

Company Registration No. 00906135 (England and Wales)

**THOMAS SHERRIFF AND COMPANY LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

# THOMAS SHERRIFF AND COMPANY LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	W S Hutchison J W Laing E J Langston R R Lyall	(Appointed 1 February 2022)  (Appointed 1 February 2022)
<b>Company number</b>	00906135	
<b>Registered office</b>	17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
<b>Auditor</b>	Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	

---

# THOMAS SHERRIFF AND COMPANY LIMITED

## CONTENTS

---

	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 5
Independent auditor's report	6 - 9
Profit and loss account	10
Statement of comprehensive income	11
Balance sheet	12 - 13
Statement of changes in equity	14
Statement of cash flows	15
Notes to the financial statements	16 - 31

---

# THOMAS SHERRIFF AND COMPANY LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 JANUARY 2022**

---

The directors present the strategic report for the year ended 31 January 2022.

### **Fair review of the business**

Thomas Sherriff and Company Limited are a privately owned and managed business providing a positive environment for its staff and takes a medium/long term view on investment.

Its primary activities are the sale, distribution and servicing of agricultural and turf machinery, with retail/trade parts and hardware sales.

The Company experienced challenging conditions on the turf side of the business during 2021 mainly as a result of the COVID-19 pandemic.

Our Agricultural and Turf machinery sales were flat versus year ended 2021. Parts and Service areas of the business showed promising revenue growth with the biggest growth area seen in Technology Solutions, up 57% on last year.

### **Principal risks and uncertainties**

The management and execution of the strategic plan of the business are subject to a number of risks and uncertainties. The company is an important part of the agricultural community and the directors believe that there are no perceived areas of risk or uncertainty that will have a significant impact on the profitability of the company which have not been addressed.

### **Key performance indicators**

The directors consider that their key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit margin and profit before tax.

Turnover has increased by £513,394 to £44,891,501 (2021 £44,378,107) which has led to an increased gross profit margin by 1.8% to 13.7% (2021 11.9%). Profit before tax has decreased from £1,553,878 to £1,472,590 due to higher administrative expenses.

### **Statement by the directors in performance of their duties under s172(1) of the Companies Act 2006**

The board of directors of Thomas Sherriff and Company Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 January 2022. In particular, by reference to the approval of our business plan and regular board meeting discussions which guide the future of the Company.

Our discussions and plans aim to secure the success of the Company in the long term for the benefit of stakeholders, employees and customers.

To achieve this, we have built a board with a great deal of industry experience to allow them to assess the risks facing the Company.

The Company gives full and fair consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

As the board of directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating with the highest standards of business conduct and good governance. This contributes to the delivery of our plans for the Company's future. The intention is to continue to grow the Company's reputation and ensure that the actions of management and employees reflect the board's responsible behaviour.

In turn, this allows stakeholders to also benefit from the Company's success.

---

**THOMAS SHERRIFF AND COMPANY LIMITED**

**STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 JANUARY 2022***

---

On behalf of the board

E J Langston  
**Director**

10 August 2022

# THOMAS SHERRIFF AND COMPANY LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 JANUARY 2022**

---

The directors present their annual report and financial statements for the year ended 31 January 2022.

### Principal activities

The principal activity of the company continued to be that of the supply, maintenance and hire of agricultural and ground care equipment.

### Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £73,397. The directors do not recommend payment of a final dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

W S Hutchison	(Appointed 1 February 2022)
J W Laing	
E J Langston	(Appointed 1 February 2022)
R R Lyall	
C J Weatherhead	(Resigned 19 November 2021)

### Business relationships

The directors are aware of the need to consider fostering the Company's business relationships with suppliers, customers and others. The directors aim to maintain good relationships with both customers, suppliers and employees to ensure the smooth running of the business and the efficient and effective execution of the board's plans for the business.

