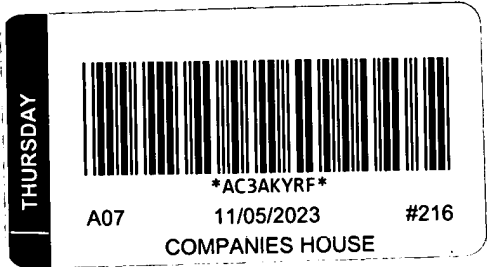


Caddick Group Limited  
Annual report  
for the year ended 31 August 2022



# **Caddick Group Limited**

## **Annual report for the year ended 31 August 2022**

### **Contents**

	<b>Page</b>
Chairman's statement for the year ended 31 August 2022 .....	1
Strategic report for the year ended 31 August 2022 .....	4
Directors' report for the year ended 31 August 2022 .....	7
Independent auditors' report to the members of Caddick Group Limited .....	10
Consolidated profit and loss account for the year ended 31 August 2022 .....	14
Consolidated balance sheet as at 31 August 2022 .....	15
Company balance sheet as at 31 August 2022 .....	16
Consolidated statement of changes in equity for the year ended 31 August 2022 .....	17
Company statement of changes in equity for the year ended 31 August 2022 .....	18
Consolidated statement of cash flows for the year ended 31 August 2022 .....	19
Notes to the financial statements for the year ended 31 August 2022 .....	20

# Caddick Group Limited

## Chairman's statement for the year ended 31 August 2022

I am pleased to report the group result for the year is a profit before tax of £58.0m before taxation, a substantial increase over the £17.1m in the previous year, with turnover also increasing by 28% to £492m.

The profitability has stemmed from successful property development activities, although the Construction and Sports Activities divisions have both incurred losses.

### Property Development

The group continues to focus on delivering institutional grade developments primarily in the living and industrial sectors.

Development of residential Build-to-Rent (BTR) projects is undertaken under the Moda Living brand, a joint venture between Caddick and Generate Land, now established as one of the UK's leading BTR developers, operators and asset managers. Schemes now completed comprise the 466 unit flag-ship Angel Gardens development in Manchester, the 325 unit Lexington development in Liverpool, the 337 unit McEwan development in Edinburgh, the 481 unit Mercian development in Birmingham and the 515 unit New York Square development in Leeds. The group currently has a number of other schemes on site, including a 433 unit scheme in Glasgow, a 564 unit scheme in Hove and a 398 unit scheme on a second site in Birmingham. Construction is progressing well, with the next completions being Glasgow in late 2023 and both Birmingham and Hove around mid 2024. The group and the investors have further BTR sites under their control across the country.

The multi-phase SOYO site in Leeds continues to be redeveloped. Following on from the sale last year of the first two plots for the Moda Living BTR joint venture, a further two plots were forward sold during the current year to another investor, with build works commencing November 2022 and scheduled to complete by the end of 2023, with a further developers profit due on completion. This leaves two remaining plots to develop in the future.

In the industrial sector, the 'mid-box' scheme of 6 warehouse units totalling 300,000 sq. ft on the group's 25 acre Leeds Valley Park site was forward sold to an investor during the year, resulting in a land sale profit with a further developers profit due on completion of the build works. The build is expected to complete by the end of 2023, utilising the group's own construction division.

The company has a site at Farington, Leyland on which it secured planning consent on part of the site for a large warehouse unit of 544,000 sq. ft. That 26 acre site was forward sold to an institutional investor during the year, giving a land sale profit with a further developers profit due on completion of the build works, expected to be by September 2023. Construction is being undertaken by the group's own construction division. A planning consent is being sought for three smaller units totalling c100,000 sq. ft on the remaining 7 acre phase 2 site.

The City One site in Leeds, acquired via a joint venture arrangement, continued to be operated as a surface car park for part of the year but closed in April 2022 upon expiry of the car park planning consent. The site does have outline planning consent for 1.6m sq ft of mixed use but the intention is to obtain a new mixed use planning consent (residential and office use) based on a revised masterplan during the course of 2023.

A further small land sale was achieved during the year at the group's large commercial mixed-use site Scarborough site, which has seen some resurgence of interest from potential purchasers / tenants.

# **Caddick Group Limited**

## **Chairman's statement for the year ended 31 August 2022 (continued)**

### **Property Development (continued)**

The group's land sourcing and acquisition division (Caddick Land) seeks options and promotion agreements on small to medium size sites for residential use and larger sites for industrial use. The group uses its expertise and available cash to secure planning consent on behalf of the landowners in return for a share of the enhanced land value on disposal. Further residential promotion opportunities were secured during the year and significant planning progress has been made on a number of projects such as nationally significant industrial / logistics schemes, such as Osberton and Ferrybridge.

The group has a sizeable land pipeline and interest in various sites capable of delivering over 16m sq. ft of industrial land and over 10,000 residential units. These include the 310 acre residential site at Cattal near Harrogate (promotion/option agreements), the 450 acre residential site at Elvington, York (promotion agreement), the 270 acre employment site at Osberton (promotion/development agreement), the 390 acres of employment land at Ferrybridge (options) and the 80 acre mixed use site at Fulford (option). Planning applications have been submitted or are being prepared for over 5,000 homes and 8m sq. ft of Logistics / Industrial space.

### **Construction and Civil Engineering**

The three operating companies within the Construction and Civil Engineering division have had a mixed performance.

The Yorkshire region has seen a reduction in turnover and profitability as result of difficult trading conditions, principally arising from the war in Ukraine and the knock-on impact this has had on materials, fuel, labour and subcontract prices, resulting in a loss-making position arising in the latter part of the financial year. This has been mainly on the residential build contracts, where the fixed-price contracts entered into earlier in the year have meant the significant price increases have not been able to be passed on to customers, together with the cost of time delays due to materials supply issues and staffing shortages. Turnover has reduced as the level of internal work provided by the Development division has reduced by £30m compared to the prior year. The company is confident that all losses arising have been provided for in the current year, with a forecast return to profitability for the 2023 year-end.

The North West region has continued to perform well, with turnover up 44% on last year but at a reduced margin, meaning profit before tax has increased just 10%. In light of the pricing volatility in the market as referred to above this is considered a good result. A further 17 staff have been employed during the year to deliver the increased activity level. Now with an established track record and good reputation in the market, the company is able to secure larger value contracts and in more diverse sectors, rather than just the core industrial.

Current combined forecast turnover for the 2023 year-end is £285m of which all but £6m is already secured or completed, with the current combined order book having a further £123m of work already secured falling into the following financial years.

The civil engineering division, which derives much of its workload from the housebuilding companies, has seen a small drop in turnover (down 8%) but has continued to be profitable. The division is currently looking to diversify and take on other civils work so as not to be totally reliant on the house-builders.

# Caddick Group Limited

## Chairman's statement for the year ended 31 August 2022 (continued)

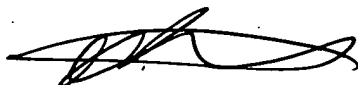
### Sports Activities

Leeds Rhinos had a mixed year on and off the field. The team suffered a poor start to the season, winning only one of their first ten fixtures before finishing the regular season in fifth and reaching the Grand Final for the eleventh time, but losing out to St Helens at Old Trafford.

Sponsorship and hospitality sales had record years, and memberships have increased since 2021 but are still significantly below pre covid levels. Despite a 27% increase in turnover, the increased cost base of operating the redeveloped stadium and the reduction in central income from Super League have contributed to another significant loss.

The group remains confident that the medium-term outlook for the rugby club is positive, with the new hospitality facilities in the rebuilt North-South Stand yielding record turnover for non-sport revenue and progressive projections for 2023 memberships and hospitality sales, helping to deliver a break-even projection in 2024.

I would like to thank all staff across the various divisions for their contribution to both the year's results and in securing the substantial pipeline of work to come.



Paul Caddick  
Chairman

28 April 2023

# **Caddick Group Limited**

## **Strategic report for the year ended 31 August 2022**

The directors present their strategic report on the group for the year ended 31 August 2022.

### **Principal activities**

The principal activities of the group are design build, construction, civil engineering, property development and investment and the staging of professional rugby and other stadium activities. The principal activities of the company are property investment and the management of the group's businesses.

### **Review of the business and future prospects**

The results of the group for the year are set out on page 14. A commentary on the group's performance and prospects is included in the Chairman's statement.

### **Going concern**

Following on from the effects of the COVID-19 pandemic and the ongoing effects of the Ukraine conflict, the group continues to review its going concern assessment. This comprised of:

- preparing cashflow forecasts for the main operating divisions, looking ahead for the 18 month period January 2023 to August 2024;
- stress testing those cashflows by considering 'worse-case' severe but plausible downside scenarios;
- consideration of the group's main portfolio bank loan facility and the covenants thereon; and
- reviewing the group's robust policy towards liquidity and cash flow management and the policy of forward funding / selling development projects.

The results of the review and actions taken mean that the group is well placed to meet any challenges as a result of any residual COVID-19 and Ukraine conflict effects and any other economic issues in the forthcoming year and that it is appropriate to prepare financial statements on a going concern basis.

### **Results and dividends**

The profit before taxation amounted to £57,995,000 (2021: £17,106,000). The profit for the financial year attributable to ordinary shareholders amounted to £40,217,000 (2021: £10,280,000).

Net assets have increased to £157,974,000 (2021: £112,503,000).

Dividends totalling £600,000 were paid during the year (2021: £350,000).

# Caddick Group Limited

## Strategic report for the year ended 31 August 2022 (continued)

### Principal risks and uncertainties

The management of the business and the execution of the group and company's strategy are subject to a number of risks, the over-riding ones being as a result of the current economic conditions as a result of the residual impact of the COVID-19 pandemic and the ongoing Russia/Ukraine conflict.

