

Company registration number 03900536 (England and Wales)

**C.T.C.H. LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# C.T.C.H. LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	A D Cronk D A Cronk
<b>Secretary</b>	D J Smith
<b>Company number</b>	03900536
<b>Registered office</b>	Cedar Lodge Grange Road Northway Tewkesbury Gloucestershire United Kingdom GL20 8HZ
<b>Auditor</b>	Azets Audit Services Epsilon House The Square Gloucester Business Park Gloucester United Kingdom GL3 4AD
<b>Bankers</b>	Lloyds Bank Plc Business and Corporate Service Centre 1st Floor Severnside House St. Mellons Business Park, Fortran Road Cardiff United Kingdom CF3 0EY

---

# **C.T.C.H. LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 26

---

# C.T.C.H. LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

---

The directors present the strategic report for the year ended 31 March 2023.

#### Review of the business

We aim to present a balanced and comprehensive review of the development and performance of the company during the year and its position at the year end. Our review is consistent with the size and nature of the company and is written in the context of the risks and uncertainties we face.

#### Principal risks and uncertainties

The company is exposed to the following risk and uncertainty and mitigates them as follows:

Compliance with Trade Regulators. The trade undertaken by the company is regulated by the Care Quality Commission (CQC) and as such the company must comply with the regulations in place. The company has policies in place to ensure that all staff are aware of the regulations and receive the necessary training to provide the level of care dictated by the CQC. The company has continued to develop its working practices and governance to ensure our services meet the Care Quality Commission (CQC) standards. Internal quality assurance monitoring accurately reflects the CQC inspection standard and the company is committed to working with the CQC to maintain a high quality of care.

Price risk - The company is exposed to price risk as a result of its operations. Increases in costs cannot easily be offset by increases in tariff

Liquidity risk - The company ensures that it has sufficient available funds for operations and planned expansions.

Cash Flow risk - The company maintains adequate cash balances to ensure that there are no cash flow issues.

#### Key performance indicators

The company has generated sales of £6,863,099 and profit before tax of £76,614 for the period. These results reflect a strong performance, which is in line with expectations.

#### Future developments

The company will look to secure and enhance the care home occupancy levels which were delayed by the pandemic.

On behalf of the board

A D Cronk  
**Director**

13 March 2024

# **C.T.C.H. LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The directors present their annual report and financial statements for the year ended 31 March 2023.

#### **Principal activities**

The principal activities of the company continued to be that of providing residential and nursing care for the elderly, together with property investment activities.

#### **Directors**

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

A D Cronk

D A Cronk

#### **Results and dividends**

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £73,400. The directors do not recommend payment of a final dividend.

#### **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;
- 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 'Review of Business' and 'Development and Performance' of the company for the year.

#### **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.

**C.T.C.H. LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

---

On behalf of the board

A D Cronk  
**Director**

13 March 2024

# C.T.C.H. LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C.T.C.H. LIMITED

---

### Opinion

We have audited the financial statements of C.T.C.H. Limited (the 'company') for the year ended 31 March 2023 which comprise 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 Financial Reporting Standard 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 March 2023 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.

## **C.T.C.H. LIMITED**

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

#### **TO THE MEMBERS OF C.T.C.H. 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 or the directors' report.

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

- adequate accounting records have not been kept, 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.

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.

## **C.T.C.H. LIMITED**

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

#### **TO THE MEMBERS OF C.T.C.H. LIMITED**

---

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

##### **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.

**Robert Hull**  
**Senior Statutory Auditor**  
**For and on behalf of Azets Audit Services**

14 March 2024

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

Epsilon House  
The Square  
Gloucester Business Park  
Gloucester  
United Kingdom  
GL3 4AD

## C.T.C.H. LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
		£	as restated £
Turnover	3	6,863,099	6,125,044
Cost of sales		(4,945,143)	(4,285,614)
Gross profit		1,917,956	1,839,430
Administrative expenses		(2,036,155)	(1,842,797)
Other operating income		178,735	370,138
Operating profit	4	60,536	366,771
Interest receivable and similar income	7	16,078	4,011
Fair value gains and losses on investment properties	12	(17,279)	486,009
Profit before taxation		59,335	856,791
Tax on profit	8	(15,461)	(72,655)
Profit for the financial year		43,874	784,136