### Auditor

Greaves West & Ayre were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Energy and carbon report

As the company has consumed more than 40,000 kWh of energy in this reporting period, it is considered a high energy user under these regulations and is required to report on its emissions, energy consumption and energy efficiency activities.

	<b>2022</b>
	<b>kWh</b>
<i>Energy consumption</i>	
Aggregate of energy consumption in the year	
- Gas combustion	390,778
- Electricity purchased	294,422
	<hr/>
	685,200
	<hr/> <hr/>

# THOMAS SHERRIFF AND COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

	<b>2022 metric tonnes</b>
<i>Emissions of CO2 equivalent</i>	
Scope 1 - direct emissions	
- Gas combustion	220.65
- Biofuel useage	2.46
- Fuel consumed for owned transport	393.21
	<hr/>
	616.32
Scope 2 - indirect emissions	
- Electricity purchased	62.51
Scope 3 - other indirect emissions	
- Fuel consumed for transport not owned by the company	38.00
	<hr/>
Total gross emissions	716.83
	<hr/> <hr/>
<i>Intensity ratio</i>	
Tonnes CO2e per full-time employee	5.78
	<hr/> <hr/>

### *Quantification and reporting methodology*

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting.

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per full time equivalent (FTE) source, a recommended ratio.

### *Measures taken to improve energy efficiency*

The Company has made efforts to improve their operational energy efficiency and reduce carbon emissions in recent years.

### **Biomass Boiler**

A biomass boiler was installed in 2017 at the newly built head office site in Haddington and provides all hot water and heating. This is fed with wood pellets sourced locally, less than 30 miles away.

### **LED lighting upgrades**

The Company has a policy of replacing all failed lighting with LED fittings. Investment has already been made at Head Office and will continue to be implemented across all outlets over the coming year.

### **Electric vehicle use**

The Company first purchased a hybrid vehicle in January 2020 and took the decision to increase the hybrid/electric fleet in January 2022 purchasing 2 more vehicles. Since the year end, we have introduced a policy to replace vehicles with electric and hybrid vehicles where practical. Charging points have also been installed since the year end at all owned outlets.

# THOMAS SHERRIFF AND COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 JANUARY 2022*

---

### **Statement of directors' responsibilities**

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the fair review of the business, principal risks and uncertainties facing the company as well as trading performance and future developments, please see the Strategic Report on page 1.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

E J Langston

**Director**

10 August 2022

# THOMAS SHERRIFF AND COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THOMAS SHERRIFF AND COMPANY LIMITED

---

#### Opinion

We have audited the financial statements of Thomas Sherriff and Company Limited (the 'company') for the year ended 31 January 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# THOMAS SHERRIFF AND COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THOMAS SHERRIFF AND COMPANY LIMITED

---

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

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

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

# THOMAS SHERRIFF AND COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THOMAS SHERRIFF AND COMPANY LIMITED

---

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the agricultural sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including legislation such as the Companies Act 2006, taxation legislation, employment legislation and data protection;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, contacting the entity's solicitor for any details of non-compliance and inspecting current year legal expenditure; and
- identified laws and regulations of particular relevance were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, including any fraud associated with revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- traced a sample of sales transactions from source documentation to nominal ledgers;
- traced a sample of sales around the year-end from source documentation to invoice to ensure cut-off is operating correctly;
- evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims against the company; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence on non-compliance.

## **THOMAS SHERRIFF AND COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THOMAS SHERRIFF AND COMPANY LIMITED**

---

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Roseanne Bennett FCA (Senior Statutory Auditor)**  
**For and on behalf of Greaves West & Ayre**

