

Company registration number 04155293 (England and Wales)

CK FACILITIES MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THURSDAY



ACZVBX3F

A13

28/03/2024

#18

COMPANIES HOUSE

CK FACILITIES MANAGEMENT LIMITED

COMPANY INFORMATION

Director	Mr I Pether
Company number	04155293
Registered office	23 St Leonards Road Bexhill-on-Sea East Sussex TN40 1HH
Auditor	McPhersons CFG Ltd 23 St Leonards Road Bexhill-on-Sea East Sussex TN40 1HH
Business address	31 Metro Centre Kangley Bridge Road Lower Sydenham London SE26 5BW

CK FACILITIES MANAGEMENT LIMITED

CONTENTS

	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditor's report	4 - 6
Group statement of income and retained earnings	7
Group statement of comprehensive income	8
Group balance sheet	9 - 10
Company balance sheet	11
Group statement of cash flows	12
Company statement of cash flows	13
Notes to the financial statements	14 - 33

CK FACILITIES MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents 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 our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

These accounts reflect the trading and financial position of the group as a whole and as such we consider our key financial performance indicators to be those that communicate financial performance and strength of the company, these being turnover, gross profit percentage and net assets.

The group turnover was £14,263,417 (2022: £14,960,404), the gross profit percentage achieved was 16.60% (2022: 17.60%) and the net assets of the group were £3,781,850 (2022: £3,213,703).

The areas of activity such as contract cleaning and consumables sales have continued on a steady basis since the year end. Construction and property maintenance along with electrical installation work is, once again, increasing as capital spend confidence is restored but at higher wage and materials costs and in a challenging environment for skilled labour recruitment.

Taking the changes into account the results for the year and the financial position at the year end were considered satisfactory by the directors.

Principal risks and uncertainties

Although we faced increasing competition in the specialist field of deep cleaning and infection prevention in our commercial cleaning work, particularly in healthcare environments, we are an acknowledged leader in these areas with the expertise of our directors and management team much sought after. We work closely with our manufacturers and suppliers to provide a "one stop" cleaning solution, bespoke to each of our clients, using the latest in cleaning and environmental solutions.

Our management teams take personal interest in their areas of business and in the Group progress, ensuring their direct availability to clients.

The key business risks and uncertainties affecting the group are considered to relate to the potential loss of significant contracts. However, the high quality of our staff and continued investment in training and equipment along with strong controls around our occupational health and safety and our ISO quality, environmental and health and safety qualifications significantly mitigate this risk. In this, risk and opportunity identification remain "key" to the continued success of the Group along with full legal and regulatory compliance in all activities undertaken.

Development and performance

As indicated earlier, we feel that our year end position is financially sound, with our balance sheet disclosing both a healthy net current asset position and net assets position.

Key performance indicators

Given the straightforward nature of our business, the directors are of the opinion that using KPIs is not necessary for understanding the development, performance or position of the business.

On behalf of the board



Mr I Pether
Director

Date: 25/03/2024

CK FACILITIES MANAGEMENT LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents his annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company and group continued to be that of contract cleaning, sale of cleaning consumables and building projects.

Results and dividends

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

Ordinary dividends were paid amounting to £212,200. The director does not recommend payment of a further dividend.

Director

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

Mr I Pether

Auditor

McPhersons CFG Ltd were appointed as auditor to the group 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.

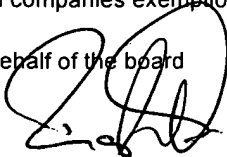
Statement of disclosure to auditor

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 auditor of the company 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 auditor of the company is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board



.....
Mr I Pether
Director

Date: 25/03/2024

CK FACILITIES MANAGEMENT LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 group and company will continue in business.

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

CK FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CK FACILITIES MANAGEMENT LIMITED

Opinion

We have audited the financial statements of CK Facilities Management Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of income and retained earnings, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of cash flows, the company 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 group's and the parent company's affairs as at 31 March 2023 and of the group's 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 group and parent 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 director's 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 group's and parent 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 director 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 director is 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

CK FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CK FACILITIES MANAGEMENT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the parent 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 director either intends to liquidate the parent company or to cease operations, or has 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- 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 group through discussions with directors and other management, and from our commercial knowledge and experience of the industries the group operates on;
- 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 group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, ISO requirements, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the group's financial statements to material misstatements, 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 or actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the group's remuneration policies.

CK FACILITIES MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CK FACILITIES MANAGEMENT LIMITED

To address the risk of fraud through management bias and override of controls, we-

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested *journals entries to identify unusual transactions*;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

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; and
- Reviewing correspondence with HMRC, relevant regulators and the group'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.

