing balance of shareholders' funds** | **195,606** | 200,556 | 197,699 | 186,821 | 193,938 |
| **Balance sheet** | | | | | |
| Fixed assets: | | | | | |
| Investment property | **7,742** | 7,485 | 7,050 | 6,910 | 7,570 |
| Biological assets | **61** | 50 | 42 | 44 | 42 |
| Tangible assets | **3,721** | 3,904 | 4,057 | 4,163 | 4,305 |
| Investments | **146,586** | 147,737 | 95,798 | 116,572 | 135,616 |
| Net current assets | **40,289** | 46,383 | 93,953 | 59,541 | 48,904 |
| Other liabilities and provisions | **(2,793)** | (5,003) | (3,201) | (409) | (2,499) |
| **Net assets** | **195,606** | 200,556 | 197,699 | 186,821 | 193,938 |
| **Capital and reserves** | | | | | |
| Called up share capital | **698** | 698 | 698 | 698 | 698 |
| Other reserves | **194,908** | 199,858 | 197,001 | 186,123 | 193,240 |
| **Shareholders' funds** | **195,606** | 200,556 | 197,699 | 186,821 | 193,938 |

TAYLOR CLARK LIMITED