

Cranford Care Homes Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2020

Cranford Care Homes Limited

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Cranford Care Homes Limited

Company Information for the Year Ended 31 May 2020

Directors M R Varma
P K Roberts

Company secretary V C Varma

Registered office Huyton Hey Manor Residential Home
Huyton Hey Road
Huyton
Liverpool
Merseyside
L36 5RZ

Accountants Whitnalls
Chartered Certified Accountants
Trident House
105 Derby Road
Liverpool
L20 8LZ

Cranford Care Homes Limited
(Registration number: 02728066)
Balance Sheet as at 31 May 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	1,359,672	1,394,590
Current assets			
Debtors	<u>5</u>	463,630	312,746
Cash at bank and in hand		359,790	333,053
		823,420	645,799
Creditors: Amounts falling due within one year	<u>6</u>	(802,899)	(622,161)
Net current assets		20,521	23,638
Total assets less current liabilities		1,380,193	1,418,228
Creditors: Amounts falling due after more than one year	<u>6</u>	(451,852)	(472,891)
Provisions for liabilities		(6,245)	(5,832)
Net assets		922,096	939,505
Capital and reserves			
Called up share capital	<u>8</u>	340,002	340,002
Profit and loss account		582,094	599,503
Shareholders' funds		922,096	939,505

For the financial year ending 31 May 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Cranford Care Homes Limited
(Registration number: 02728066)
Balance Sheet as at 31 May 2020

Approved and authorised by the Board on 20 March 2021 and signed on its behalf by:

.....

P K Roberts
Director

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Asset class	Depreciation method and rate
Freehold Property	2% p.a. on Straight line basis
Fixtures & Fittings	20% p.a. on Reducing balance basis
Computer Equipment	33% p.a. on Straight line basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 10 years

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 96 (2019 - 90).

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

3 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2019	110,000	110,000
At 31 May 2020	110,000	110,000
Amortisation		
At 1 June 2019	110,000	110,000
At 31 May 2020	110,000	110,000
Carrying amount		
At 31 May 2020	-	-

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 June 2019	1,773,290	208,670	1,981,960
Additions	-	10,499	10,499
At 31 May 2020	1,773,290	219,169	1,992,459
Depreciation			
At 1 June 2019	418,444	168,926	587,370
Charge for the year	35,466	9,951	45,417
At 31 May 2020	453,910	178,877	632,787
Carrying amount			
At 31 May 2020	1,319,380	40,292	1,359,672
At 31 May 2019	1,354,846	39,744	1,394,590

Included within the net book value of land and buildings above is £1,319,380 (2019 - £1,354,846) in respect of freehold land and buildings.

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

5 Debtors

	Note	2020 £	2019 £
Trade debtors		408,854	230,939
Amounts owed by group undertakings and undertakings in which the company has a participating interest		28,059	2,199
Prepayments		19,594	23,270
Other debtors		7,123	56,338
		463,630	312,746
		463,630	312,746

6 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>7</u>	558,883	388,337
Trade creditors		13,002	22,941
Taxation and social security		72,673	30,825
Accruals and deferred income		158,341	165,410
Other creditors		-	14,648
		802,899	622,161
		802,899	622,161

Creditors include bank loans which are secured in the sum of £20,723 (2019 £18,408).

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>7</u>	451,852	472,891
		451,852	472,891

Creditors include bank loans which are secured in the sum of £366,582 (2019 £387,891).

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

7 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	20,723	18,408
Other borrowings	538,160	369,929
	<u>558,883</u>	<u>388,337</u>

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	366,852	387,891
Other borrowings	85,000	85,000
	<u>451,852</u>	<u>472,891</u>

8 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	340,002	340,002	340,002	340,002
	<u>340,002</u>	<u>340,002</u>	<u>340,002</u>	<u>340,002</u>

Trident House

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.

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