

Company Registration No. 04786731 (England and Wales)

**CAIN'S AMUSEMENTS LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

**CAIN'S AMUSEMENTS LTD**

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# CAIN'S AMUSEMENTS LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	4	262,501		342,501	
Tangible assets	5	2,737,585		2,925,870	
		<u>3,000,086</u>		<u>3,268,371</u>	
<b>Current assets</b>					
Stocks		49,217		51,675	
Debtors	6	450,516		238,241	
Cash at bank and in hand		1,126,724		711,162	
		<u>1,626,457</u>		<u>1,001,078</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,285,963)</u>		<u>(1,709,904)</u>	
<b>Net current assets/(liabilities)</b>			<u>340,494</u>		<u>(708,826)</u>
<b>Total assets less current liabilities</b>			<u>3,340,580</u>		<u>2,559,545</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(2,319,041)		(1,325,005)
<b>Provisions for liabilities</b>			<u>(162,911)</u>		<u>(165,935)</u>
<b>Net assets</b>			<u><u>858,628</u></u>		<u><u>1,068,605</u></u>

## CAIN'S AMUSEMENTS LTD

### BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Capital and reserves</b>					
Called up share capital			75		75
Profit and loss reserves			858,553		1,068,530
			<u>          </u>		<u>          </u>
<b>Total equity</b>			858,628		1,068,605
			<u>          </u>		<u>          </u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 September 2021 and are signed on its behalf by:

R Cain  
**Director**

**Company Registration No. 04786731**

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Cain's Amusements Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Delandale House, 37 Old Dover Road, Canterbury, Kent, United Kingdom, CT1 3JF and the company trades from 123-135 Central Parade, Herne Bay, Kent, CT6 8SS.

#### **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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 Going concern**

The COVID – 19 pandemic has impacted the majority of UK businesses. Up until mid-March 2020, the turnover of the business was performing well, ahead of that for the comparable period in the previous year, but following the implementations of lockdown restrictions by the UK government on 23 March 2020 the Company's sites were forced to close. This had an immediate and significant impact on the profitability of the business.

As soon as the lockdown restrictions and Government support for businesses was announced the directors carried out a number of actions including successfully applying for a Coronavirus Business Interruption Loan, utilising the Job Retention Scheme and making arrangements with HMRC to defer relevant payments.

The directors have prepared detailed forecasts that show that the company will continue to be able to trade and settle its debts as they fall due for a period of at least 12 months from the date of signing these financial statements. As a result the directors have prepared these accounts on a going concern basis.

#### **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.

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.4 Intangible fixed assets - goodwill

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

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.

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	not depreciated
Leasehold land and buildings	over the period of the lease
Arcade machines	25% reducing balance
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Other fixed assets	5% straight line

The directors consider that the residual value of freehold property is such that any provision for depreciation would not be material, and accordingly no depreciation has been recognised in respect of freehold property.

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 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.

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

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.

#### 1.7 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.

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.

#### 1.8 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.

#### 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.

##### **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.

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 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.

#### **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.

##### **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.



# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.12 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.

#### 1.13 Retirement benefits

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

#### 1.14 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 leases 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.

#### 1.15 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.

#### 1.16 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.

## CAIN'S AMUSEMENTS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 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.

#### 3 Employees

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

	2020 Number	2019 Number
Total	77	63

#### 4 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	1,600,001
<b>Amortisation and impairment</b>	
At 1 January 2020	1,257,500
Amortisation charged for the year	80,000
At 31 December 2020	1,337,500
<b>Carrying amount</b>	
At 31 December 2020	262,501
At 31 December 2019	342,501

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Other fixed assets	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2020	1,411,652	5,067,158	261,710	6,740,520
Additions	-	292,398	-	292,398
Disposals	-	(78,045)	-	(78,045)
At 31 December 2020	1,411,652	5,281,511	261,710	6,954,873
<b>Depreciation and impairment</b>				
At 1 January 2020	94,056	3,518,582	202,011	3,814,649
Depreciation charged in the year	7,142	432,071	13,085	452,298
Eliminated in respect of disposals	-	(49,659)	-	(49,659)
At 31 December 2020	101,198	3,900,994	215,096	4,217,288
<b>Carrying amount</b>				
At 31 December 2020	1,310,454	1,380,517	46,614	2,737,585
At 31 December 2019	1,317,595	1,548,576	59,699	2,925,870

The carrying value of land and buildings comprises:

	2020 £	2019 £
Freehold	1,304,524	1,304,524
Long leasehold	-	-
Short leasehold	5,930	13,071
	1,310,454	1,317,595

### 6 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	66,580	72,816
Corporation tax recoverable	21,618	23,400
Other debtors	362,318	142,025
	450,516	238,241

# CAIN'S AMUSEMENTS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020 £	2019 £
Bank loans and overdrafts	329,168	576,099
Trade creditors	303,508	458,919
Taxation and social security	132,089	190,867
Other creditors	521,198	484,019
	<u>1,285,963</u>	<u>1,709,904</u>

Bank loans of £292,374 (2019: £132,118) are secured by a debenture, a legal charge over the Company's freehold property and by a supported guarantee from D Cain, R Cain and F Cain limited to £1,480,000.

Assets held under finance leases and hire purchase contracts of £266,442 (2019: £330,366) are secured on the assets which they finance.

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

	2020 £	2019 £
Bank loans and overdrafts	2,206,406	1,215,866
Other creditors	112,635	109,139
	<u>2,319,041</u>	<u>1,325,005</u>

Bank loans of £2,206,406 (2019: £1,213,730) are secured by a debenture, a legal charge over the Company's freehold property and by a supported guarantee from D Cain, R Cain and F Cain limited to £1,480,000.

Assets held under finance leases and hire purchase contracts of £112,635 (2019: £109,139) are secured on the assets which they finance.

Creditors which fall due after five years are as follows:

	2020 £	2019 £
Payable by instalments	<u>164,546</u>	<u>716,420</u>

### 9 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	266,442	330,366
In two to five years	112,635	109,139
	<u>379,077</u>	<u>439,505</u>

## CAIN'S AMUSEMENTS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. 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.

These amounts are included within other creditors.

#### 10 Operating lease commitments

##### Lessee

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

	2020 £	2019 £
Within one year	257,150	257,150
Between two and five years	1,028,600	1,031,300
In over five years	931,100	1,188,250
	<u>2,216,850</u>	<u>2,476,700</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.