The key business risks and uncertainties affecting the group's property activities are considered to relate to the availability of suitable development opportunities, yields and investment returns required by potential investors, the availability and cost of suitable finance, quality of tenant base and the tax regime in relation to property transactions.

The key business risks and uncertainties affecting the group's construction activities relate to the competition in the market place, the lack of demand due to the economy, disruption to the supply chain and price volatility, potential bad debts and litigation and disputes arising on contracts.

The key business risks and uncertainties affecting the group's sporting activities relate to attendances and gate receipts, player salary costs and performance 'on the field'.

### Financial risk management

The group's operations expose it to a variety of financial risks that include liquidity risk and interest rate risk. In order to manage the liquidity risk and ensure stability of cash-flows the directors have maintained a significant positive cash balance throughout the year through a combination of retaining profits from completed transactions and by gearing up existing properties.

Interest rate risk is managed by constantly reviewing the market for available rates and, when required, by spreading the risk through a combination of medium term loans at fixed rates, including the use of hedging instruments, and shorter-term loans at variable rates.

### Key performance indicators ("KPIs")

For the development activities of the group each individual development project is appraised on its own merits and profitability.

For the construction activities the main KPI used is profitability on individual contracts.

For the sporting activities of the group the main KPIs is the performance of the Rugby League team on the field and their placing in the league.

### Statement under section 172(1) of the Companies Act

Each of the directors acknowledges their responsibility to promote the success of the company for its shareholders, having due regard (amongst other matters) to:

- the likely consequences of any decisions on the long-term;
- the interests of the group and company's employees;
- the need to foster the group and company's business relationships with supplier, customers, lenders, joint venture partners and others;
- the impact of the group and company's operations on the community and environment;
- the desirability of the group and company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the group and company.

# Caddick Group Limited

## Strategic report for the year ended 31 August 2022 (continued)

### Statement under section 172(1) of the Companies Act (continued)

The Board comprises the Chairman (and founder of the business over 40 years ago), his wife and the Finance Director, employed by the group since 1996. The Boards of subsidiaries comprise the Chairman, Finance Director and several other directors specific to that operating sector, appointed by group. Regular board meetings are held at divisional level (Construction, Developments, Moda and Rugby) covering strategic and tactical decisions, financial performance (both actual and forecast), staff matters, health & safety etc. all of which have a bearing on the long-term impact and success of the business.

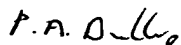
The group attaches great importance to fostering good relationships with its employees, suppliers, customers, funders, joint venture partners and other stakeholders. It acknowledges that the long-term success of the company is dependent on the way it works with the various stakeholders and the group is committed to acting professionally and with integrity in all business relationships, including in relation to anti-bribery and modern slavery.

Our employees are the foundation of the group's success and in return we offer attractive jobs and comprehensive opportunities for personal development. The group takes pride in having a long serving workforce with low staff turnover. Engagement with employees takes many forms including formal and informal meetings, annual staff appraisals and regular e-mail communications.

The group recognises that it must act responsibly towards the environment and continues to implement policies and procedures to minimise damage caused to the environment. The group promotes energy efficiency, including owning two of its own wind turbines which feed into the national grid. On property developments the group applies BREEAM where appropriate and the majority of building sites are registered with the Considerate Constructors Scheme, committing the group to being good neighbours and environmentally aware.

Further details of the Group's approach to Environmental, Social and Governance matters can be found in the Group ESG report, available from the Registered Office.

By order of the Board



P A Bullers  
Company Secretary

2 May 2023

# Caddick Group Limited

## Directors' report for the year ended 31 August 2022

The directors have pleasure in presenting their annual report and the audited consolidated financial statements of the company and its subsidiaries for the financial year ended 31 August 2022.

### Change of limited status

On 24 February 2022 a special resolution was passed by the members changing the company status from PLC to Limited, with the change becoming effective at Companies House on 8 March 2022.

### Directors

The directors of the company during the whole of the year and up to the date of signing of the financial statements were as follows:

P Caddick  
Mrs A E Caddick  
P A Bullers

### Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as each director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

# Caddick Group Limited

## Directors' report for the year ended 31 August 2022 (continued)

### Environmental aspirations and Streamlined Energy and Carbon Reporting ("SECR")

The group recognise the environmental responsibilities we have to our families, employees, tenants and other stakeholders, including future generations and have laid out our aspirations in our ESG Report 2022 "Growing our Commitment".

Alongside our peers, the group is aiming to be net zero carbon by 2050. Our roadmap to net zero carbon will be in line with industry standards set out by organisations such as the Better Buildings Partnership and the UK Green Building Council. Meanwhile, we will keep abreast of the developments in the more complicated area of embodied carbon so that we can take action when a path becomes clear in this space.

The 2018 Regulations are designed to increase the awareness of energy costs within organisations. Our calculations use calendar year 2018 as a base, as comparable data is available from the ESOS report prepared for that year.

	Energy footprint		Green House Gas	
	2022 Kwh	2021 Kwh	2022 tCO2e	2021 tCO2e
Petrol & diesel (note 1)	4,790,596	4,183,325	1,098	962
Site gas oil	6,031,232	6,842,377	1,507	1,577
<b>Total scope 1 emissions</b>	<b>10,821,828</b>	<b>11,025,702</b>	<b>2,605</b>	<b>2,539</b>
Electricity purchased (offices & sites)	904,598	1,014,758	175	216
Gas purchased (offices & sites)	1,263,526	146,986	230	27
<b>Total scope 2 emissions</b>	<b>2,168,124</b>	<b>1,161,744</b>	<b>405</b>	<b>243</b>
<b>Total</b>	<b>12,989,952</b>	<b>12,187,446</b>	<b>3,010</b>	<b>2,782</b>
			<b>2022</b>	<b>2021</b>
Employee numbers, excluding sports division			371	308
<b>Intensity ratio (tCO2e/employee)</b>			<b>8.11</b>	<b>9.03</b>

The details provided above exclude data for the sporting division, who are engaged in their own environmental initiatives but fall outside the financial parameters for reporting under SECR.

Furthermore, in addition to our activities to reduce carbon generation, the group owns two wind turbines producing renewable energy which is fed into the National Grid. During the year these generated 2,165,933 Kwh, helping to mitigate the group's carbon footprint.

Note 1: petrol and diesel includes fuel card spend for both company and privately owned vehicles, covering both business and private mileage. Business use for company-owned vehicles would ordinarily be scope 1 whilst business use for private cars would ordinarily be scope 3, however it is not considered practical to separate out and in order to provide a valid year on year comparison the total cost has been included in scope 1.

# **Caddick Group Limited**

## **Directors' report for the year ended 31 August 2022 (continued)**

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

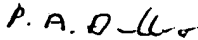
### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

### **Employee involvement**

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made which are likely to affect their interests, and that all employees are aware of the financial and economic performance of their business units, and of the group as a whole.

By order of the Board



P A Bullers  
**Company Secretary**

2 May 2023

Registered Office:  
Castlegarth Grange  
Scott Lane, Wetherby  
West Yorkshire, LS22 6LH

# Caddick Group Limited

## Independent auditors' report to the members of Caddick Group Limited

### Report on the audit of the financial statements

#### **Opinion**

In our opinion, Caddick Group Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 August 2022 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report, which comprise: the consolidated balance sheet and company balance sheet as at 31 August 2022; the consolidated profit and loss account, consolidated statement of changes in equity, company statement of changes in equity and consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

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 and the 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Reporting on other information**

The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

# Caddick Group Limited

## Independent auditors' report to the members of Caddick Group Limited (continued)

### Reporting on other information (continued)

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic report and Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 August 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### Responsibilities for the financial statements and the audit

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# Caddick Group Limited

## Independent auditors' report to the members of Caddick Group Limited (continued)

### Responsibilities for the financial statements and the audit (continued)

#### *Auditors' responsibilities for the audit of the financial statements (continued)*

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, employment regulation and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journals to increase the company's revenue or profit before tax, or through management bias in manipulation of accounting estimates and forecasts. Audit procedures performed by the engagement team included:

- Enquiring with management and those charged with governance to understand the relevant laws and regulations applicable to the company, and their assessment of fraud related risks;
- Evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- Challenging assumptions and judgements made by management in determining significant accounting estimates and forecasts;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Caddick Group Limited**

### **Independent auditors' report to the members of Caddick Group Limited (continued)**

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Rachel Greveson (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds

2 May 2023

# Caddick Group Limited

## Consolidated profit and loss account for the year ended 31 August 2022

	Note	2022 £'000	2021 £'000
<b>Turnover</b>	5,8	<b>491,582</b>	383,670
Cost of sales		(405,222)	(341,467)
<b>Gross profit</b>		<b>86,360</b>	42,203
Administrative expenses		(29,683)	(25,610)
Other operating income	6	111	401
<b>Group operating profit</b>	7	<b>56,788</b>	16,994
Income / (expense) from interests in associates, joint ventures and other investments	10	932	(501)
<b>Profit before interest and taxation</b>		<b>57,720</b>	16,493
Interest receivable and similar income	11	548	919
Interest payable and similar expenses	12	(273)	(306)
<b>Profit before taxation</b>	8	<b>57,995</b>	17,106
Tax on profit	13	(11,238)	(3,834)
<b>Profit for the financial year</b>		<b>46,757</b>	13,272
<b>Profit attributable to:</b>			
Owners of the parent		40,217	10,280
Non-controlling interests		6,540	2,992
		<b>46,757</b>	13,272

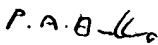
All activities in the current and prior financial year are from continuing operations.