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

# C.T.C.H. LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Fixed assets</b>					
Tangible assets	11		124,516		161,380
Investment property	12		3,682,000		3,682,000
			<u>3,806,516</u>		<u>3,843,380</u>
<b>Current assets</b>					
Debtors	13	1,010,954		776,938	
Cash at bank and in hand		2,195,255		2,523,941	
		<u>3,206,209</u>		<u>3,300,879</u>	
<b>Creditors: amounts falling due within one year</b>	14	(756,060)		(872,620)	
<b>Net current assets</b>			<u>2,450,149</u>		<u>2,428,259</u>
<b>Total assets less current liabilities</b>			<u>6,256,665</u>		<u>6,271,639</u>
<b>Provisions for liabilities</b>					
Deferred tax liability	15	85,973	(85,973)	71,421	(71,421)
<b>Net assets</b>			<u>6,170,692</u>		<u>6,200,218</u>
<b>Capital and reserves</b>					
Called up share capital	17		50,300		50,300
Revaluation reserve	18		468,730		486,009
Profit and loss reserves	19		5,651,662		5,663,909
<b>Total equity</b>			<u>6,170,692</u>		<u>6,200,218</u>

The financial statements were approved by the board of directors and authorised for issue on 13 March 2024 and are signed on its behalf by:

A D Cronk  
Director

Company Registration No. 03900536

# C.T.C.H. LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>As restated for the period ended 31 March 2022:</b>					
<b>Balance at 1 April 2021</b>		50,300	-	4,783,141	4,833,441
Prior period adjustment		-	-	716,041	716,041
<b>As restated</b>		50,300	-	5,499,182	5,549,482
<b>Year ended 31 March 2022:</b>					
Profit and total comprehensive income for the year		-	-	784,136	784,136
Dividends	9	-	-	(133,400)	(133,400)
Fair value gains on investment properties		-	486,009	(486,009)	-
<b>Balance at 31 March 2022</b>		50,300	486,009	5,663,909	6,200,218
<b>Year ended 31 March 2023:</b>					
Profit and total comprehensive income for the year		-	-	43,874	43,874
Dividends	9	-	-	(73,400)	(73,400)
Fair value gains on investment properties		-	(17,279)	17,279	-
<b>Balance at 31 March 2023</b>		50,300	468,730	5,651,662	6,170,692

# C.T.C.H. LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	27		(128,257)		206,752
Income taxes paid			(75,460)		(21,187)
<b>Net cash (outflow)/inflow from operating activities</b>			(203,717)		185,565
<b>Investing activities</b>					
Purchase of tangible fixed assets		(37,929)		(67,229)	
Purchase of investment property		-		(619,937)	
Receipts/(payments) arising from loans made		(29,718)		(68,726)	
Interest received		16,078		4,011	
<b>Net cash used in investing activities</b>			(51,569)		(751,881)
<b>Financing activities</b>					
Dividends paid		(73,400)		(133,400)	
<b>Net cash used in financing activities</b>			(73,400)		(133,400)
<b>Net decrease in cash and cash equivalents</b>			(328,686)		(699,716)
Cash and cash equivalents at beginning of year			2,523,941		3,223,657
<b>Cash and cash equivalents at end of year</b>			2,195,255		2,523,941

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

---

### **1 Accounting policies**

#### **Company information**

C.T.C.H. Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cedar Lodge, Grange Road, Northway, Tewkesbury, Gloucestershire, United Kingdom, GL20 8HZ.

#### **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. The principal accounting policies adopted are set out below.

#### **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. 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 contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### **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 20 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 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.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

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	Over 50 years
Fixtures and fittings	20%-33% straight line
Motor vehicles	25% 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.

#### 1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

#### 1.7 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.

#### 1.8 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.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.9 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.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 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.