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.

Mark Finch FCA FCCA BFP (Senior Statutory Auditor)
For and on behalf of McPhersons CFG Ltd

Date: 27/03/2024

Chartered Accountants
Statutory Auditor

23 St Leonards Road
Bexhill-on-Sea
East Sussex
TN40 1HH

CK FACILITIES MANAGEMENT LIMITED

GROUP STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	14,263,417	14,960,404
Cost of sales		(11,893,873)	(12,327,204)
Gross profit		2,369,544	2,633,200
Administrative expenses		(1,268,649)	(1,490,348)
Other operating income		1,250	130,589
Operating profit	4	1,102,145	1,273,441
Interest receivable and similar income	8	1,403	136
Interest payable and similar expenses	9	(17,311)	7,400
Profit before taxation		1,086,237	1,280,977
Tax on profit	10	(195,891)	(265,206)
Profit for the financial year	26	890,346	1,015,771
Retained earnings brought forward		3,202,387	2,538,574
Dividends		(322,200)	(394,300)
Retained earnings carried forward		3,770,533	3,160,045
Profit for the financial year is attributable to:			
- Owners of the parent company		898,733	968,027
- Non-controlling interests		(8,387)	47,744
		890,346	1,015,771

CK FACILITIES MANAGEMENT LIMITED

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

	2023 £	2022 £
Profit for the year	890,346	1,015,771
Other comprehensive income	-	-
Total comprehensive income for the year	<u>890,346</u>	<u>1,015,771</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	898,733	968,027
- Non-controlling interests	<u>(8,387)</u>	<u>47,744</u>
	<u>890,346</u>	<u>1,015,771</u>

CK FACILITIES MANAGEMENT LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		1,156,488		136,906
Investment property	14		230,000		230,000
Investments	15		169,000		169,000
			<u>1,555,488</u>		<u>535,906</u>
Current assets					
Stocks	17	372,447		397,687	
Debtors	18	3,411,819		2,568,964	
Cash at bank and in hand		889,135		1,402,543	
		<u>4,673,401</u>		<u>4,369,194</u>	
Creditors: amounts falling due within one year	19	(1,943,503)		(1,673,654)	
Net current assets			<u>2,729,898</u>		<u>2,695,540</u>
Total assets less current liabilities			<u>4,285,386</u>		<u>3,231,446</u>
Creditors: amounts falling due after more than one year	20		(488,105)		-
Provisions for liabilities					
Deferred tax liability	23	15,431		17,743	
		<u>15,431</u>	<u>(15,431)</u>	<u>17,743</u>	<u>(17,743)</u>
Net assets			<u>3,781,850</u>		<u>3,213,703</u>
Capital and reserves					
Called up share capital	25		520		520
Revaluation reserve	26		52,638		52,638
Capital redemption reserve	26		500		500
Profit and loss reserves	26		3,961,176		3,274,643
			<u>4,014,834</u>		<u>3,328,301</u>
Equity attributable to owners of the parent company			<u>4,014,834</u>		<u>3,328,301</u>
Non-controlling interests			<u>(232,984)</u>		<u>(114,598)</u>
			<u>3,781,850</u>		<u>3,213,703</u>

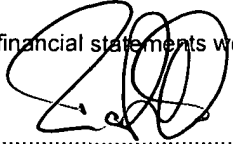
These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

CK FACILITIES MANAGEMENT LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The financial statements were approved and signed by the director and authorised for issue on 25/3/24



.....
Mr I Pether
Director

Company registration number 04155293 (England and Wales)

CK FACILITIES MANAGEMENT LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		1,063,567		43,525
Investment property	14		230,000		230,000
Investments	15		169,082		169,082
			<u>1,462,649</u>		<u>442,607</u>
Current assets					
Debtors	18	4,615,364		2,573,645	
Cash at bank and in hand		614,822		1,208,337	
		<u>5,230,186</u>		<u>3,781,982</u>	
Creditors: amounts falling due within one year	19	(5,075,347)		(2,915,627)	
Net current assets			<u>154,839</u>		<u>866,355</u>
Total assets less current liabilities			<u>1,617,488</u>		<u>1,308,962</u>
Creditors: amounts falling due after more than one year	20	(488,105)			-
Net assets			<u><u>1,129,383</u></u>		<u><u>1,308,962</u></u>
Capital and reserves					
Called up share capital	25		500		500
Revaluation reserve	26		52,638		52,638
Capital redemption reserve	26		500		500
Profit and loss reserves	26		1,075,745		1,255,324
Total equity			<u><u>1,129,383</u></u>		<u><u>1,308,962</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £32,621 (2022 - £49,657 profit).