# Caddick Group Limited

## Consolidated balance sheet as at 31 August 2022

	Note	2022 £'000	2021 £'000 (restated – note 33)
<b>Non-current assets</b>			
Intangible fixed assets	14	15	50
Tangible fixed assets	15	41,630	41,947
Investments : investment in associates and joint ventures	16	1,624	1,724
Investments : other investments	16	30,515	7,060
		<b>73,784</b>	<b>50,781</b>
<b>Current assets</b>			
Stocks	17	39,036	39,523
Debtors: due within one year	18	106,268	78,150
Debtors: due after more than one year	18	6,562	6,639
Cash at bank and in hand		57,398	36,569
		<b>209,264</b>	<b>160,881</b>
<b>Creditors: amounts falling due within one year</b>	19	<b>(112,090)</b>	<b>(77,450)</b>
		<b>97,174</b>	<b>83,431</b>
<b>Total assets less current liabilities</b>		<b>170,958</b>	<b>134,212</b>
<b>Creditors: amounts falling due after more than one year</b>	20	<b>(6,171)</b>	<b>(12,160)</b>
<b>Provisions for liabilities</b>	21	<b>(6,813)</b>	<b>(9,549)</b>
<b>Net assets</b>	8	<b>157,974</b>	<b>112,503</b>
<b>Capital and reserves</b>			
Called-up share capital	23	72	72
Other reserves	24	1,941	1,941
Cost of own shares held by Employee Trust	25	(1,451)	(1,451)
Retained earnings		140,149	100,699
<b>Equity attributable to owners of the parent</b>		<b>140,711</b>	<b>101,261</b>
Non-controlling interests		17,263	11,242
<b>Total equity</b>		<b>157,974</b>	<b>112,503</b>

The financial statements on pages 14 to 51 were approved by the board of directors on 2 May 2023 and were signed on its behalf by:

  
P A Bullers  
Director

# Caddick Group Limited

## Company balance sheet as at 31 August 2022

Registered number: 02065043

	Note	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Tangible fixed assets	15	-	-
Investments	16	9,818	9,655
		<b>9,818</b>	<b>9,655</b>
<b>Current assets</b>			
Debtors	18	19,508	29,880
Cash at bank and in hand		17,473	6,745
		<b>36,981</b>	<b>36,625</b>
<b>Creditors: amounts falling due within one year</b>	19	<b>(37,102)</b>	<b>(30,924)</b>
<b>Net current (liabilities) / assets</b>		<b>(121)</b>	<b>5,701</b>
<b>Total assets less current liabilities</b>		<b>9,697</b>	<b>15,356</b>
<b>Provisions for liabilities</b>	21	<b>(1,245)</b>	<b>(4,550)</b>
<b>Net assets</b>		<b>8,452</b>	<b>10,806</b>
<b>Capital and reserves</b>			
Called-up share capital	23	72	72
Cost of own shares held by Employee Trust	25	(1,451)	(1,451)
Retained earnings		9,831	12,185
<b>Total equity</b>		<b>8,452</b>	<b>10,806</b>

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company profit and loss account. The loss for the Company for the year was £1,754,000 (2021: loss of £698,000).

The financial statements on pages 14 to 51 were approved by the board of directors on 2 May 2023 and were signed on its behalf by:

*P. A. Bullers*

P A Bullers  
Director

# Caddick Group Limited

## Consolidated statement of changes in equity for the year ended 31 August 2022

	Called-up share capital £'000	Other reserves (note 24) £'000	Cost of own shares held by Employee Trust £'000	Retained earnings £'000	Equity attributable to owners of the parent £'000	Non- controlling interest £'000	Total equity £'000
Balance as at 1 September 2020	72	1,941	(1,451)	90,769	91,331	8,250	99,581
Profit for the financial year	-	-	-	10,280	10,280	2,992	13,272
Total comprehensive income for the year	-	-	-	10,280	10,280	2,992	13,272
Dividends paid (note 26)	-	-	-	(350)	(350)	-	(350)
Total transactions with owners, recognised directly in equity	-	-	-	(350)	(350)	-	(350)
Balance as at 31 August 2021	72	1,941	(1,451)	100,699	101,261	11,242	112,503
Balance as at 1 September 2021	72	1,941	(1,451)	100,699	101,261	11,242	112,503
Profit for the financial year	-	-	-	40,217	40,217	6,540	46,757
Total comprehensive income for the year	-	-	-	40,217	40,217	6,540	46,757
Dividends paid (note 26)	-	-	-	(600)	(600)	-	(600)
Total transactions with owners, recognised directly in equity	-	-	-	(600)	(600)	-	(600)
Acquisition of non-controlling interest	-	-	-	(167)	(167)	(519)	(686)
Total changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	(167)	(167)	(519)	(686)
<b>Balance as at 31 August 2022</b>	<b>72</b>	<b>1,941</b>	<b>(1,451)</b>	<b>140,149</b>	<b>140,711</b>	<b>17,263</b>	<b>157,974</b>

## Caddick Group Limited

### Company statement of changes in equity for the year ended 31 August 2022

	Called-up share capital £'000	Cost of own shares held by Employee Trust £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 September 2020	72	(1,451)	13,233	11,854
Loss for the financial year	-	-	(698)	(698)
Total comprehensive income for the year	72	-	(698)	(698)
Dividends paid (note 26)	-	-	(350)	(350)
Total transactions with owners, recognised	-	-	(350)	(350)
Balance as at 31 August 2021	72	(1,451)	12,185	10,806
Balance as at 1 September 2021	72	(1,451)	12,185	10,806
Loss for the financial year	-	-	(1,754)	(1,754)
Total comprehensive expense for the year	-	-	(1,754)	(1,754)
Dividends paid (note 26)	-	-	(600)	(600)
Total transactions with owners, recognised directly in equity	-	-	(600)	(600)
<b>Balance as at 31 August 2022</b>	<b>72</b>	<b>(1,451)</b>	<b>9,831</b>	<b>8,452</b>

# Caddick Group Limited

## Consolidated statement of cash flows for the year ended 31 August 2022

	Note	2022 £'000	2021 £'000
<b>Net cash generated from operating activities</b>	29	<b>26,189</b>	9,872
<b>Cash flow from investing activities</b>			
Disposal of investment in joint venture undertaking		-	50
Purchase of tangible fixed assets		(1,849)	(465)
Purchase of intangible fixed assets		-	(35)
Purchase of other investments	16	(2,755)	-
Sale of tangible fixed assets		234	3,251
Interest received		548	919
Distribution of profits from joint venture LLP	16	196	-
Dividends received from joint venture		1,350	-
Dividends received from other investments	10	19	4
<b>Net cash (used in) / raised from investing activities</b>		<b>(2,257)</b>	3,724
<b>Cash flow from financing activities</b>			
Loan repayments		(1,086)	(5,590)
Loans raised		-	1,250
Capital element of hire purchase repayments	29	(458)	(400)
Purchase of shares in subsidiaries from minority interests		(686)	-
Dividends paid to owners of the parent	26	(600)	(350)
Interest paid		(273)	(286)
<b>Net cash used in financing activities</b>		<b>(3,103)</b>	(5,376)
<b>Net increase in cash and cash equivalents</b>		<b>20,829</b>	8,220
Cash and cash equivalents at the beginning of the year		36,569	28,349
<b>Cash and cash equivalents at the end of the year</b>		<b>57,398</b>	36,569

### Non-cash transactions

During the year the group converted £16,897,000 (2021: £4,000,000) of development profits included within accruals and prepayments into an investment (note 16).

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022**

### **1 General information**

The company is an unquoted and unlisted company limited by shares incorporated and domiciled in England. The address of its registered office is Castlegarth Grange, Scott Lane, Wetherby, West Yorkshire, LS22 6LH.

### **2 Statement of compliance**

The group and individual financial statements of Caddick Group Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, except for the treatment of grant income in respect of development properties referred to below.

### **3 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

These consolidated and separate financial statements have been prepared on the going concern basis and under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and company accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### **Exemptions for qualifying entities under FRS 102**

The company is a qualifying entity as per FRS 100 and has taken advantage of the disclosure exemptions of FRS 102, section 1, paragraph 1.12(a) reconciliation of the number of shares outstanding at the beginning and end of the period, 1.12(b) statement of cash flows, 1.12(c) financial instruments and 1.12(e) key management compensation in total.

#### **Basis of consolidation**

The financial statements of the group comprise a consolidation of the financial statements of the parent company and its subsidiaries, all of which are prepared up to 31 August, except for the Leeds Cricket, Football and Athletic Company Limited, which prepares financial statements to 31 October. This subsidiary is consolidated on the basis of interim financial statements made up to 31 August. The results of subsidiary undertakings are consolidated from the date on which control passes. Intra-group sales and profits are eliminated fully on consolidation. The difference between the consideration paid for the acquisition of subsidiary undertakings and the fair value of the net assets acquired have been capitalised and amortised through the profit and loss account over the estimated useful life.

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Basis of consolidation (continued)**

The financial statements include the group's share of the results and net assets of associated and joint venture undertakings, under the equity method of accounting, where those results and net assets are material. Results are based on interim accounts where the associated undertaking prepares statutory financial statements to a different year-end to the group, as detailed in note 16. Dividends received from associated undertakings are accounted for when received.

#### **Turnover**

Turnover includes the value of work done on construction contracts, sales of development properties, rental income from investment properties, electricity generation income and the invoiced value of other sales, all excluding value added tax.

Sales and purchases of property (investment and development) are accounted for on the date of unconditional exchange of contracts.

Income from professional sporting activities is recognised either over the period of the playing season as games are played (for gate, match and other event day revenues), over the duration of the contracts for sponsorship deals and over the season for distributions from Super League.

#### **Accounting for contracts**

Attributable profits are calculated based on the estimated total forecast result on each contract and the stage of completion on the contract. Attributable profits are not recognised until the point at which the outcome of the contract can be assessed with reasonable certainty. Provision is made for losses on all contracts as soon as such losses become apparent.