11 August 2022

**Chartered Accountants**  
**Statutory Auditor**

17 Walkergate  
Berwick-upon-Tweed  
Northumberland  
TD15 1DJ

# THOMAS SHERRIFF AND COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

		2022	2021
	Notes	£	as restated £
Turnover	3	44,891,501	44,378,107
Cost of sales		(38,751,536)	(39,083,330)
<b>Gross profit</b>		<b>6,139,965</b>	<b>5,294,777</b>
Administrative expenses		(4,647,245)	(3,831,124)
Other operating income		59,955	192,981
<b>Operating profit</b>	4	<b>1,552,675</b>	<b>1,656,634</b>
Interest payable and similar expenses	8	(80,085)	(102,756)
<b>Profit before taxation</b>		<b>1,472,590</b>	<b>1,553,878</b>
Tax on profit	9	(379,887)	(236,292)
<b>Profit for the financial year</b>		<b>1,092,703</b>	<b>1,317,586</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**THOMAS SHERRIFF AND COMPANY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

***FOR THE YEAR ENDED 31 JANUARY 2022***

---

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>as restated</b>
		<b>£</b>
Profit for the year	1,092,703	1,317,586
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u>1,092,703</u>	<u>1,317,586</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## BALANCE SHEET

AS AT 31 JANUARY 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	11		170,240		206,720
Other intangible assets	11		6,289		-
			<u>176,529</u>		<u>206,720</u>
Total intangible assets			176,529		206,720
Tangible assets	12		4,466,645		4,294,405
Investments	13		100		-
			<u>4,643,274</u>		<u>4,501,125</u>
<b>Current assets</b>					
Stocks	15	12,211,501		11,031,295	
Debtors	16	4,082,882		2,597,198	
Cash at bank and in hand		4,848		657,011	
		<u>16,299,231</u>		<u>14,285,504</u>	
<b>Creditors: amounts falling due within one year</b>	17	(11,244,520)		(9,777,766)	
			<u>5,054,711</u>		<u>4,507,738</u>
<b>Net current assets</b>			5,054,711		4,507,738
<b>Total assets less current liabilities</b>			<u>9,697,985</u>		<u>9,008,863</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(1,070,452)		(435,276)
<b>Provisions for liabilities</b>					
Deferred tax liability	20		(305,996)		(240,170)
			<u>8,321,537</u>		<u>8,333,417</u>
<b>Net assets</b>			8,321,537		8,333,417
<b>Capital and reserves</b>					
Called up share capital	22		887		6,016
Share premium account			79,938		-
Capital redemption reserve			22,298		17,107
Other reserves			-		279,092
Profit and loss reserves			8,218,414		8,031,202
			<u>8,321,537</u>		<u>8,333,417</u>
<b>Total equity</b>			8,321,537		8,333,417

**THOMAS SHERRIFF AND COMPANY LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 JANUARY 2022**

---

The financial statements were approved by the board of directors and authorised for issue on 10 August 2022 and are signed on its behalf by:

E J Langston  
**Director**

R R Lyall  
**Director**

**Company Registration No. 00906135**

# THOMAS SHERRIFF AND COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2022

	Share capital	Share premium account	Capital redemption reserve	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£	£	£
<b>As restated for the period ended 31 January 2021:</b>						
<b>Balance at 1 February 2020</b>	6,016	-	17,107	279,092	8,111,186	8,413,401
<b>Year ended 31 January 2021:</b>						
Profit and total comprehensive income for the year	-	-	-	-	1,317,586	1,317,586
Dividends	-	-	-	-	(93,760)	(93,760)
Share buy back from reserves	-	-	-	-	(1,303,810)	(1,303,810)
<b>Balance at 31 January 2021</b>	6,016	-	17,107	279,092	8,031,202	8,333,417
<b>Year ended 31 January 2022:</b>						
Profit and total comprehensive income for the year	-	-	-	-	1,092,703	1,092,703
Issue of share capital	22	62	79,938	-	-	80,000
Dividends	10	-	-	-	(73,397)	(73,397)
Reduction of shares	22	(5,191)	-	5,191	-	-
Share buy back from reserves	-	-	-	-	(1,111,186)	(1,111,186)
Other movements	-	-	-	(279,092)	279,092	-
<b>Balance at 31 January 2022</b>	887	79,938	22,298	-	8,218,414	8,321,537