### 1.10 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.

### 1.11 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.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 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.

#### **1.12 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.13 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.

#### **1.14 Retirement benefits**

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

#### **1.15 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### **1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 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.

### 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.

#### Investment property

Investment properties are reviewed annually for their fair value, and where this valuation materially differs to carrying value, adjustments are made to revalue these assets. This movement is recognised in profit or loss.

The fair value of investment properties was reassessed at 31 March 2023 to be £3,682,000. Consequently, a loss (2022: gain) of £17,279 (2022: £486,009) was recognised in profit or loss, net of taxation.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Resident fees	6,577,196	5,955,314
Rental Income	285,903	169,730
	<u>6,863,099</u>	<u>6,125,044</u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Other revenue</b>		
Interest income	16,078	4,011
Grants received	133,914	370,138
	<u>150,000</u>	<u>374,149</u>

Grants received relates to amounts from the government to provide support during the coronavirus pandemic.

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 4 Operating profit

	2023	2022 as restated
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(133,914)	(370,138)
Fees payable to the company's auditor for the audit of the company's financial statements	11,500	9,258
Depreciation of owned tangible fixed assets	74,793	60,867
	<u>          </u>	<u>          </u>

#### 5 Employees

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

	2023 Number	2022 Number
Directors	2	1
Admin	8	7
Carehome	160	166
	<u>          </u>	<u>          </u>
Total	170	174
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	3,353,207	3,178,719
Social security costs	254,960	231,874
Pension costs	53,594	50,885
	<u>          </u>	<u>          </u>
	3,661,761	3,461,478
	<u>          </u>	<u>          </u>

#### 6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	8,970	8,600
Company pension contributions to defined contribution schemes	82	71
	<u>          </u>	<u>          </u>
	9,052	8,671
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022 - 1).

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 Interest receivable and similar income

	2023	2022
	£	£
<b>Interest income</b>		
Interest on bank deposits	12,915	451
Other interest income	3,163	3,560
	<u>16,078</u>	<u>4,011</u>

### 8 Taxation

	2023	2022
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	18,188	70,427
Adjustments in respect of prior periods	-	(10)
	<u>18,188</u>	<u>70,417</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2,727)	2,238
	<u>15,461</u>	<u>72,655</u>

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:

	2023	2022
	£	as restated £
Profit before taxation	<u>59,335</u>	<u>856,791</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	11,274	162,790
Tax effect of expenses that are not deductible in determining taxable profit	2,129	5,820
Adjustments in respect of prior years	-	(10)
Effect of revaluations of investment properties	-	(92,342)
Other differences including change in rate	2,058	(3,603)
	<u>15,461</u>	<u>72,655</u>

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 9 Dividends

	2023 £	2022 £
Final paid	-	10,000
Interim paid	73,400	123,400
	<u>73,400</u>	<u>133,400</u>

### 10 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	1,439,798
<b>Amortisation and impairment</b>	
At 1 April 2022 and 31 March 2023	1,439,798
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

### 11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2022	60,000	1,063,595	100,374	1,223,969
Additions	-	37,929	-	37,929
At 31 March 2023	<u>60,000</u>	<u>1,101,524</u>	<u>100,374</u>	<u>1,261,898</u>
<b>Depreciation and impairment</b>				
At 1 April 2022	24,100	938,115	100,374	1,062,589
Depreciation charged in the year	1,199	73,594	-	74,793
At 31 March 2023	<u>25,299</u>	<u>1,011,709</u>	<u>100,374</u>	<u>1,137,382</u>
<b>Carrying amount</b>				
At 31 March 2023	<u>34,701</u>	<u>89,815</u>	<u>-</u>	<u>124,516</u>
At 31 March 2022	<u>35,900</u>	<u>125,480</u>	<u>-</u>	<u>161,380</u>

Tangible fixed assets were secured at the year end via a fixed and floating charge in favour of the bank.

This security was satisfied on 12 September 2023.

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 12 Investment property

	2023 £
<b>Fair value</b>	
At 1 April 2022 and 31 March 2023	3,682,000

Investment property was secured at the year end via a fixed and floating charge in favour of the bank.