Contract work profit is recorded at cost incurred to date at the attributable profit margin, less provision for known losses and contingencies. The net amount receivable at the year-end is included in trade debtors.

#### **Taxation**

The charge for taxation is based on the result for the year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not, that there will be suitable tax profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 3 Summary of significant accounting policies (continued)

#### Deferred income

Deferred income, arising from team sponsorship monies received in advance, is released to the profit and loss account over the life of the sponsorship agreements.

Grants receivable in relation to capital expenditure are credited to a deferred income account and amortised over the useful economic life of the assets concerned.

#### Other operating income

Other income received, including rental income received from development stock and grants receivable under the Coronavirus Job Retention Scheme (CJRS), is recognised on an accruals basis.

#### Interest payable and receivable

Interest is recognised on an accruals basis.

#### Cost of player registrations

The cost of purchased players' registrations is capitalised as intangible fixed assets and amortised over the period of the respective player's contract. Profits or losses on the sale of a player represent the transfer fee receivable, net of any transaction costs, less the unamortised cost of the player's original registration.

Where the transfer contract specifies that additional fees are due, contingent on a player achieving a specific number of appearances for his new club or some other contingent event set out in the transfer contract, these additional amounts are accounted for in the year they fall due.

#### Tangible fixed assets

Fixed assets are carried in the balance sheet at original cost or valuation, with the exception of investment properties, which are included in the balance sheet at open market value. No depreciation is provided in respect of freehold investment properties. The directors consider that this accounting policy is necessary for the financial statements to show a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and the amount attributable to this factor cannot be separately identified or quantified. Movements on revaluation are taken to the profit and loss account. Any impairments in value below original cost are charged to the profit and loss account.

Freehold buildings comprise the Headingley sports complex. Long leasehold buildings comprise the Group's head office in Wetherby. Depreciation is provided on both the freehold and long leasehold buildings so as to write off the carrying value over an estimated useful life of 50 years. Freehold land is not depreciated.

Depreciation is provided on other tangible fixed assets at rates estimated to write off the cost over their estimated useful life as follows:

Plant (other than floodlights), machinery, equipment and vehicles	3-5 years
Floodlights (included within plant)	30 years
Wind turbines (included within plant)	20 years

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Investments**

Investments in subsidiaries and joint venture undertakings are valued at cost less provision for any impairment in value. Listed investments are stated at market value, with gains and losses recognised in the profit and loss account.

#### **Stocks**

Stocks comprise developments in progress, land held for development or sale, options to purchase land and planning promotion agreements. Options to purchase land are agreements that the group has entered into with the landowners whereby the group has the option to purchase the land within a limited time frame. The landowners are not generally permitted to sell to any other party during this period, unless agreed to by the group. Within the time frame the group promotes the land through the planning process at its expense in order to gain planning permission. Should the group be successful in obtaining planning permission it would trigger the option to purchase and subsequently acquire the land. Planning promotion agreements are agreements that the group has entered into with the landowners, whereby the group acts as an agent to the landowners in exchange for a fee of a set percentage of the proceeds of the eventual sale. The group promotes the land through the planning process at its own expense, but in most instances the planning promotion agreements allow for the group to be reimbursed certain expenditure following the conclusion of a successful sale.

Development properties, land held for development, option costs and promotions costs are all included in the financial statements at the lower of cost and net realisable value. Cost includes interest attributable to individual projects, where appropriate. Impairment reviews are considered on a site-by-site or individual development basis, with write-downs or reversals made to ensure that stock is then stated at the lower of cost or net realisable value. Net realisable value is considered in the light of progress made in the planning process, feedback from local planning officers, development appraisals and other external factors that might be considered likely to influence the eventual outcome. Where it is considered that no future economic benefit will arise, costs are written off to the profit and loss account. The cost of development land is stated after deduction of certain government grants that relate directly to the funding of such costs. The directors believe that the treatment adopted is necessary for the financial statements to show a true and fair view. The effect of this treatment is to reduce the carrying value of development land in the balance sheet by £Nil (2021: £1,308,000).

Raw materials, consumables and goods for re-sale are stated at the lower of cost and net realisable value. Cost of goods for re-sale is the suppliers' invoice value. Net realisable value is based on estimated selling price allowing for all further costs of disposal.

#### **Hire purchase agreements**

Assets acquired under hire purchase agreements are capitalised and depreciated in the same way as purchased assets and the related liability is included in creditors. Interest is charged to the profit and loss account so as to give a constant periodic rate of charge on the amount outstanding.

#### **Pension costs**

The company and group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are also made to the personal plans of certain employees.

The cost of providing pension benefits is charged to the profit and loss account when payable.

**3 Summary of significant accounting policies (continued)**

**Financial instruments**

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial instruments, including trade and other receivables, cash and bank balances and listed investments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss, being the difference between the carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate, is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, due to a reversal of the factor which caused the original impairment, the impairment is reversed and is recognised in the profit and loss account.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Share based payments**

The group operates cash-settled, share-based compensation plans for certain employees in the form of stock appreciation rights issued in a subsidiary undertaking.

The fair value of the employee services received in exchange for these awards is recognised as an expense with a corresponding liability in the group financial statements. The total amount to be expensed is determined by reference to the fair value of the awards granted. At the end of each reporting period, the group revises its estimate of the fair value of the awards and recognises the impact in the profit and loss account.

The company treats the fair value of the awards as a capital contribution to the subsidiary undertaking in exchange for the employee services received. This is recognised as an increase to the investment in subsidiary undertakings, with a corresponding credit to liabilities in the parent entity financial statements.

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022 (continued)**

### **4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group and company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### **Valuation of investment properties**

The group makes an annual estimate of the open market value of investment properties. Management takes into account advice from third parties, including valuations performed externally for loan security purposes, and by using all knowledge and information available to them, including market yields, tenant covenant strength, the availability of suitable purchasers and the nature of the asset held.

#### **Deferred tax**

The group has unutilised tax losses. Recognition of these tax losses as a deferred tax asset is only done when the group has a reasonable certainty of achieving a taxable profit for the following financial year, based on post balance sheet events such as development profits generated or unconditional contracted for and realised investment gains.

#### **Stocks provisioning**

The group owns a number of development properties, some of which are written down to net realisable value and has also incurred planning promotion costs which are held at cost, both in accordance with the accounting policy. When calculating the provision, management considers the nature and condition of the property and its current saleability and estimated market value by reference to external advice and valuations performed for banking purposes.

#### **Impairment of debtors**

The group and company make an estimate of the recoverable value of trade and other debtors (including amounts due from group undertakings in the case of the company). When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

#### **Recognition of contracts**

Turnover and profits arising on contracts are recognised based on the total forecast result and the stage of completion at the year-end date, in accordance with the accounting policy. Assessment of these rests with the individual quantity surveyors assigned to each contract, overseen by senior management. In particular the level of any under-value and the amount of subcontract liability arising on each contract is reviewed and considered on a monthly basis as part of the management accounts process.

### **5 Turnover**

The group's entire turnover arises in the United Kingdom in both years.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 6 Other operating income

	2022	2021
	£'000	£'000
Gross rents and insurances demanded	369	389
Letting fees, insurances paid and other rental costs	(19)	(86)
Rents received, net of rental expenses	350	303
Net car parking expense	-	(12)
Grants received (including CJRS)	216	429
Amortisation of grants receivable (note 21)	32	183
Realised surplus on disposal of investment properties	-	538
Unrealised deficit on revaluation of investment properties (note 15)	(487)	(1,040)
	111	401

### 7 Group operating profit

The operating profit is stated after charging / (crediting) the following:

	2022	2021
	£'000	£'000
Depreciation charge for the year (note 15) :		
- owned tangible fixed assets	1,723	1,781
- assets under hire purchase agreements	324	252
Profit on disposal of tangible fixed assets	(100)	(105)
Amortisation of intangible fixed assets (note 14)	35	121
Amortisation of deferred income (note 21)	(32)	(183)
Provision for share-based payments (note 21)	212	1,467
Auditors' remuneration (fees payable to the company's auditor):		
- audit	343	283
- other services primarily relating to tax services	179	124
Staff costs (including directors' emoluments) (see note 9)	36,153	30,114

The group audit fee disclosed above includes £5,000 (2021: £5,000) in respect of the parent company.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 8 Segmental analysis

	Turnover		Profit / (loss) before tax		Non-controlling interests	
	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Continuing operations</b>						
Construction	180,095	147,435	(2,012)	4,537	(234)	(466)
Property development / investment	300,179	227,710	63,746	15,309	(6,596)	(2,890)
Head office (see note below)	-	-	(2,004)	(564)	-	-
Construction and property development	480,274	375,145	59,730	19,282	(6,830)	(3,356)
Professional sporting activities	11,308	8,525	(1,735)	(2,176)	290	364
	491,582	383,670	57,995	17,106	(6,540)	(2,992)

Net assets :	Attributable to shareholders		Attributable to non- controlling interests		Total	
	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Construction	16,669	16,781	725	1,010	17,394	17,791
Property development / investment	105,219	62,197	12,883	6,287	118,102	68,484
Head office (see note below)	8,452	10,806	-	-	8,452	10,806
Construction and property development	130,340	89,784	13,608	7,297	143,948	97,081
Professional sporting activities	10,371	11,477	3,655	3,945	14,026	15,422
	140,711	101,261	17,263	11,242	157,974	112,503

Information concerning associated undertakings, which operate in the property development segments, is disclosed in note 16.

The parent company provides resource principally in the areas of construction and property development / investment but a breakdown between these two segments is not possible.