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved and signed by the director and authorised for issue on 25/03/2024

Mr I Pether
Director

Company registration number 04155293 (England and Wales)

CK FACILITIES MANAGEMENT LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	29	732,818		1,438,078	
Interest paid		(17,311)		7,400	
Income taxes paid		(307,546)		(384,304)	
Net cash inflow from operating activities		407,961		1,061,174	
Investing activities					
Purchase of tangible fixed assets		(1,134,284)		(53,185)	
Proceeds from disposal of tangible fixed assets		17,500		12,465	
Repayment of loans		(435)		-	
Interest received		1,403		136	
Net cash used in investing activities		(1,115,816)		(40,584)	
Financing activities					
Proceeds from new bank loans		530,000		-	
Repayment of bank loans		(12,320)		(40,907)	
Payment of finance leases obligations		(1,033)		(29,752)	
Dividends paid to equity shareholders		(212,200)		(274,300)	
Dividends paid to non-controlling interests		(110,000)		(120,000)	
Net cash generated from/(used in) financing activities		194,447		(464,959)	
Net (decrease)/increase in cash and cash equivalents		(513,408)		555,631	
Cash and cash equivalents at beginning of year		1,402,543		846,912	
Cash and cash equivalents at end of year		889,135		1,402,543	

CK FACILITIES MANAGEMENT LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	30	235,610		791,495	
Interest paid		(17,202)		7,528	
Income taxes paid		(38,069)		(34,431)	
Net cash inflow from operating activities		180,339		764,592	
Investing activities					
Purchase of tangible fixed assets		(1,079,267)		(6,117)	
Proceeds on disposal of tangible fixed assets		-		12,465	
Proceeds on disposal of investments		(40,000)		-	
Receipts arising from loans made		39,565		-	
Interest received		1,403		136	
Net cash (used in)/generated from investing activities		(1,078,299)		6,484	
Financing activities					
Proceeds of new bank loans		530,000		-	
Repayment of bank loans		(12,320)		(40,907)	
Payment of finance leases obligations		(1,035)		(29,752)	
Dividends paid to equity shareholders		(212,200)		(274,300)	
Net cash generated from/(used in) financing activities		304,445		(344,959)	
Net (decrease)/increase in cash and cash equivalents		(593,515)		426,117	
Cash and cash equivalents at beginning of year		1,208,337		782,220	
Cash and cash equivalents at end of year		614,822		1,208,337	

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

CK Facilities Management Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 23 St Leonards Road, Bexhill-on-Sea, East Sussex, TN40 1HH.

The group consists of CK Facilities Management Limited and all of its subsidiaries.

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.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company CK Facilities Management Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.5 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.

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.

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.

Revenue from contracts for the provision of cleaning 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 are recoverable.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business 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.

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.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.7 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 basis
Leasehold land and buildings	5% Reducing balance
Plant and equipment	25% Straight line basis
Fixtures and fittings	25% Straight line basis
Computers	25% Straight line basis
Motor vehicles	25% Straight line basis

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 recognised in the profit and loss account.

1.8 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.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

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 group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

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

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.10 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

1.11 Stocks

Stocks 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.

1.12 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.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.13 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is 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 group 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 group after deducting all of its liabilities.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP 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 group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

Equity instruments issued by the group 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 group.

1.15 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP 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 if, and only if, there is 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.

1.16 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.

1.17 Retirement benefits

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

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leased asset are consumed.

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.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.19 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.20 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 group's accounting policies, the director is 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.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Cleaning and the sale of cleaning consumables	11,074,833	11,927,102
Construction services	3,188,584	3,033,302
	<u>14,263,417</u>	<u>14,960,404</u>
	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>14,263,417</u>	<u>14,960,404</u>
	2023	2022
	£	£
Other revenue		
Interest income	1,403	136
Grants received	-	21,158
	<u></u>	<u></u>

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(21,158)
Depreciation of owned tangible fixed assets	93,967	117,370
Loss on disposal of tangible fixed assets	3,232	3,130
Operating lease charges	100,288	116,205

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	6,500	3,500
Audit of the financial statements of the company's subsidiaries	14,000	14,000
	20,500	17,500

6 Employees

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

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Management	24	19	15	15
Administrative staff	10	10	10	10
Cleaning staff	136	172	136	172
Total	170	201	161	197

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	3,839,368	4,450,892	3,591,782	4,379,065
Social security costs	326,452	353,506	305,396	353,506
Pension costs	177,259	190,490	177,259	190,490
	4,343,079	4,994,888	4,074,437	4,923,061