This security was satisfied on 12 September 2023.

Investment property comprises freehold residential and commercial properties. The fair value of investment property totalling £1,937,000 (2022: £1,937,000) has been arrived at on the basis of a valuation carried out by the Directors. The fair value of investment property totalling £1,745,000 (2022: £1,745,000) has been arrived at on the basis of a valuation carried out by Carter Jonas LLP. All valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties.

#### 13 Debtors

	2023 £	2022 as restated £
<b>Amounts falling due within one year:</b>		
Trade debtors	437,098	328,169
Other debtors	222,274	254,653
Prepayments and accrued income	121,507	38,423
	<u>780,879</u>	<u>621,245</u>
	2023	2022
	£	as restated £
<b>Amounts falling due after more than one year:</b>		
Other debtors	230,075	155,693
	<u>230,075</u>	<u>155,693</u>
<b>Total debtors</b>	<u>1,010,954</u>	<u>776,938</u>

Debtors were secured at the year end via a fixed and floating charge in favour of the bank.

This security was satisfied on 12 September 2023.

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

	2023	2022
	£	£
Trade creditors	235,437	169,060
Corporation tax	32,011	89,283
Other taxation and social security	51,443	74,502
Other creditors	102,098	49,856
Accruals and deferred income	335,071	489,919
	<u>756,060</u>	<u>872,620</u>

#### 15 Deferred taxation

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

	Liabilities 2023	Liabilities 2022
	£	£
<b>Balances:</b>		
Accelerated capital allowances	13,978	16,705
Revaluations	71,995	54,716
	<u>85,973</u>	<u>71,421</u>
<b>Movements in the year:</b>		2023 £
Liability at 1 April 2022		71,421
Credit to profit or loss		(2,727)
Effect of change in tax rate - profit or loss		17,279
		<u>85,973</u>
Liability at 31 March 2023		

#### 16 Retirement benefit schemes

	2023	2022
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	53,594	50,885

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.

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 17 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary "A" shares of £1 each	50,000	50,000	50,000	50,000
Ordinary "B" shares of £1 each	100	100	100	100
Ordinary "C" shares of £1 each	100	100	100	100
Ordinary "D" shares of £1 each	100	100	100	100
	<u>50,300</u>	<u>50,300</u>	<u>50,300</u>	<u>50,300</u>

Called-up share capital represents the nominal value of shares that have been issued.

Ordinary A shares are each entitled to one vote in any circumstances.

All shares rank pari passu to dividend payments or any distribution; and pari passu to participate in a distribution arising from a winding up of the company.

### 18 Revaluation reserve

	2023 £	2022 £
At the beginning of the year	-	-
Prior year adjustment	486,009	-
As restated	486,009	-
Fair value gains and losses on investment properties	(17,279)	486,009
At the end of the year	<u>468,730</u>	<u>486,009</u>

Revaluation reserves include all current and prior period fair value gains and losses on investment properties.

### 19 Profit and loss reserves

	2023 £	2022 as restated £
At the beginning of the year	4,888,142	4,783,141
Prior year adjustment	775,767	716,041
As restated	5,663,909	5,499,182
Profit for the year	43,874	784,136
Dividends declared and paid in the year	(73,400)	(133,400)
Fair value gains and losses on investment properties	17,279	(486,009)
At the end of the year	<u>5,651,662</u>	<u>5,663,909</u>

Retained earnings include all current and prior period profits and losses.

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 20 Operating lease commitments

##### Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2023 £	2022 £
Within one year	9,479	14,715
Between two and five years	-	5,235
	<u>9,479</u>	<u>19,950</u>

#### 21 Financial commitments, guarantees and contingent liabilities

As at 31 March 2023 the company had no other financial commitments, guarantees or contingent liabilities (2022: £Nil).