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 9 Employees and directors

	2022 £'000	2021 £'000
<b>Staff costs comprise:</b>		
Wages and salaries	31,002	25,855
Social security costs	3,826	3,076
Other pension costs (see note 30)	1,325	1,183
	<b>36,153</b>	<b>30,114</b>

	2022 £'000	2021 £'000
<b>Staff costs include the following in respect of directors' emoluments:</b>		
Aggregate emoluments	2,003	639
Contributions to money purchase pension schemes	11	37
	<b>2,014</b>	<b>676</b>

	2022 £'000	2021 £'000
<b>The above includes the following in respect of the highest paid director:</b>		
Aggregate emoluments	1,573	301
Contributions to money purchase pension schemes	-	-
	<b>1,573</b>	<b>301</b>

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

	2022 Number	2021 Number
Construction and property development	371	308
Professional sporting activities (including part-time match-day staff)	152	137
	<b>523</b>	<b>445</b>

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 10 Income / (expense) from interests in associates, joint ventures and other investments

	2022 £'000	2021 £'000
Share of profits / (operating losses) of associates and joint venture undertakings (note 16)	707	(720)
Profit on disposal of interest in joint venture (note 16)	204	197
Dividends from other investments	19	4
Unrealised surplus on valuation of listed investments (note 16)	2	18
	932	(501)

#### 11 Interest receivable and similar income

	2022 £'000	2021 £'000
Bank interest	34	8
Interest on loans to joint venture undertakings	509	908
Other interest	5	3
	548	919

#### 12 Interest payable and similar expenses

	2022 £'000	2021 £'000
On bank loans and overdrafts	199	235
On other loans	5	(20)
Refinancing costs	-	12
Hire purchase interest	32	26
Other interest	37	53
	273	306

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 13 Tax on profit

	2022 £'000	2021 £'000
<b>Current tax:</b>		
UK corporation tax	11,155	4,093
Adjustment in respect of previous years	(68)	(76)
	<b>11,087</b>	<b>4,017</b>
Share of taxation of associated and joint venture undertakings	-	3
<b>Total current tax</b>	<b>11,087</b>	<b>4,020</b>
<b>Deferred tax (note 22)</b>		
Current year charge	119	(153)
Adjustment in respect of previous years	32	(33)
<b>Total deferred tax</b>	<b>151</b>	<b>(186)</b>
<b>Tax charge on profit</b>	<b>11,238</b>	<b>3,834</b>

The current corporation tax charge on the profit before taxation differs from the standard UK rate of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
<b>Profit before taxation</b>	<b>57,995</b>	<b>17,106</b>
Profit before taxation multiplied by the standard effective rate of corporation tax in the UK of 19% (2021: 19%)	11,019	3,250
<i>Effects of:</i>		
Net non-taxable income and disallowable expenditure	299	527
Joint venture losses after tax included in pre-tax profit	(173)	-
Losses carried down	36	99
Capital losses (provided) / not provided	-	(320)
Enhanced super-deduction on capital allowances	(42)	-
Other short-term timing differences	(1)	25
Deferred tax not provided	146	42
Impact of rate changes	35	389
Other adjustments	(45)	(69)
Adjustment to tax charge in respect of previous years	(36)	(109)
<b>Total tax charge</b>	<b>11,238</b>	<b>3,834</b>

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 13 Tax on profit (continued)

#### Factors that may affect future tax charges:

An increase in the UK corporation tax rate to 25% effective from 1 April 2023 was substantively enacted on 24 May 2022. As this change had been substantively enacted at the balance sheet date it has been recognised in the financial statements.

### 14 Intangible fixed assets

	Player registrations £'000
<b>Cost</b>	
At 1 September 2021	240
Disposals	(175)
<b>At 31 August 2022</b>	<b>65</b>
<b>Accumulated amortisation</b>	
At 1 September 2021	190
Charge for the year	35
Disposals	(175)
<b>At 31 August 2022</b>	<b>50</b>
<b>Net book amount</b>	
<b>At 31 August 2022</b>	<b>15</b>
At 31 August 2021	50

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 15 Tangible fixed assets

Group	Freehold land and buildings £'000	Long leasehold land and buildings £'000	Freehold investment properties £'000	Plant, machinery, equipment and vehicles £'000	Total £'000
<b>Cost or valuation</b>					
At 1 September 2021	13,695	1,122	19,986	21,209	56,012
Additions	(26)	3	1,201	1,174	2,352
Disposals	-	-	-	(834)	(834)
Revaluation	-	-	(487)	-	(487)
<b>At 31 August 2022</b>	<b>13,669</b>	<b>1,125</b>	<b>20,700</b>	<b>21,549</b>	<b>57,043</b>
<b>Accumulated depreciation</b>					
At 1 September 2021	4,767	239	-	9,059	14,065
Charge for the year	285	19	-	1,743	2,047
Disposals	-	-	-	(699)	(699)
<b>At 31 August 2022</b>	<b>5,052</b>	<b>258</b>	<b>-</b>	<b>10,103</b>	<b>15,413</b>
<b>Net book amount</b>					
<b>At 31 August 2022</b>	<b>8,617</b>	<b>867</b>	<b>20,700</b>	<b>11,446</b>	<b>41,630</b>
At 31 August 2021	8,928	883	19,986	12,150	41,947

The net book amount of tangible assets includes assets acquired under hire purchase agreements amounting to £1,001,000 (2021: £923,000) comprising plant and machinery of £831,000 (2021: £743,000) and motor vehicles of £170,000 (2021: £180,000).

The freehold land and buildings are included at 31 August 1997 valuation plus costs incurred since that date, less depreciation. The valuation was carried out by Weatherall, Green and Smith, Chartered Surveyors, and was based on depreciated replacement cost.

The directors revalued the freehold investment properties on 31 August 2022 at open market value on an existing use basis.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 15 Tangible fixed assets (continued)

Investment properties and part of the freehold land and buildings included in the total above are let to tenants. The minimum future lease payments receivable under these leases are:

<b>Group</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Not later than one year	2,278	1,975
Later than one year and not later than five years	4,970	5,219
Later than five years	8,208	677
	<b>15,456</b>	<b>7,871</b>

#### Company

	<b>Equipment</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>		
At 1 September 2021 and 31 August 2022	12	12
<b>Accumulated depreciation</b>		
At 1 September 2021	12	12
Charge for the year	-	-
<b>At 31 August 2022</b>	<b>12</b>	<b>12</b>
<b>Net book amount</b>		
At 31 August 2022	-	-
At 31 August 2021	-	-

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Shares in group undertakings (subsidiaries)	-	-	9,818	9,655
Listed investments	62	60	-	-
Other investments	30,453	7,000	-	-
	<b>30,515</b>	<b>7,060</b>	<b>9,818</b>	<b>9,655</b>
Share of participating interests (associates and joint venture undertakings)	1,624	1,724	-	-
	<b>32,139</b>	<b>8,784</b>	<b>9,818</b>	<b>9,655</b>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The movement in investments is as follows:

	Group	Group	Group	Company
	Net assets (included above) £'000	Net liabilities (included note 21) £'000	Total £'000	£'000
At 1 September 2021	8,784	(793)	7,991	9,655
Provision for cost of put option in respect of shares in subsidiary undertaking (note 21)	-	-	-	212
Development profits (previously included in prepayments and accrued income) converted to other investment	16,897	-	16,897	-
Development profits recognised in the year converted to other investments	3,800	-	3,800	-
Investment in shares and interest-bearing loans in other investments	2,755	-	2,755	-
Unrealised surplus on valuation of listed investments	2	-	2	-
Joint venture undertaking sold during the year	-	204	204	-
Dormant subsidiary struck off	-	-	-	(49)
Dividend received from joint venture undertaking	(1,350)	-	(1,350)	-
Distribution of profits from joint venture LLP	(196)	-	(196)	-
Share of post-tax profits / (losses) of associates and joint venture undertakings	1,447	(739)	708	-
<b>At 31 August 2022</b>	<b>32,139</b>	<b>(1,328)</b>	<b>30,811</b>	<b>9,818</b>

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

The other investments comprises :

Group	2022 £'000	2021 £'000
Rolled development profits converted into a minority shareholding in Angel Gardens JV Company Limited, Tower One Property Company Limited, and Springside Property Company Limited and rolled development profits still awaiting conversion into a minority shareholding in Broad Street Property Company Limited, all companies registered in Jersey.	27,697	7,000
Minority co-invest by way of shares in and interest-bearing loans (£1,525,000 drawn from the £5,000,000 facility, expiring October 2031 with interest at 10.65%) to Embassy Investment S.a.r.l, a company registered in Luxembourg	1,650	-
Minority co-invest by way of shares in and interest-free loans to UK SFH Holdings S.a.r.l., a company registered in Luxembourg	264	-
Minority co-invest by way of limited partnership interest and interest-bearing loans to Lux UK BTR II SCsp, an entity registered in Luxembourg	842	-
	<b>30,453</b>	<b>7,000</b>

The other investments represent part of the group's development activities whereby the group either defers part of its developers' profit until stabilisation of the relevant asset to maximise its return, whereupon the asset will be sold or through a co-invest arrangement whereby the group receives an enhanced promote-share profit on a sale, in both cases aligning us with the aims and aspirations of the majority private equity shareholders for a disposal at the earliest opportunity that maximizes returns.

The company's subsidiary undertakings, all of which are wholly owned (except when otherwise stated) and registered in England (having registered office address of Castlegarth Grange, Scott Lane, Wetherby, LS22 6LH, except where otherwise stated), are listed below.

