

Cranford Care Homes Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2022

Whitnalls

Chartered Certified Accountants

Trident House
105 Derby Road
Liverpool
L20 8LZ

Cranford Care Homes Limited

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Cranford Care Homes Limited

Company Information for the Year Ended 31 May 2022

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 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible Assets	<u>4</u>	1,275,113	1,316,690
Current assets			
Debtors	<u>5</u>	431,920	352,916
Cash at bank and in hand		<u>277,579</u>	<u>276,209</u>
		709,499	629,125
Creditors: Amounts falling due within one year	<u>6</u>	<u>(692,683)</u>	<u>(561,329)</u>
Net current assets		<u>16,816</u>	<u>67,796</u>
Total assets less current liabilities		1,291,929	1,384,486
Creditors: Amounts falling due after more than one year	<u>6</u>	(410,771)	(430,630)
Provisions for liabilities		<u>(2,894)</u>	<u>(5,071)</u>
Net assets		<u><u>878,264</u></u>	<u><u>948,785</u></u>
Capital and Reserves			
Called up share capital	<u>8</u>	340,002	340,002
Retained Earnings		<u>538,262</u>	<u>608,783</u>
Shareholders' funds		<u><u>878,264</u></u>	<u><u>948,785</u></u>

For the financial year ending 31 May 2022 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. As permitted by section 444 (5A) of the Companies Act 2006, the Directors have not delivered to the registrar a copy of the Profit and Loss Account.

Cranford Care Homes Limited
(Registration number: 02728066)
Balance Sheet as at 31 May 2022

Approved and authorised by the Board on 17 November 2022 and signed on its behalf by:

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M R Varma

Director

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

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:

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 85 (2021 - 89).

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

3 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2021	110,000	110,000
At 31 May 2022	110,000	110,000
Amortisation		
At 1 June 2021	110,000	110,000
At 31 May 2022	110,000	110,000
Carrying amount		
At 31 May 2022	-	-

4 Tangible Assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 June 2021	1,773,290	219,169	1,992,459
At 31 May 2022	1,773,290	219,169	1,992,459
Depreciation			
At 1 June 2021	489,376	186,393	675,769
Charge for the year	35,465	6,112	41,577
At 31 May 2022	524,841	192,505	717,346
Carrying amount			
At 31 May 2022	1,248,449	26,664	1,275,113
At 31 May 2021	1,283,914	32,776	1,316,690

Included within the net book value of land and buildings above is £1,248,448 (2021 - £1,283,915) in respect of freehold land and buildings.

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

5 Debtors

	2022	2021
	£	£
Current		
Trade Debtors	407,057	315,627
Prepayments	24,863	37,289
	<u>431,920</u>	<u>352,916</u>

6 Creditors

Creditors: amounts falling due within one year

	2022	2021
	£	£
Due within one year		
Loans and borrowings	271,663	271,499
Trade Creditors	24,817	16,700
Amounts owed to group undertakings and undertakings in which the company has a participating interest	8,357	5,245
Taxation and social security	92,633	83,037
Accruals and deferred income	285,293	184,847
Other creditors	9,920	1
	<u>692,683</u>	<u>561,329</u>

Creditors include bank loans which are secured in the sum of £20,723 (2020 £20,723).

Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Due after one year		
Loans and borrowings	410,771	430,630

Creditors include bank loans which are secured in the sum of £345,629 (2020 £366,852).

Cranford Care Homes Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

7 Loans and borrowings

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	20,735	20,723
Other borrowings	250,928	250,776
	<u>271,663</u>	<u>271,499</u>

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	325,771	345,630
Other borrowings	85,000	85,000
	<u>410,771</u>	<u>430,630</u>

8 Share capital

Allotted, called up and fully paid shares

	2022 No.	£	2021 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>

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.