# THOMAS SHERRIFF AND COMPANY LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2022

		2022		2021	
	Notes	£	£	as restated	£
				£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		1,261,266		2,827,781
Interest paid			(80,085)		(102,756)
Income taxes paid			(221,896)		(199,423)
			<u>959,285</u>		<u>2,525,602</u>
<b>Investing activities</b>					
Purchase of intangible assets		(7,367)		-	
Purchase of tangible fixed assets		(524,168)		(371,304)	
Proceeds on disposal of tangible fixed assets		67,119		552,500	
Purchase of subsidiaries		(100)		-	
			<u>(464,516)</u>		<u>181,196</u>
<b>Financing activities</b>					
Share buyback		(1,111,186)		(1,303,810)	
Bonus share issue		40,000		-	
Repayment of borrowings		(585,772)		(409,946)	
Proceeds of new bank loans		1,250,000		-	
Repayment of bank loans		(879,719)		(244,133)	
Dividends paid		(73,397)		(93,760)	
			<u>(1,360,074)</u>		<u>(2,051,649)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>					
			(865,305)		655,149
Cash and cash equivalents at beginning of year					
			657,011		1,862
<b>Cash and cash equivalents at end of year</b>					
			<u>(208,294)</u>		<u>657,011</u>
<b>Relating to:</b>					
Cash at bank and in hand			4,848		657,011
Bank overdrafts included in creditors payable within one year			(213,142)		-
			<u>(208,294)</u>		<u>657,011</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

---

### 1 Accounting policies

#### Company information

Thomas Sherriff and Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 Walkergate, Berwick-upon-Tweed, Northumberland, TD15 1DJ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 402 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company continued to perform well throughout the Covid pandemic and thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 1 Accounting policies (Continued)

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	25% Straight Line
---------	-------------------

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Leasehold land and buildings	Over the term of the lease
Plant and equipment	10% & 20% straight line
Computers	25% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

### 1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Stocks

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

### 1 Accounting policies

(Continued)

#### 1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.16 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.17 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Stock Provision

Stock has been valued at the lower cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks.

Parts stock is depreciated on a reducing balance method over 3 years and whole goods are considered on an individual basis based on a number of different factors. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends.

### 3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Sale of agricultural and ground care equipment	40,638,588	40,265,851
Servicing of agricultural and ground care equipment	4,252,913	4,112,256
	<u>44,891,501</u>	<u>44,378,107</u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	44,344,947	43,873,534
Europe	381,594	486,754
United States of America	116,712	-
Rest of World	48,248	17,819
	<u>44,891,501</u>	<u>44,378,107</u>
	2022	2021
	£	£
Other significant revenue		
Commissions received	17,497	22,393

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	315,709	305,109
Profit on disposal of tangible fixed assets	(30,900)	(418,876)
Amortisation of intangible assets	37,558	36,480
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	15,000	11,000
	<u>          </u>	<u>          </u>
<b>For other services</b>		
All other non-audit services	2,500	-
	<u>          </u>	<u>          </u>

### 6 Employees

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

	2022	2021
	Number	Number
Production	60	63
Selling and Distribution	46	36
Administration	18	21
	<u>          </u>	<u>          </u>
Total	124	120
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	4,336,925	4,098,933
Social security costs	405,282	426,302
Pension costs	138,202	102,709
	<u>          </u>	<u>          </u>
	4,880,409	4,627,944
	<u>          </u>	<u>          </u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

---

7 Directors' remuneration	2022	2021
	£	£
Remuneration for qualifying services	201,708	230,106
Company pension contributions to defined contribution schemes	56,000	24,000
	<u>257,708</u>	<u>254,106</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	74,952	79,986
Company pension contributions to defined contribution schemes	6,000	6,000
	<u>80,952</u>	<u>85,986</u>

