

Kent County Crematorium Limited

Unaudited
Financial Statements
Registered number 00296005
31 December 2022

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Balance sheet
at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	2,729,893	2,808,749
Investments	6	489	489
		<u>2,730,382</u>	<u>2,809,238</u>
Stocks	7	1,093	1,093
Debtors	8	22,536,254	22,544,964
Cash at bank and in hand		2,456,194	1,096,063
		<u>24,993,541</u>	<u>23,642,120</u>
Creditors: amounts falling due within one year	9	(15,451,211)	(17,119,383)
Net current assets		<u>9,542,330</u>	<u>6,522,737</u>
Total assets less current liabilities		<u>12,272,712</u>	<u>9,331,975</u>
Provisions for liabilities			
Deferred taxation	10	(158,213)	(150,811)
Net assets		<u>12,114,499</u>	<u>9,181,164</u>
Capital and reserves			
Called up share capital	11	173,488	173,488
Share premium account		14,261	14,261
Capital redemption reserve		30,113	30,113
Profit and loss account		11,896,637	8,963,302
Total shareholders' funds		<u>12,114,499</u>	<u>9,181,164</u>

The notes on pages 2 to 5 form part of these financial statements

For the year ending 31 December 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

The directors of the company have elected not to include a copy of the Income statement within the financial statements

These accounts have been prepared 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 were signed on its behalf by:



Z Lindall-Doman
Director

Date: 20/9/2023

Notes to the financial statements For the year ended 31 December 2022

1. General information

Kent County Crematorium Limited (the "Company") is a private company limited by shares and incorporated and domiciled in England in the UK.

The address of its registered office is Chapel View, Westerleigh Crematorium, Westerleigh Road, Westerleigh, Bristol, BS37 8QP.

2. Accounting policies

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in conformity with FRS102 section 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied consistently throughout the period:

Key judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment in the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of tangible fixed Assets

Annually, the Company considers whether tangible assets are impaired. Where an indication of impairment is identified, the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This required estimation of the future cash flows from the CGUs and also the selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 5 for the carrying amount of the property, plant and equipment, and note 2 for the useful lives for each class of assets.

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 8 for the net carrying amount of the debtors and associated impairment provision.

Going concern

The directors have considered the basis of the preparation of the financial statements. Based on the regular review of management accounts, cash balances and financial projections for at least the next 12 months, the directors confirm they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, via the support of the wider Group. They continue to adopt the going concern bases of accounting in preparing the financial statements.

Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using, if applicable, the effective interest method, less any impairment losses in the case of trade debtors.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Turnover

Turnover comprises revenue recognised by the Company in respect of cremations, and funeral related services supplied during the year, exclusive of Value Added Tax and any discounts. Turnover is recognised when goods and services are provided, which is predominantly at the time the funeral takes place.

Notes (continued)

2 Accounting policies (continued)

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the directors assess whether tangible assets are impaired.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives as follows:

Freehold land and buildings	- 50 years straight line
Plant and equipment	- 5 – 20 years straight line

Freehold land is not depreciated on the basis that land has an indefinite life.

The components of cremators which have different useful lives are accounted for as separate items of tangible fixed assets and depreciated in line with the useful life of the relevant component. Cremator re-linings are depreciated over the remaining life of the related asset or to the estimated date of the next major renovation or cremator re-lining, whichever is sooner.

Investments

Investments in subsidiaries are carried at cost less impairment.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss and Retained Earnings except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Balance Sheet date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Defined contribution pension plan and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Stocks

Stocks represent memorials and memorial supplies for resale and are stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving stocks. Cost includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition.

Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the Profit and Loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred.

3. Turnover

Turnover, which is stated net of Value Added tax, represents amounts invoiced to third parties. Turnover is attributable to one continuing activity, the operation of crematoria.

4. Employees

The average monthly number of employees, including directors, during the year was 20 (2021: 19). The directors did not perform any qualifying services for the Company. No remuneration is paid by the Company to the current directors as they are remunerated by other companies in the Group.

Notes (continued)

5. Tangible assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2022	2,252,089	2,008,822	4,260,911
Additions	16,590	103,788	120,378
Transfer	56,157	(56,157)	-
Disposals	-	(342,289)	(342,289)
At 31 December 2022	2,324,836	1,714,164	4,039,000
Accumulated depreciation			
At 1 January 2022	412,984	1,039,178	1,452,162
Charge for the year	46,226	153,008	199,234
Disposals	-	(342,289)	(342,289)
At 31 December 2022	459,210	849,897	1,309,107
Net book value			
At 31 December 2022	1,865,626	864,267	2,729,893
At 31 December 2021	1,839,105	969,644	2,808,749

6. Investments

	Unlisted investments £
Cost and net book value	
At 1 January 2022 and 31 December 2022	489

7. Stocks

	2022 £	2021 £
Material supplies for resale	1,093	1,093

8. Debtors

	2022 £	2021 £
Trade debtors	673,016	397,688
Amounts owed by group undertakings	21,814,496	22,102,152
Prepayments and accrued income	48,742	45,124
	22,536,254	22,544,964

Amounts owed by group undertakings have no fixed repayment date and no interest is applied.

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	14,892	229,971
Amounts owed to group undertakings	15,273,021	16,782,432
Taxation and social security	38,371	16,257
Other creditors	51,237	27,000
Accruals and deferred income	73,690	63,723
	15,451,211	17,119,383

Amounts owed to group undertakings have no fixed repayment date and no interest is applied.

Notes (continued)

10. Deferred taxation

	2022 £
At beginning of year	150,811
Charged to profit or loss	7,402
At end of year	<u>158,213</u>

The deferred tax liability is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	158,886	151,131
Short term timing differences	(673)	(320)
	<u>158,213</u>	<u>150,811</u>

11. Called up share capital

	2022 £	2021 £
Allotted, called up and fully paid		
173,488 ordinary shares of £1 each	173,488	173,488
	<u>173,488</u>	<u>173,488</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time to one vote per share at meetings of the Company.

12. Contingent liabilities

The Group has entered into bank guarantees to guarantee loans and overdrafts of other group undertakings. At 31 December 2022, the amount guaranteed was £210,053,000 (2021: £200,053,000). The loans are secured by fixed and floating charges over the Company's assets.

13. Commitments under operating lease

At 31 December, the Company had capital commitments as follows:

	2022 £	2021 £
Within 1 year	9,977	5,029
Between 2 – 5 years	5,111	8,263
	<u>15,088</u>	<u>13,292</u>

14. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Crematoria Management Limited, a company registered in the United Kingdom. During the year, the Company was controlled by Western Topco Limited, by virtue of its shareholding.

The smallest group in which the results of the Company are consolidated is that of Westerleigh Group Holdings Limited, a company registered in the United Kingdom. The largest group in which the results of the Company are consolidated is that of Western Topco Limited, a Jersey registered company, registered office of 44 Esplanade, St Helier, Jersey, JE4 9WG