Directly held subsidiaries	Nature of business (and address of registered office, if different to the above)
Caddick Construction Limited	Construction and civil engineering (Calder Grange, Weeland Road, Knottingley, WF11 8DA)
Caddick Developments Limited	Property development
Caddick Living Limited	Property investment
Caddick Renewables Limited	Renewable energy production
Leeds Rugby Limited (76% owned)	Holding company (The Pavilion, St Michaels Lane, Headingley, Leeds, LS6 3BR)

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

	Nature of business (and address of registered office, if different to the above)
<b>Directly held subsidiaries</b>	
Paul Caddick (Agricultural) Limited	Agriculture
Caddick (Runcorn) Limited	Dormant
<b>Indirectly held subsidiaries (held by one of the above)</b>	
Sandtoft Developments Limited	Property investment
Point 23 Limited	Property investment
Caddick (Irlam) Limited	Property investment
Caddick (Rose Wharf) Limited	Property investment
Delta Park Developments Limited	Property development
Caddick (Scarborough) Limited	Property development
Caddick (JPC Developments) Limited	Property development
Caddick (Harrogate) Limited	Property development
Quarry Hill Developments Limited	Property development
Caddick Developments (North) Limited (79% owned)	Property development
Caddick (Knowsley) Limited	Property development
Caddick (Knottingley) Limited	Property development
Caddick (London Residential) Limited	Property development
Caddick (Fife Road) Limited	Property development
Caddick (Penarth Street) Limited	Property development
Caddick Residential Limited	Property development
Caddick Land Limited	Property development
Caddick (Farington) Limited	Property development
Caddick Logistics Limited	Property development
Caddick City Living Limited	Property development
Caddick City Living (Leeds) Limited	Property development
Casa by Moda Limited	Property development
BTR Ferrars Road Limited	Property development
BTR Dean Beck Limited	Property development
Oakgate Group Limited	Property development
Oakgate (York) Limited	Holding company
Oakgate Central York Limited (80% owned)	Property development
Oakgate (Rotherham) LLP	Property investment
Oakgate Project Management Limited	Property development
Oakgate Yorkshire Limited	Property development
Oakgate (Roadside) Limited	Property development
Oakgate City Living Limited (80% owned – see note 31)	Property development
Scarborough Business Park Management Company Limited	Property management

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

#### Indirectly held subsidiaries (held by one of the above)

Moda Living Limited (75% owned)	Property development
Moda Living (Angel Gardens) Limited (75% owned)	Property development
Moda Living (Princes Dock) Limited (75% owned)	Property development
Moda Living (Broad Street) Limited (75% owned)	Property development
Moda Living (Holland Street) Limited (75% owned)	Property development
Moda Living (Springside) Limited (75% owned)	Property development
Moda Living (Great Charles Street) Limited (75% owned)	Property development
Moda Living (Sackville Road) Limited (75% owned)	Property development
Moda Living (SoYo) Limited (75% owned)	Property development
Moda Living (Woking Gateway) Limited (75% owned)	Property development
Moda Living (Ilford Island) Limited (75% owned)	Property development
Moda Living (Springside Block E) Limited (75% owned)	Property development
Moda Living (Heworth Green) Limited (75% owned)	Property development
Moda Living (London West) Limited (75% owned)	Property development
Moda Living (Lancefield Quay) Limited (75% owned)	Property development
Moda Living (Project Maybury) Limited (75% owned)	Property development
Moda Living (Project Osprey) Limited (75% owned)	Property development
Moda Living (Milton Keynes) Limited (75% owned)	Property development
Moda Living (Project Sandygate) Limited (75% owned)	Property development
Moda Living (New Garden Square) Limited (75% owned)	Property development
Moda Emerald Midco Limited (75% owned)	Intermediate holding company
Moda Life Limited (75% owned)	Property management
Moda Life Management Limited (50% owned)	Property management
Moda Emerald Management Co Limited (75% owned)	Property management
The Leeds Cricket, Football and Athletic Company Limited (76% owned)	Professional Rugby League and Cricket (The Pavilion, St Michaels Lane, Headingley, Leeds, LS6 3BR)
Squires Close (Sherburn) Management Company Limited	Property management (18 North Bar Within, Beverley, East Yorkshire, HU17 8AX)
Glitter Bay 201 Limited	Property investment (3 <sup>rd</sup> Floor, Palm Grove House, Road Town, Tortola, British Virgin Islands)
Glitter Bay 204 Limited	Property investment (3 <sup>rd</sup> Floor, Palm Grove House, Road Town, Tortola, British Virgin Islands )
Caddick Civil Engineering Limited (85% owned)	Civil engineering contracting (Calder Grange, Weeland Road, Knottingley, WF11 8DA)
Caddick Construction (NW) Limited (90% owned)	Construction and civil engineering contracting (Calder Grange, Weeland Road, Knottingley, WF11 8DA)

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022 (continued)**

### **16 Investments (continued)**

#### **Indirectly held dormant subsidiaries (held by one of the above)**

Caddick (AVH Developments) Limited

Caddick (Kings' Lynn) Limited

Caddick (Mill Harbour) Limited

Caddick (Hove) Limited

Caddick (York) Limited

Caddick (Kenilworth) Limited

Caddick (Bradford) Limited

Caddick (Newburn) Limited

Caddick (Camberwell) Limited

Caddick City Living (Deptford) Limited

Penrhyn Road Management Company Limited

Quarry Hill (Management) Limited

Trimsat Limited

Casa by Moda Acquisitions Limited

BTR Rodley Limited

Monk Fryston Bypass Limited

Wetherby Bypass Limited

Headingley Stadium Management Limited

Oakgate (Retail) Limited

Oakgate (Bradford) Limited

Oakgate Offices Limited

Oakgate HQ Limited

Oakgate Land Limited

Oakgate (Monks Cross) Limited

Swinegate Management Services Limited

Bo Living Limited

Bo Construction Limited

Bo Housing Limited

Moda Works Limited (75% owned)

Cross Point Wakefield Management Company Limited

Caddick Housing Limited (Calder Grange, Weeland Road, Knottingley, WF11 8DA)

CCL Facades Limited (90% owned) (Calder Grange, Weeland Road, Knottingley, WF11 8DA)

Leeds Rugby Club Limited (76% owned) (The Pavilion, St Michaels Lane, Headingley, Leeds, LS6 3BR)

Leeds Rugby League Limited (76% owned) (The Pavilion, St Michaels Lane, Headingley, Leeds, LS6 3BR)

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

The group owns shareholdings in a number of property investment companies registered at 47 Esplanade, St. Helier, Jersey, JE1 0BD, as part of the Moda Living joint venture as detailed below. The investments are included in the group balance sheet at an aggregate cost of £250,003 plus share of retained losses based on management accounts drawn up to 31 August 2022.

Great Charles Street JV Company Limited	50% owned
Sackville Street Property Company Limited	50% owned
Heworth Green Property Company Limited	50% owned
Sackville SL Property Company Limited	50% owned

The group has a 33.33% interest in C & W Property Developments LLP, a property investment partnership registered at Calder Grange, Weeland Road, Knottingley, WF11 8DA. The investment is included in the group balance sheet at a cost of £Nil plus a share of retained profits based on audited accounts drawn up to 31 August 2022. The statutory financial statements of C & W Property Developments LLP drawn up for the year ended 31 August 2022 disclosed a pre-tax profit of £23,000 (2021: loss of £273,000) and net assets of £17,000 (2021: £582,000).

The group owns a 50% shareholding in Caddick (City One) Limited, a property development company registered at Castlegarth Grange, Scott Lane, Wetherby, LS22 6LH. The investment is included in the group balance sheet at a cost of £50 plus a share of retained profits based on audited accounts drawn up to 31 August 2022. The statutory financial statements of Caddick (City One) Limited drawn up for the year ended 31 August 2022 disclosed a pre-tax profit of £5,000 (2021: £27,000) and net assets of £3,063,000 (2021: £3,059,000).

The group owns a 50% shareholding in Headingley North-South Stand Limited, a property development company registered at Emerald Headingley Stadium, St. Michael's Lane, Headingley, Leeds, LS6 3BR and its wholly owned subsidiaries Headingley North-South Stand (Rugby) Limited and Headingley North-South Stand (Cricket) Limited. The investment is included in the group balance sheet at a cost of £50 plus a share of retained profits based on management accounts drawn up to 31 October 2022. The statutory financial statements of Headingley North-South Stand Limited drawn up for the period ended 31 October 2022 disclosed a pre-tax profit of £1,000 (2021: £1,000) and net assets of £3,000 (2021: £2,000).

The group owns a 50% shareholding in Airebank Developments No.1 Limited, registered at Millshaw, Ring Road, Leeds, LS11 8EG, a property development company. The investment is included in the group balance sheet at cost of £150,000 (2021: £150,000) plus share of retained profits based on management accounts drawn up to 31 August 2022. The statutory financial statements of Airebank Developments No.1 Limited drawn up for the period ended 31 March 2022 disclosed a pre-tax loss of £3,000 (2021: loss of £3,000) and net liabilities of £21,000 (2021: net liabilities of £17,000).