8 Interest payable and similar expenses	2022	2021
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	80,085	102,756
	<u>80,085</u>	<u>102,756</u>

9 Taxation	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	314,061	221,956
	<u>314,061</u>	<u>221,956</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	65,826	14,336
	<u>65,826</u>	<u>14,336</u>
Total tax charge	<u>379,887</u>	<u>236,292</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 9 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,472,590	1,553,878
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	279,792	295,237
Tax effect of expenses that are not deductible in determining taxable profit	14,249	3,190
Gains not taxable	(5,871)	(77,130)
Permanent capital allowances in excess of depreciation	25,891	14,995
Deferred tax movement	65,826	-
Taxation charge for the year	379,887	236,292

### 10 Dividends

	2022 £	2021 £
Interim paid	73,397	93,760

### 11 Intangible fixed assets

	Goodwill £	Website £	Total £
<b>Cost</b>			
At 1 February 2021	364,751	-	364,751
Additions	-	7,367	7,367
At 31 January 2022	364,751	7,367	372,118
<b>Amortisation and impairment</b>			
At 1 February 2021	158,031	-	158,031
Amortisation charged for the year	36,480	1,078	37,558
At 31 January 2022	194,511	1,078	195,589
<b>Carrying amount</b>			
At 31 January 2022	170,240	6,289	176,529
At 31 January 2021	206,720	-	206,720

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 February 2021	2,664,222	1,201,669	303,630	24,285	1,158,293	5,352,099
Additions	271,594	-	38,815	5,387	208,372	524,168
Disposals	-	-	-	-	(144,389)	(144,389)
At 31 January 2022	<u>2,935,816</u>	<u>1,201,669</u>	<u>342,445</u>	<u>29,672</u>	<u>1,222,276</u>	<u>5,731,878</u>
<b>Depreciation and impairment</b>						
At 1 February 2021	315,181	98,645	110,524	1,210	532,134	1,057,694
Depreciation charged in the year	40,595	10,272	50,865	6,906	207,071	315,709
Eliminated in respect of disposals	-	-	-	-	(108,170)	(108,170)
At 31 January 2022	<u>355,776</u>	<u>108,917</u>	<u>161,389</u>	<u>8,116</u>	<u>631,035</u>	<u>1,265,233</u>
<b>Carrying amount</b>						
At 31 January 2022	<u>2,580,040</u>	<u>1,092,752</u>	<u>181,056</u>	<u>21,556</u>	<u>591,241</u>	<u>4,466,645</u>
At 31 January 2021	<u>2,349,041</u>	<u>1,103,024</u>	<u>193,106</u>	<u>23,075</u>	<u>626,159</u>	<u>4,294,405</u>

### 13 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	14	100	-

#### Movements in fixed asset investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 February 2021	-
Additions	100
At 31 January 2022	<u>100</u>
<b>Carrying amount</b>	
At 31 January 2022	<u>100</u>
At 31 January 2021	<u>-</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 14 Subsidiaries

Details of the company's subsidiaries at 31 January 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Sherriff (Farmsight) Limited	17 Walkergate, Berwick Upon Tweed, TD15 1DJ	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Sherriff (Farmsight) Limited	100	-

### 15 Stocks

	2022 £	2021 £
Work in progress	108,414	70,682
Finished goods and goods for resale	12,103,087	10,960,613
	<u>12,211,501</u>	<u>11,031,295</u>

### 16 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,638,434	1,926,492
Unpaid share capital	40,000	-
Other debtors	165,529	326,881
Prepayments and accrued income	1,238,919	343,825
	<u>4,082,882</u>	<u>2,597,198</u>

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

	Notes	2022 £	2021 £
Bank loans and overdrafts	19	364,854	416,607
Other borrowings	19	1,402,232	1,988,004
Trade creditors		7,910,410	5,603,040
Corporation tax		314,061	221,896
Other taxation and social security		466,107	652,923
Other creditors		136,237	100,276
Accruals and deferred income		650,619	795,020
		<u>11,244,520</u>	<u>9,777,766</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