#### 22 Related party transactions

##### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Property Rental		Management Services	
	2023 £	2022 £	2023 £	2022 £
Entities with control, joint control or significant influence over the company	<u>1,142,640</u>	<u>1,142,640</u>	<u>19,208</u>	<u>58,176</u>

The following amounts were outstanding at the reporting end date:

	2023 £	2022 £
<b>Amounts due to related parties</b>		
Entities with control, joint control or significant influence over the company	<u>2,995</u>	<u>36,517</u>

These amounts are included within trade creditors at the year end, and are unsecured, interest free and repayable on demand.

##### Other information

A director has provided a personal guarantee to the company's bankers in respect of liabilities owed by the company amounting to £1,100,000 (2022: £1,100,000).

No other guarantees have been given or received.

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 23 Events after the reporting date

On 7 March 2024, investment properties with a value of £3,662,000 and freehold land and buildings with a value of £34,701 were transferred to the parent company, Cedar Group Holdings Limited.

#### 24 Directors' transactions

Advances of £141,342 (2022: £235,026) and repayments of £116,867 (2022: £166,301) were made to and from directors during the period.

As at 31 March 2023, included within other debtors due within one year is £217,880 (2022: £185,394) relating to balances due from directors. These balances are unsecured, repayable on demand and interest is charged at the beneficial rate of interest. Interest was accrued and charged on these balances during the year amounting to £3,883 (2022: £3,560).

#### 25 Ultimate controlling party

On 1 October 2023, Cedar Group Holdings Limited, a company registered in England and Wales, became the parent company.

Ultimate control of Cedar Group Holdings Limited resides with A D Cronk.

#### 26 Prior period adjustment

##### Reconciliation of changes in equity

	1 April 2021 £	31 March 2022 £
<b>Adjustments to prior year</b>		
Fair value gains and losses on investment properties	-	486,009
Depreciation	716,041	775,767
	<hr/>	<hr/>
Total adjustments	716,041	1,261,776
Equity as previously reported	4,833,441	4,938,442
	<hr/>	<hr/>
Equity as adjusted	5,549,482	6,200,218
	<hr/> <hr/>	<hr/> <hr/>

##### Analysis of the effect upon equity

Revaluation reserve	-	486,009
Profit and loss reserves	716,041	775,767
	<hr/>	<hr/>
	716,041	1,261,776
	<hr/> <hr/>	<hr/> <hr/>

# C.T.C.H. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 26 Prior period adjustment (Continued)

#### Reconciliation of changes in profit for the previous financial period

	2022 £
<b>Adjustments to prior year</b>	
Fair value gains and losses on investment properties	486,009
Depreciation	59,726
	<hr/>
Total adjustments	545,735
Profit as previously reported	238,401
	<hr/>
Profit as adjusted	784,136
	<hr/>

#### Notes to reconciliation

##### Property classification

It was noted that investment properties had been inappropriately classified as freehold properties.

The comparative period has therefore been restated to reallocate such properties and adjust their value accordingly. As a result, depreciation to date has been reversed, and their fair value has been reassessed, with gains and losses recognised in profit or loss exclusive of deferred tax.

##### Debtors time apportionment

It was noted that a material balance falling due after more than one year had been recognised within other debtors falling due within one year.

The comparative period has therefore been restated to time apportion this balance of £155,693 accordingly.

### 27 Cash (absorbed by)/generated from operations

	2023 £	2022 £
Profit for the year after tax	43,874	784,136
<b>Adjustments for:</b>		
Taxation charged	15,461	72,655
Investment income	(16,078)	(4,011)
Fair value loss/(gain) on investment properties	17,279	(486,009)
Depreciation and impairment of tangible fixed assets	74,793	60,867
<b>Movements in working capital:</b>		
Increase in debtors	(204,298)	(265,590)
(Decrease)/increase in creditors	(59,288)	44,704
	<hr/>	<hr/>
<b>Cash (absorbed by)/generated from operations</b>	<b>(128,257)</b>	<b>206,752</b>
	<hr/>	<hr/>

## C.T.C.H. LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

---

28 Analysis of changes in net funds

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	2,523,941	(328,686)	2,195,255
	<u>          </u>	<u>          </u>	<u>          </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.