

Report of the Directors and
Financial Statements
For The Period
1 January 2019 to 31 August 2019
for
Bambinos Limited



Bambinos Limited (Registered number: 02908958)

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For The Period 1 January 2019 to 31 August 2019

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Bambinos Limited

Company Information
For The Period 1 January 2019 to 31 August 2019

| | |
|------------------------------|--|
| DIRECTORS: | Mrs J Honey X Wang Dr C Xu |
| SECRETARY: | C Cui |
| REGISTERED OFFICE: | 31 Houndiscombe Road Plymouth Devon PL4 6EU |
| REGISTERED NUMBER: | 02908958 (England and Wales) |
| INDEPENDENT AUDITORS: | PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Glass Wharf Bristol BS2 0FR |
| ACCOUNTANTS: | Bromhead Chartered Accountants Harscombe House 1 Darklake View Plymouth Devon PL6 7TL |

Bambinos Limited (Registered number: 02908958)

Report of the Directors
For The Period 1 January 2019 to 31 August 2019

The directors present their report with the audited financial statements of the company for the period ended 31 August 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

Mrs J Honey
X Wang

Other changes in directors holding office are as follows:

Dr C Xu - appointed 1 April 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

GOING CONCERN

The company has net current liabilities as at the Balance Sheet date, which primarily relates to a loan made from Jiayi International Education Investment Group Limited (the parent company) to Bambinos Limited to facilitate the purchase of two properties. The directors of the related company have indicated that they will not demand repayment within 12 months from the date of signing the accounts; however, no formal loan agreement is in place. The directors have also considered the future developments of the company and are confident that the company will continue to remain profitable, based on recent financial results. On this basis, the directors continue to adopt the going concern basis in preparing the financial statements, which assumes the company will continue in operation for the foreseeable future.

COVID-19

Following lockdown beginning at the end of March 2020, sales for April and May were very low due to the COVID-19 impact with no centres opening during this period, although 15% of usual monthly fees were still charged as a retainer for clients. Figures for June have returned to a more acceptable level although still down on previous years and lower than expected for this time of the year.

During the pandemic, a number of staff were furloughed and this has been beneficial for Bambinos since the outbreak lockdown began in March 2020. Bambinos were able to claim 65% for the month of March and April and 61% for months thereafter. In line with government instruction, Bambinos had to make up each furloughed employee's pay to 80%, but with charging parents 15% of usual fees and the retention of the grant income from the government, we have been sufficient. The majority of furloughed staff have now returned to work.

Bambinos Limited (Registered number: 02908958)

Report of the Directors
For The Period 1 January 2019 to 31 August 2019

COVID-19 (continued)

Bambinos applied for, and received, a £50,000 'bounce back' loan during the lockdown, which has been placed in the reserve account to utilise if and when required. The loan is interest free for 12 months before the repayment period begins.

At present the current and reserve accounts are healthy and are expected to be sufficient for the relatively quiet period in Autumn where such reserves are usually required.

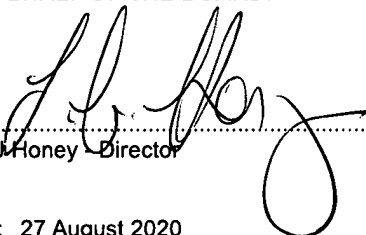
Should a second wave appear, resulting in Plymouth having to go into a local lockdown, all advice and instructions given will be adopted and similar protocols followed as per the first wave. Local news and government guidelines will be monitored closely. Each site operates under vigorous and robust risk assessments that are reviewed frequently in line with changing advice.

INDEPENDENT AUDITORS

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
Mrs J Honey - Director

Date: 27 August 2020

Independent auditors' report to the members of Bambinos Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bambinos Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its profit for the 8 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2019; the statement of income and retained earnings for the 8 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the period ended 31 August 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

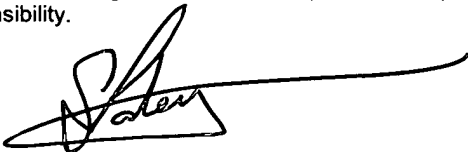
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Report of the Directors; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Stephen Patey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
27 August 2020

Bambinos Limited (Registered number: 02908958)