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

	Notes	2022 £	2021 £
Bank loans and overdrafts	19	1,070,452	435,276

### 19 Loans and overdrafts

	2022 £	2021 £
Bank loans	1,222,164	851,883
Bank overdrafts	213,142	-
Other loans	1,402,232	1,988,004
	<u>2,837,538</u>	<u>2,839,887</u>
Payable within one year	1,767,086	2,404,611
Payable after one year	1,070,452	435,276

The bank loans are secured by way of a fixed charge over land and buildings and a debenture.

Interest on the loans are charged at 2% and 2.25% over the bank's sterling base rate.

The other loan is a stocking loan which is secured over the assets attributable to the loan.

### 20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
<b>Balances:</b>		
Accelerated capital allowances	305,996	240,170
	<u>305,996</u>	<u>240,170</u>
<b>Movements in the year:</b>		<b>2022 £</b>
Liability at 1 February 2021		240,170
Charge to profit or loss		65,826
		<u>305,996</u>
Liability at 31 January 2022		<u>305,996</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 20 Deferred taxation (Continued)

The deferred tax liability set out above is in relation to accelerated capital allowances the effect is expected to reverse over the life of the assets.

Following the enactment of the Finance Act 2021 the deferred tax provision at the year end has been calculated using a rate of 25% (2021 19%)

### 21 Retirement benefit schemes

<b>Defined contribution schemes</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Charge to profit or loss in respect of defined contribution schemes	138,202	102,709
	<u>          </u>	<u>          </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 22 Share capital

	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of 0.1p each	824,799	6,016	825	6,016
A shares of 0.1p each	30,984	-	31	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	855,783	6,016	856	6,016
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Issued and not fully paid</b>				
Ordinary shares of 0.1p each	30,984	-	31	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	886,767	6,016	887	6,016
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total equity share capital</b>			887	6,016
			<u>          </u>	<u>          </u>

During the year a resolution was passed to sub-divide the shares, changing the nominal value from £1 to £0.001. 61,968 new 'A' shares were also issued during the year with a nominal value of £0.001. As at 31 January 2022, 30,984 of these shares were unpaid.

500,000 shares are currently being repurchased by the company over a period of 25 months. As at 31 January 2022, 347,221 shares were repurchased at nominal value of £0.001. 4,844 treasury shares were also cancelled during the year which had a nominal value of £1. This has led to a total increase of £5,191 to the capital redemption reserve.

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 23 Operating lease commitments

Operating lease payments represent rentals payable by the company for a vehicle and IT equipment. Leases are negotiated for an average term of 3 years with an option to extend at the prevailing market rate.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	10,311	18,308
Between two and five years	10,845	23,096
	<u>21,156</u>	<u>41,404</u>

### 24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022 £	2021 £
Acquisition of tangible fixed assets	<u>249,862</u>	<u>-</u>

### 25 Directors' transactions

Dividends totalling £73,397 (2021 - £93,760) were paid in the year in respect of shares held by the company's directors.

### 26 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	1,092,703	1,317,586
<b>Adjustments for:</b>		<b>as restated</b>
Taxation charged	379,887	236,292
Finance costs	80,085	102,756
Gain on disposal of tangible fixed assets	(30,900)	(418,876)
Amortisation and impairment of intangible assets	37,558	36,480
Depreciation and impairment of tangible fixed assets	315,709	305,109
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(1,180,206)	410,381
(Increase)/decrease in debtors	(1,445,684)	983,658
Increase/(decrease) in creditors	2,012,114	(145,605)
<b>Cash generated from operations</b>	<u>1,261,266</u>	<u>2,827,781</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

### 27 Analysis of changes in net debt

	1 February 2021	Cash flows 31 January 2022	
	£	£	£
	as restated		
Cash at bank and in hand	657,011	(652,163)	4,848
Bank overdrafts	-	(213,142)	(213,142)
	<u>657,011</u>	<u>(865,305)</u>	<u>(208,294)</u>
Borrowings excluding overdrafts	(2,839,887)	215,491	(2,624,396)
	<u>(2,182,876)</u>	<u>(649,814)</u>	<u>(2,832,690)</u>

### 28 Prior period adjustment

The prior period adjustment shown is in relation to a change in the calculation of internal revenue. This adjustment only affects the profit and loss account.