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Director's remuneration

	2023 £	2022 £
Remuneration for qualifying services	9,075	8,844
Company pension contributions to defined contribution schemes	40,000	120,000
	<u>49,075</u>	<u>128,844</u>

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	1,403	136
	<u>1,403</u>	<u>136</u>

	2023 £	2022 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	1,403	136
	<u>1,403</u>	<u>136</u>

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	11,455	2,372
Other finance costs:		
Interest on finance leases and hire purchase contracts	5,856	(9,772)
Total finance costs	<u>17,311</u>	<u>(7,400)</u>

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	198,203	263,638
Deferred tax		
Origination and reversal of timing differences	(2,312)	1,568
Total tax charge	<u>195,891</u>	<u>265,206</u>

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 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:

	2023 £	2022 £
Profit before taxation	1,086,237	1,280,977
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	206,385	243,386
Tax effect of expenses that are not deductible in determining taxable profit	9,232	11,339
Permanent capital allowances in excess of depreciation	(35,881)	(13,980)
Depreciation on assets not qualifying for tax allowances	18,467	22,893
Deferred tax	(2,312)	1,568
Taxation charge	195,891	265,206

11 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Interim paid	212,200	274,300

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 April 2022 and 31 March 2023	219,000
Amortisation and impairment	
At 1 April 2022 and 31 March 2023	219,000
Carrying amount	
At 31 March 2023	-
At 31 March 2022	-
Company	Goodwill
	£
Cost	
At 1 April 2022 and 31 March 2023	219,000
Amortisation and impairment	
At 1 April 2022 and 31 March 2023	219,000

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Intangible fixed assets

(Continued)

Carrying amount

At 31 March 2023

-

At 31 March 2022

-

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

13 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2022	-	13,670	199,281	138,510	5,473	711,767	1,068,701
Additions	975,528	-	27,017	19,737	-	112,002	1,134,284
Disposals	-	-	-	-	-	(146,471)	(146,471)
Transfers	7,604	(7,604)	-	-	-	-	-
At 31 March 2023	983,132	6,066	226,298	158,247	5,473	677,298	2,056,514
Depreciation and impairment							
At 1 April 2022	-	6,066	162,278	127,321	2,343	633,790	931,798
Depreciation charged in the year	10,137	-	17,769	6,459	1,368	58,234	93,967
Eliminated in respect of disposals	-	-	-	-	-	(125,739)	(125,739)
At 31 March 2023	10,137	6,066	180,047	133,780	3,711	566,285	900,026
Carrying amount							
At 31 March 2023	972,995	-	46,251	24,467	1,762	111,013	1,156,488
At 31 March 2022	-	7,604	37,004	11,190	3,131	77,977	136,906

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Company	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	-	13,670	139,855	138,510	612,536	904,571
Additions	975,528	-	3,800	19,737	80,202	1,079,267
Disposals	-	-	-	-	(122,462)	(122,462)
Transfers	7,604	(7,604)	-	-	-	-
At 31 March 2023	983,132	6,066	143,655	158,247	570,276	1,861,376
Depreciation and impairment						
At 1 April 2022	-	6,066	135,275	127,321	592,386	861,048
Depreciation charged in the year	10,137	-	2,427	6,459	37,475	56,498
Eliminated in respect of disposals	-	-	-	-	(119,737)	(119,737)
At 31 March 2023	10,137	6,066	137,702	133,780	510,124	797,809
Carrying amount						
At 31 March 2023	972,995	-	5,953	24,467	60,152	1,063,567
At 31 March 2022	-	7,604	4,581	11,190	20,150	43,525

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2023 £	2022 £	Company 2023 £	2022 £
Motor vehicles	-	1,035	-	1,035

14 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 April 2022 and 31 March 2023	230,000	230,000

Investment property comprises of a leasehold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31st March 2023 by the director. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	16	-	-	82	82
Unlisted investments		169,000	169,000	169,000	169,000
		<u>169,000</u>	<u>169,000</u>	<u>169,082</u>	<u>169,082</u>

Movements in fixed asset investments Group

Cost or valuation

At 1 April 2022 and 31 March 2023 Investments
£
169,000

Carrying amount

At 31 March 2023 169,000

At 31 March 2022 169,000

Movements in fixed asset investments Company

Cost or valuation

At 1 April 2022 and 31 March 2023

Shares in subsidiaries £	Other investments £	Total £
82	169,000	169,082

Carrying amount

At 31 March 2023

82	169,000	169,082
----	---------	---------

At 31 March 2022

82	169,000	169,082
----	---------	---------

16 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
CK Consumables Limited	England and Wales	Ordinary	100.00
CK Group Services Limited	England and Wales	Ordinary	80.00
City and Kent Cleaning Limited	England and Wales	Ordinary	100.00