Statement of Income and Retained Earnings
For The Period 1 January 2019 to 31 August 2019

| | Note | Period 1.1.19 to 31.8.19 £ | Year Ended 31.12.18 £ |
|---|------|--|-----------------------------|
| TURNOVER | | 1,056,405 | 1,348,829 |
| Administrative expenses | | <u>(903,426)</u> | <u>(1,288,749)</u> |
| | | 152,979 | 60,080 |
| Other operating income | | <u>4,450</u> | <u>-</u> |
| OPERATING PROFIT | | 157,429 | 60,080 |
| Interest receivable and similar income | | <u>456</u> | <u>211</u> |
| | | 157,885 | 60,291 |
| Interest payable and similar expenses | | <u>(388)</u> | <u>(21,011)</u> |
| PROFIT BEFORE TAXATION | | 157,497 | 39,280 |
| Tax on profit | | <u>(36,262)</u> | <u>(5,569)</u> |
| PROFIT FOR THE FINANCIAL PERIOD | | 121,235 | 33,711 |
| Retained earnings at beginning of period as previously reported | | 58,055 | 173,444 |
| Dividends | | - | (9,600) |
| Prior year adjustment - corrections of material errors | 5 | - | (139,500) |
| | | <u> </u> | <u> </u> |
| RETAINED EARNINGS AT END OF PERIOD | | <u>179,290</u> | <u>58,055</u> |

The notes form part of these financial statements

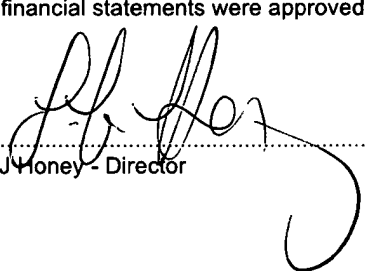
Bambinos Limited (Registered number: 02908958)

Balance Sheet
As at 31 August 2019

| | Notes | 31.8.19 £ | £ | 31.12.18 £ | £ |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 6 | | 7,553 | | 8,240 |
| Tangible assets | 7 | | <u>2,454,558</u> | | <u>2,469,799</u> |
| | | | 2,462,111 | | 2,478,039 |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 17,901 | | 3,877 | |
| Cash at bank | | <u>243,644</u> | | <u>138,128</u> | |
| | | 261,545 | | 142,005 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 9 | <u>(2,413,848)</u> | | <u>(2,435,178)</u> | |
| NET CURRENT LIABILITIES | | | <u>(2,152,303)</u> | | <u>(2,293,173)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 309,808 | | 184,866 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 10 | | (2,578) | | - |
| PROVISION FOR DEFERRED TAX | | | <u>(41,851)</u> | | <u>(40,722)</u> |
| NET ASSETS | | | <u>265,379</u> | | <u>144,144</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 120 | | 120 |
| Other reserve | | | 85,969 | | 85,969 |
| Retained earnings | | | <u>179,290</u> | | <u>58,055</u> |
| | | | <u>265,379</u> | | <u>144,144</u> |

The financial statements 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 on 27 August 2020 and were signed on its behalf by:


Mrs J Honey - Director

The notes form part of these financial statements

Notes to the Financial Statements
For The Period 1 January 2019 to 31 August 2019

1. STATUTORY INFORMATION

Bambinos Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The current reporting period is 8 months in order to be in line with the parent reporting period of the 31st August.

Going concern

The company has net current liabilities as at the Balance sheet date, which primarily relates to a loan made from Jiayi International Education Investment Group Limited (the parent company) to Bambinos Limited to facilitate the purchase of two properties. The directors of the related company have indicated that they will not demand repayment of the loan within 12 months from signing the accounts; however, no formal loan agreement is in place. The directors have also considered the future developments of the company and are confident that the company will continue to remain profitable, based on recent financial results. On this basis, the directors continue to adopt the going concern basis in preparing the financial statements, which assumes the company will continue in operation for the foreseeable future.

Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1999, is being amortised evenly over its estimated useful life of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings - 2% on cost and 4% on cost

Plant and machinery - 33% on reducing balance, 25% on reducing balance and 10% on reducing balance

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Bambinos Limited (Registered number: 02908958)

Notes to the Financial Statements – continued
For The Period 1 January 2019 to 31 August 2019

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 76 (2018 – 75).

4. **AUDITORS' REMUNERATION**

All audit fees in respect of the company are paid for by the parent company, Jiayi International Education Investment Group Limited.

5. **PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been recognised in the financial statements for the year ended 31 December 2018 in respect of depreciation that had not been charged on the freehold properties. This treatment is not in accordance with FRS 102 which states that property should be depreciated.

The effect on retained earnings brought forward at 1 January 2018 is a reduction of £139,500. The financial results for each of the years ended 31 December 2009 to 31 December 2017 were overstated by £15,500.