#### Changes to the profit and loss account

	As previously reported	Adjustment	As restated
	£	£	£
<b>Period ended 31 January 2021</b>			
Turnover	45,785,408	(1,407,301)	44,378,107
Cost of sales	(40,529,218)	1,445,888	(39,083,330)
Administrative expenses	(3,792,537)	(38,587)	(3,831,124)
Profit for the financial period	<u>1,317,586</u>	<u>-</u>	<u>1,317,586</u>

# THOMAS SHERRIFF AND COMPANY LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

	2022	2021
	£	£
<b>Turnover</b>		
Sales	44,891,501	44,378,107
<b>Cost of sales</b>		
Purchases	(36,614,167)	(36,976,541)
<b>Direct Costs</b>		
Workshop wages	1,860,567	1,849,687
Employer's N.I. contributions	155,333	164,123
Staff training	84,982	55,703
Staff pension scheme costs	36,487	37,276
	<u>(2,137,369)</u>	<u>(2,106,789)</u>
<b>Gross Profit</b>	<b>6,139,965</b>	<b>5,294,777</b>
<b>Administrative Expenses</b>		
Administration wages	2,257,830	2,044,778
Social security costs	226,969	237,425
Other payments to staff	40,000	-
Staff pension costs	45,715	41,433
Rent and rates	80,482	108,162
Heat and light	64,191	87,524
Repairs and renewals	23,916	54,495
Computer maintenance and supplies	143,608	144,834
Motor and equipment expenses	431,959	332,598
Travelling expenses	14,063	4,958
Postage, stationery, advertising and telephone	137,565	138,340
Subscriptions	35,721	34,850
Professional fees	102,924	82,837
Audit fees	15,000	11,000
Bank charges	67,174	60,434
Bad and doubtful debts	53,602	3,169
Stamp duty	-	6,295
Insurance	144,490	141,631
General administration expenses	182,161	120,426
	<u>(4,067,370)</u>	<u>(3,655,189)</u>
<b>Balance Carried Forward</b>	<b>2,072,595</b>	<b>1,639,588</b>

# THOMAS SHERRIFF AND COMPANY LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

	2022	2021
	£	£
<b>Balance Brought Forward</b>	<b>2,072,595</b>	<b>1,639,588</b>
<b>Depreciation</b>		
Depreciation of intangible asset	37,558	36,480
Freehold property	40,597	41,364
Amortisation on long leasehold	10,272	10,265
Plant and machinery	50,863	62,877
Office equipment	6,906	1,210
Motor vehicles	207,071	189,393
	<u>(353,267)</u>	<u>(341,589)</u>
<b>Directors Remuneration</b>		
Directors' salaries	178,528	204,468
N.I. on directors salaries	22,980	24,754
Directors' pension costs - defined contribution scheme	56,000	24,000
	<u>(257,508)</u>	<u>(253,222)</u>
<b>Other Operating Income</b>		
Commissions received	17,497	22,393
Sundry income	42,458	170,588
Profit on sale of fixed assets	30,900	418,876
	<u>90,855</u>	<u>611,857</u>
<b>Operating Profit</b>	<b>1,552,675</b>	<b>1,656,634</b>
<b>Interest Payable</b>		
Bank interest paid	(80,085)	(102,756)
<b>Net Profit for the Year</b>	<b>1,472,590</b>	<b>1,553,878</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.