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Work in progress	145,195	121,287	-	-
Finished goods and goods for resale	227,252	276,400	-	-
	<u>372,447</u>	<u>397,687</u>	<u>-</u>	<u>-</u>

18 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	3,183,438	2,318,966	154,804	33,254
Amounts owed by group undertakings	-	-	4,367,642	2,369,488
Other debtors	53,127	51,082	49,390	51,082
Prepayments and accrued income	175,254	198,916	43,528	119,821
	<u>3,411,819</u>	<u>2,568,964</u>	<u>4,615,364</u>	<u>2,573,645</u>

19 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	21	29,573	-	29,573	-
Obligations under finance leases	22	-	1,035	-	1,035
Trade creditors		961,823	730,788	44,693	28,861
Amounts owed to group undertakings		-	-	4,548,573	2,362,475
Corporation tax payable		42,295	151,638	-	38,069
Other taxation and social security		687,832	621,809	345,851	399,885
Other creditors		46,864	58,362	22,579	32,385
Accruals and deferred income		175,116	110,022	84,078	52,917
		<u>1,943,503</u>	<u>1,673,654</u>	<u>5,075,347</u>	<u>2,915,627</u>

20 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	21	<u>488,105</u>	<u>-</u>	<u>488,105</u>	<u>-</u>

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	517,678	-	517,678	-
Payable within one year	29,573	-	29,573	-
Payable after one year	488,105	-	488,105	-

The long-term loans are secured by fixed charges over the leasehold property held in investment properties.

22 Finance lease obligations

	Group 2023 £	2022 £	Company 2023 £	2022 £
Future minimum lease payments due under finance leases:				
Within one year	-	1,035	-	1,035

Finance lease payments represent rentals payable by the company or group for certain items of motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

23 Deferred taxation

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

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	15,431	17,743

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 April 2022	17,743	-
Credit to profit or loss	(2,312)	-
Liability at 31 March 2023	15,431	-

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Deferred taxation (Continued)

24 Retirement benefit schemes	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	177,259	190,490

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

25 Share capital

Group and company	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary A shares of £1 each	400	400	400	400
Ordinary B shares of £1 each	50	50	50	50
Ordinary C shares of £1 each	50	50	50	50
	500	500	500	500

26 Reserves

Profit and loss reserves

Movement in the retained earnings is shown in the Group Statement of Changes in Equity show on page 11.

27 Operating lease commitments

Lessee

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

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	23,000	34,760	23,000	34,760
Between two and five years	92,000	92,000	92,000	92,000
In over five years	120,750	143,750	120,750	143,750
	235,750	270,510	235,750	270,510

28 Controlling party

The ultimate controlling party is Mr I Pether, the director.

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

29 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	890,346	1,015,771
Adjustments for:		
Taxation charged	195,891	265,206
Finance costs	17,311	(7,400)
Investment income	(1,403)	(136)
Loss on disposal of tangible fixed assets	3,232	3,130
Depreciation and impairment of tangible fixed assets	93,967	117,370
Movements in working capital:		
Decrease/(increase) in stocks	25,240	(125,208)
(Increase)/decrease in debtors	(842,420)	636,377
Increase/(decrease) in creditors	350,654	(467,032)
Cash generated from operations	732,818	1,438,078

30 Cash generated from operations - company

	2023 £	2022 £
Profit for the year after tax	32,621	49,657
Adjustments for:		
Taxation charged	-	38,069
Finance costs	17,202	(7,528)
Investment income	(1,403)	(136)
Loss on disposal of tangible fixed assets	2,725	3,130
Depreciation and impairment of tangible fixed assets	56,498	78,910
Movements in working capital:		
(Increase)/decrease in debtors	(2,041,284)	155,319
Increase in creditors	2,169,251	474,074
Cash generated from operations	235,610	791,495

31 Analysis of changes in net funds - group

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	1,402,543	(513,408)	889,135
Borrowings excluding overdrafts	-	(517,678)	(517,678)
Obligations under finance leases	(1,035)	1,035	-
	1,401,508	(1,030,051)	371,457

CK FACILITIES MANAGEMENT LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

32 Analysis of changes in net funds - company

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	1,208,337	(593,515)	614,822
Borrowings excluding overdrafts	-	(517,678)	(517,678)
Obligations under finance leases	(1,035)	1,035	-
	<u>1,207,302</u>	<u>(1,110,158)</u>	<u>97,144</u>