The group owns a 50% shareholding in M.O.P.M Limited, registered at Castlegarth Grange, Scott Lane, Wetherby, LS22 6LH, a property development company. The investment is included in the group balance sheet at cost of £1 plus share of retained profits based on management accounts drawn up to 31 August 2022. The first statutory financial statements will be drawn up for the period ended 31 August 2023.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

The group's share of associates and joint ventures can be summarised as follows:

2022	Moda	C & W	Headingley	Caddick	Airebank	Total
	Living joint ventures	Property Developments LLP	South Stand Limited and subsidiaries	(City One) Limited	Developments No.1 Limited	
	£'000	£'000	£'000	£'000	£'000	£'000
Business activity	Property investment	Property investment	Property investment	Property development	Property development	
Turnover	-	-	678	-	2,000	2,678
Operating (loss) / profit	(746)	10	316	27	1,767	1,374
Interest payable and similar charges	-	(2)	(302)	(25)	-	(329)
(Loss) / profit before taxation	(746)	8	14	2	1,767	1,045
Taxation	-	-	(1)	(1)	(336)	(338)
<b>(Loss) / profit after taxation</b>	<b>(746)</b>	<b>8</b>	<b>13</b>	<b>1</b>	<b>1,431</b>	<b>707</b>
Fixed assets	13,326	-	17,634	-	-	30,960
Current assets	405	7	87	5,726	811	7,036
<b>Gross assets</b>	<b>13,731</b>	<b>7</b>	<b>17,721</b>	<b>5,726</b>	<b>811</b>	<b>37,996</b>
Liabilities due within one year	(15,059)	(1)	(685)	(4,195)	(737)	(20,677)
Liabilities due after one year	-	-	(17,023)	-	-	(17,023)
<b>Gross liabilities</b>	<b>(15,059)</b>	<b>(1)</b>	<b>(17,708)</b>	<b>(4,195)</b>	<b>(737)</b>	<b>(37,700)</b>
Net assets	-	6	13	1,531	74	1,624
Net liabilities (note 21)	(1,328)	-	-	-	-	(1,328)

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 16 Investments (continued)

2021

Business activity	Moda Living joint ventures £'000	C & W Property Developments LLP £'000	Headingley North- South Stand Limited and subsidiaries £'000	Caddick (City One) Limited £'000	Airebank Developments No.1 Limited £'000	Total £'000
	Property investment	Property investment	Property development	Property development	Property development	
Turnover	-	-	-	-	-	-
Operating (loss) / profit	(671)	(77)	-	28	-	(720)
Interest payable and similar charges	-	(14)	-	(14)	-	(28)
(Loss) / profit before taxation	(671)	(91)	-	14	-	(748)
Taxation	-	-	-	(3)	-	(3)
<b>(Loss) / profit after taxation</b>	<b>(671)</b>	<b>(91)</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>(751)</b>
Fixed assets	26,995	600	18,026	-	-	45,621
Current assets	3,229	28	25	5,366	249	8,897
<b>Gross assets</b>	<b>30,224</b>	<b>628</b>	<b>18,051</b>	<b>5,366</b>	<b>249</b>	<b>54,518</b>
Liabilities due within one year	(31,010)	(434)	(657)	(3,836)	(256)	(36,193)
Liabilities due after one year	-	-	(17,394)	-	-	(17,394)
<b>Gross liabilities</b>	<b>(31,010)</b>	<b>(434)</b>	<b>(18,051)</b>	<b>(3,836)</b>	<b>(256)</b>	<b>(53,587)</b>
Net assets	-	194	-	1,530	-	1,724
Net liabilities (note 21)	(786)	-	-	-	(7)	(793)

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 17 Stocks

Group	2022 £'000	2021 £'000
Land held for development and development properties	39,026	39,500
Raw materials and consumables	10	23
	<b>39,036</b>	<b>39,523</b>

Development properties amounting to £5,824,000 (2021: £709,000) included in the total above are let to tenants. The minimum future lease payments receivable under these leases are:

Group	2022 £'000	2021 £'000
Not later than one year	152	99
Later than one year and not later than five years	580	174
Later than five years	920	66
	<b>1,652</b>	<b>339</b>

### 18 Debtors

Amounts falling due within one year	Group		Company	
	2022 £'000	2021 £'000 (restated)	2022 £'000	2021 £'000
Trade debtors	32,229	15,819	6	12
Amounts recoverable on contracts	34,716	19,191	-	-
Amounts owed by group undertakings	-	-	19,011	29,528
Amounts owed by joint venture undertakings	13,242	16,240	11	11
Corporation tax recoverable	1,355	295	40	166
Group relief receivable	-	-	251	-
Other debtors	4,853	1,949	189	163
Prepayments and accrued income	19,873	24,656	-	-
	<b>106,268</b>	<b>78,150</b>	<b>19,508</b>	<b>29,880</b>

Included in prepayments and accrued income is £10,595,000 (2021: £17,923,000) in respect of development profits accrued on a number of projects whereby upon practical completion of those developments the profits will be converted into a minority shareholding in either the company which owns the completed property or the parent undertaking of that company, as referred to in note 16.

Amounts owed by group undertakings are unsecured and repayable on demand, with £8,481,000 (2021: £24,434,000) bearing interest at market rates between 3.5% and 8% and the balance being non-interest bearing.

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 18 Debtors (continued)

Amounts falling after more than one year	Group		Company	
	2022 £'000	2021 £'000 (restated)	2022 £'000	2021 £'000
Trade debtors	2,189	2,219	-	-
Amounts recoverable on contracts	4,373	4,420	-	-
	<b>6,562</b>	<b>6,639</b>	-	-

Amounts owed by joint venture undertakings comprise:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Airebank Developments No.1 Limited	1,605	255	-	-
Caddick (City One) Limited	3,772	2,465	-	-
Headingley North-South Stand Limited	11	11	11	11
Headingley North-South Stand (Rugby) Limited	-	102	-	-
C & W Property Developments LLP	-	1,279	-	-
<b>Moda joint ventures</b>				
M.O.P.M. Limited	149	-	-	-
Great Charles Street JV Company Limited	4,697	3,916	-	-
Heworth Green Property Company Limited	1,314	464	-	-
Sackville Street Property Company Limited	-	7,748	-	-
Sackville SL Property Company Limited	1,694	-	-	-
	<b>13,242</b>	<b>16,240</b>	<b>11</b>	<b>11</b>

The balances above represent the group's equity funding contribution to the respective development and investment projects.

The balances with Airebank Developments No.1 Limited, Caddick (City One) Limited, Headingley North-South Stand Limited and Headingley North-South Stand (Rugby) Limited are all unsecured and non-interest bearing. The Moda joint venture balances are all unsecured and bear interest at 8%.

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 19 Creditors: amounts falling due within one year

	Group		Company	
	2022 £'000	2021 £'000 (restated)	2022 £'000	2021 £'000
Bank loans and overdrafts (see note)	6,150	800	-	-
Other loans (note 20)	312	286	-	-
Payments received on account	4,934	5,514	-	-
Trade creditors	37,443	31,906	51	-
Hire purchase creditors	394	329	-	-
Amounts owed to group undertakings	-	-	35,786	30,515
Amounts owed to related undertakings	477	362	-	-
Corporation tax	-	1,508	-	-
Other taxation and social security	14,975	4,740	481	17
Accruals and deferred income	47,405	32,005	784	392
	<b>112,090</b>	<b>77,450</b>	<b>37,102</b>	<b>30,924</b>

The bank loan of £6,150,000 (2021: £6,950,000) is due for repayment by July 2023, is secured on a number of development and investment properties included in these financial statements at an aggregate cost or valuation of £13,130,000 (2021: £13,230,000) and interest is payable at 2.35% above LIBOR.

Amounts owed to group undertakings are unsecured and repayable on demand, with £35,441,000 (2021: £29,954,000) bearing interest at market rates between 0.5% and 3.5% and the balance being non-interest bearing.

#### 20 Creditors: amounts falling due after more than one year

	Group		Company	
	2022 £'000	2021 £'000 (restated)	2022 £'000	2021 £'000
Bank loans (secured)	-	6,150	-	-
Other loans	652	964	-	-
Trade creditors	5,097	4,604	-	-
Hire purchase creditors	422	442	-	-
	<b>6,171</b>	<b>12,160</b>	<b>-</b>	<b>-</b>

The other loan is unsecured, due for repayment in monthly instalments of £26,000 by September 2025 and bears interest at 0.2%.

Hire purchase obligations shown above which fall due between one and two years amount to £351,000 (2021: £243,000) and between two and five years amount to £71,000 (2021: £199,000). These obligations are secured on the related asset.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 21 Provisions for liabilities

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Deferred taxation (note 22)	1,834	1,683	-	-
Grants receivable	184	216	-	-
Other provisions	85	170	-	-
Share-based payments	3,382	6,687	1,245	4,550
Share of net liabilities of joint venture undertakings (note 16)	1,328	793	-	-
	<b>6,813</b>	<b>9,549</b>	<b>1,245</b>	<b>4,550</b>

Grants receivable are in respect of the cost of improvements to the freehold land and buildings and other capital acquisitions. The movement in grants receivable is as follows:

Grants receivable	Group £'000
At 1 September 2021	216
Amortisation of grants receivable credited to profit and loss account	(32)
<b>At 31 August 2022</b>	<b>184</b>

Share-based payments relate to cash-settled transactions with directors of the subsidiary undertakings, Caddick Construction Limited and Caddick Developments (North) Limited.

Those relating to Caddick Construction Limited are in respect of 100 'B' ordinary shares, 10 'D' ordinary shares, 30 'E' ordinary shares and 30 'F' ordinary shares issued in the subsidiary company (the 'B' ordinary shares being issued in accordance with section 205A of the Employment Rights Act 1996 under Employee Shareholder Status), in order to provide an incentive to these employees. On a disposal of the group or subsidiary each 'B', 'D', 'E' or 'F' ordinary shareholder is entitled to 0.25% of the growth value (being the amount in excess of the base hurdles of £7,500,000, £24,100,000, £29,400,000 and £36,500,000 respectively). On declaration of a dividend the 'B', 'D', 'E' and 'F' ordinary shares rank for a priority dividend equivalent to the percentage of value they would have received on a deemed disposal at the date of dividend payment. The 'B', 'D', 'E' and 'F' ordinary shares carry a put option requiring the parent company to purchase the shares upon the employee ceasing employment with the company.

Those relating to Caddick Developments (North) Limited are in respect of ordinary shares subscribed for on incorporation or subsequently transferred, to provide a long-term incentive to those employees. On a disposal the shares are valued on a prorated basis of the disposal proceeds, with no reduction for minority interest. The ordinary shares carry a put option requiring the immediate parent company, Caddick Developments Limited, to purchase the shares upon the employee ceasing employment with the company.