6. **INTANGIBLE ASSETS**

| | Goodwill £ |
|---------------------------------|-----------------------|
| COST | |
| At 1 January 2019 | |
| and 31 August 2019 | <u>20,600</u> |
| ACCUMULATED AMORTISATION | |
| At 1 January 2019 | 12,360 |
| Charge for period | <u>687</u> |
| At 31 August 2019 | <u>13,047</u> |
| NET BOOK VALUE | |
| At 31 August 2019 | <u>7,553</u> |
| At 31 December 2018 | <u>8,240</u> |

7. **TANGIBLE ASSETS**

| | Land and buildings £ | Plant and machinery £ | Totals £ |
|---------------------------------|-------------------------------------|--------------------------------------|---------------------|
| COST | | | |
| At 1 January 2019 | 2,418,250 | 509,520 | 2,927,770 |
| Additions | - | 33,840 | 33,840 |
| Disposals | <u>-</u> | <u>(6,500)</u> | <u>(6,500)</u> |
| At 31 August 2019 | <u>2,418,250</u> | <u>536,860</u> | <u>2,955,110</u> |
| ACCUMULATED DEPRECIATION | | | |
| At 1 January 2019 | 179,649 | 278,322 | 457,971 |
| Charge for period | 32,243 | 16,838 | 49,081 |
| Eliminated on disposal | <u>-</u> | <u>(6,500)</u> | <u>(6,500)</u> |
| At 31 August 2019 | <u>211,892</u> | <u>288,660</u> | <u>500,552</u> |
| NET BOOK VALUE | | | |
| At 31 August 2019 | <u>2,206,358</u> | <u>248,200</u> | <u>2,454,558</u> |
| At 31 December 2018 | <u>2,238,601</u> | <u>231,198</u> | <u>2,469,799</u> |

Notes to the Financial Statements - continued
For The Period 1 January 2019 to 31 August 2019

7. TANGIBLE ASSETS (CONTINUED)

Land and buildings include two properties which were valued at £775,000 on 29 October 2010 by an external independent valuer.

If these properties had not been revalued, they would be included in the financial statements at their historic cost of £545,000 less accumulated depreciation to date of £116,267.

The directors have considered the valuations of the properties at 31 August 2019 and confirm that there has been no material change.

8. DEBTORS

| | 31.8.19 | 31.12.18 |
|---------------|----------------------|-----------------|
| | £ | £ |
| Trade debtors | 4,383 | 2,426 |
| Other debtors | <u>13,518</u> | <u>1,451</u> |
| | <u>17,901</u> | <u>3,877</u> |

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.8.19 | 31.12.18 |
|------------------------------------|-------------------------|------------------|
| | £ | £ |
| Finance leases | 859 | - |
| Trade creditors | 741 | 46,130 |
| Amounts owed to group undertakings | 2,285,139 | 2,235,139 |
| Taxation and social security | 55,361 | 13,218 |
| Other creditors | <u>71,748</u> | <u>140,691</u> |
| | <u>2,413,848</u> | <u>2,435,178</u> |

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 31.8.19 | 31.12.18 |
|----------------|---------------------|-----------------|
| | £ | £ |
| Finance leases | <u>2,578</u> | <u>-</u> |

11. SECURED DEBTS

The following secured debts are included within creditors:

| | 31.8.19 | 31.12.18 |
|----------------|---------------------|-----------------|
| | £ | £ |
| Finance leases | <u>3,437</u> | <u>-</u> |

The finance lease is secured on the asset being financed.

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors during the period ended 31 August 2019 and year ended 31 December 2018 were:

| | 31.8.19 | 31.12.18 |
|--------------------------------------|----------------|-----------------|
| | £ | £ |
| Mrs A T Lane and W J Lane | | |
| Balance outstanding at start of year | - | 39,747 |
| Amounts advanced | - | 29,947 |
| Amounts repaid | <u>-</u> | <u>(69,694)</u> |
| Balance outstanding at end of year | <u>-</u> | <u>-</u> |

Bambinos Limited (Registered number: 02908958)

Notes to the Financial Statements - continued
For The Period 1 January 2019 to 31 August 2019

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES (CONTINUED)

| | 31.8.19 | 31.12.18 |
|--------------------------------------|----------|----------|
| | £ | £ |
| Mrs J Honey | | |
| Balance outstanding at start of year | - | 150 |
| Amounts advanced | - | 6,410 |
| Amounts repaid | - | (3,200) |
| Amounts written off | - | (3,360) |
| Balance outstanding at end of year | <u>-</u> | <u>-</u> |

13. RELATED PARTY DISCLOSURES

Rent is paid to Mr W Lane and Mrs A Lane (who were directors during the year ended 31 December 2018) totalling £Nil (2018: 22,500) for use of two properties.

Consultancy fees of £8,000 (2018: £9,000) were paid to Mr W lane and Mrs A Lane during the period.

During the year ended 31 December 2018, the company purchased two properties from Mr W Lane and Mrs A Lane for £1,575,000. All transactions were made on commercial terms and at an arms' length basis.

A loan existed between the company and Jiayi International Education Investment Group Limited, the parent company. At the year end the company owed Jiayi International Education Investment Group Limited £2,285,139 (2018 £2,235,139). This loan is interest free and payable on demand.

14. CONTROL

The ultimate parent company is Jiangsu Jiayi Education Technology Limited, a company incorporated in China.