The liability has been calculated based on the estimated fair value of the subsidiary undertakings calculated by reference to net asset value and multiples of historic profits, EBITDA and expected cash flow generation. An option pricing model is not considered appropriate given the shares are unlisted and have not been traded.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 21 Provisions for liabilities (continued)

The movement in share-based payments is as follows:

Share based payments	Group £'000	Company £'000
At 1 September 2021	6,687	4,550
Utilised during the year	(3,517)	(3,517)
Movement during the year	212	212
<b>At 31 August 2022</b>	<b>3,382</b>	<b>1,245</b>

The movement in the provision of £212,000 (2021: £1,467,000) has been recognised in employee compensation, included with administrative expenses.

### 22 Deferred taxation

Group	£'000
At 1 September 2021 (included in note 21)	1,683
Charged to profit and loss account (note 13)	151
<b>At 31 August 2022 (included in note 21)</b>	<b>1,834</b>

The deferred tax balance comprises:

	2022		2021	
	Amount provided £'000	Amount unprovided £'000	Amount provided £'000	Amount unprovided £'000
<b>Group</b>				
Other timing differences	(137)	-	(104)	-
Accelerated capital allowances	1,311	9	1,261	(61)
Losses carried forwards	-	(1,070)	(41)	(974)
Revalued tangible fixed assets	548	-	455	-
Capital gains, capital losses and gains rolled over	112	-	112	-
	<b>1,834</b>	<b>(1,061)</b>	<b>1,683</b>	<b>(1,035)</b>

The company has no liability to deferred taxation at 31 August 2022 or 31 August 2021.

# Caddick Group Limited

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 23 Called-up share capital

	2022		2021	
	Number	£'000	Number	£'000
<b>Authorised, allotted and fully paid</b>				
Ordinary shares of 1p each	49,800	-	49,800	-
“A” ordinary shares of 1p each	100	-	100	-
“B” ordinary shares of 1p each	4,950,000	50	4,950,000	50
“C” ordinary shares of £1 each	22,000	22	22,000	22
“J” ordinary shares of 1p each	100	-	100	-
	<b>5,022,000</b>	<b>72</b>	<b>5,022,000</b>	<b>72</b>

The ordinary shares of 1p are non-voting, entitle the holder to participate in the profits of the company and a share of proceeds on a sale or return of capital.

The “A” ordinary shares are non-voting, entitle the holder to participate in the profits of the company that are derived from specific subsidiary companies and share in the proceeds on sale of those subsidiaries.

The “B” ordinary shares of 1p carry a voting right, do not entitle the holder to participate in the profits of the company and on a sale or return of capital rank before the ordinary shares but only entitle the holder to a return of the nominal value.

The holders of the “C” shares are entitled to a dividend which is based on the performance of that company measured by reference to a base period. On a sale or winding up of Caddick Group Limited or a sale of Caddick Construction Limited the holders of the “C” shares are entitled, in addition to payment of any arrears of dividend, to a proportion of the sale proceeds or remaining assets of the company, which is equal to the market value of Caddick Construction Limited. At 31 August 2022 unpaid “C” shares dividends not formally waived amounted to £Nil (2021: £767,000). These dividends have not been provided for on the basis that they will be waived.

At general meetings the holders of the “C” shares in aggregate have 9% of the voting rights.

The “J” ordinary shares are non-voting, entitle the holder to participate in the profits of the company that are derived from specific subsidiary companies and share in the proceeds on sale of those subsidiaries.

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 24 Other reserves

Group	Share based payments reserve £'000	Share premium account £'000	Capital reserve £'000	Total £'000
At 1 September 2021 and 31 August 2022	102	26	1,813	1,941

The capital reserve represents negative goodwill on acquisition of subsidiary undertakings prior to 1998. This negative goodwill is credited to the profit and loss account when the subsidiary is disposed of.

#### 25 Cost of own shares held by Employee Trust

Group and Company	£'000
At 1 September 2021 and 31 August 2022	(1,451)

The cost of shares held by the Employee Trust amounting to £1,451,000 comprises 5,500 'C' ordinary shares reacquired from the directors of Caddick Construction as part of a long-term incentive arrangement. The shares were originally issued in 1996 and were subsequently reissued by the Employee Trust to the current Construction directors in 2001. At 31 August 2022 the shares had a value of £1,875,000.

#### 26 Dividends paid

	2022 £'000	2021 £'000
Interim ordinary dividend paid of £5.02 per ordinary share (2021: £7.02)	250	350
Interim J ordinary dividend paid of £1,000 per ordinary share (2021: £Nil)	100	-
Second interim ordinary dividend paid of £5.02 per ordinary share (2021: £Nil)	250	-
	600	350

#### 27 Capital commitments

At the balance sheet date, the group had commitments amounting to £Nil (2021: £Nil).

#### 28 Contingent liabilities

As part of a cross guarantee arrangement operated within the group, the company has guaranteed the overdraft facilities of certain other group companies. At 31 August 2022, this amounted to £Nil (2021: £Nil).

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 29 Notes to the statement of cash flows

	2022 £'000	2021 £'000
Profit for the financial year	46,757	13,272
Tax on profit on ordinary activities	11,238	3,834
Net interest expense	(275)	(613)
Income from other investments	(21)	(22)
(Income) / expense from interests in associates and joint ventures	(911)	523
<b>Operating profit</b>	<b>56,788</b>	<b>16,994</b>
Depreciation and impairments (note 15)	2,047	2,033
Amortisation of intangible fixed assets (note 14)	35	121
Amortisation of deferred income (note 21)	(32)	(183)
Profit on disposal of tangible fixed assets	(100)	(105)
Development profits in the year converted to other investments (note 16)	(3,800)	-
Unrealised loss on revaluation of investment properties (note 15)	487	1,040
Provision for share-based payments (note 21)	212	1,467
Settlement of share-based payments provision (note 21)	(3,517)	-
Taxation paid	(13,655)	(3,236)
Working capital movements		
- Decrease / (increase) in stocks	487	(8,961)
- Increase in debtors	(43,878)	(18,885)
- Increase in creditors	31,115	19,587
<b>Net cash generated from operating activities</b>	<b>26,189</b>	<b>9,872</b>

#### Analysis of changes in net debt

	At 1 September 2021 £'000	Cash flows £'000	Non-cash changes £'000	At 31 August 2022 £'000
Cash at bank and in hand	36,569	20,829	-	57,398
Cash and cash equivalents	36,569	20,829	-	57,398
Bank loans	(6,950)	800	-	(6,150)
Other loans	(1,250)	286	-	(964)
Hire purchase creditors	(771)	458	(502)	(815)
<b>Total</b>	<b>27,598</b>	<b>22,373</b>	<b>(502)</b>	<b>49,469</b>

The non-cash changes represent fixed assets acquired on hire purchase.

# **Caddick Group Limited**

## **Notes to the financial statements for the year ended 31 August 2022 (continued)**

### **30 Pensions**

The group operates a defined contribution pension scheme for the benefit of certain executives. The assets of the scheme are held separately from those of the company in independently administered funds. The group also contributes to personal pension plans for eligible employees. The pension cost charge of £1,325,000 (2021: £1,183,000) represents contributions paid during the year of £1,325,000 (2021: £1,183,000) and accrued amounting to £Nil (2021: £Nil).

### **31 Transactions with related parties**

During the year a group company paid £65,000 (2021: £65,000) by way of property rentals to a pension scheme of which Mr P Caddick and Mrs A Caddick are beneficiaries.

During the year group companies utilised the services of Park Square Management Services Limited, a property management company controlled by Mr P Caddick and Mrs A Caddick. Purchases from and sales to this company at commercial rates amounted to £54,000 (2021: £47,000) and £87,000 (2021: £40,000) respectively.

During the year group companies performed work (inclusive of VAT) for Mr P Caddick and Mrs AE Caddick, on an arm's length basis, to the value of £125,000 (2021: £90,000). At 31 August 2022 an amount of £182,000 (2021: £48,000) was owed by the company to Mr P Caddick and Mrs AE Caddick, being the balance outstanding on their current account.

Included in other creditors (note 19) is an amount owed to Appleton Estates Limited of £150,000 (2021: £150,000), being an equity contribution to a project being undertaken by Oakgate City Living Limited, a subsidiary in which Appleton Estates Limited has a 20% interest. Appleton Estates Limited is company controlled by Mr RE France, a director of a number of Caddick subsidiaries and also Trustee of the Paul Caddick Accumulation and Maintenance Settlement. Included in other debtors is £136,000 (2021: £136,000) in respect of corporate entertaining recharges owing by Mr RE France.

### **32 Ultimate controlling party**

The company's ultimate controlling party is P Caddick, in his capacity as principal Trustee of the Paul Caddick Accumulation and Maintenance Settlement.

Caddick Group Limited is the smallest and largest group to consolidate the financial statements of the company.

## Caddick Group Limited

### Notes to the financial statements for the year ended 31 August 2022 (continued)

#### 33 Prior year restatement

The prior year figures for debtors and creditors have been restated to reflect the build retentions receivable and payable being partly due after one year, having previously been disclosed as all due within one year and subcontract accruals reclassified from trade creditors to accruals and deferred income, as follows:

<b>Debtors</b>	Due within one year £'000	Due after more than one year £'000
2021 as per filed financial statements	84,789	-
Retentions receivable included in Trade debtors reclassified as over one year	(2,219)	2,219
Retentions receivable included in Amounts recoverable on contracts reclassified as over one year	(4,420)	4,420
<b>2021 as restated</b>	<b>78,150</b>	<b>6,639</b>

<b>Creditors</b>	Due within one year £'000	Due after more than one year £'000
2021 as per filed financial statements	82,054	7,556
Retentions payable included in Trade creditors reclassified as over one year	(4,604)	4,604
<b>2021 as restated</b>	<b>77,450</b>	<b>12,160</b>