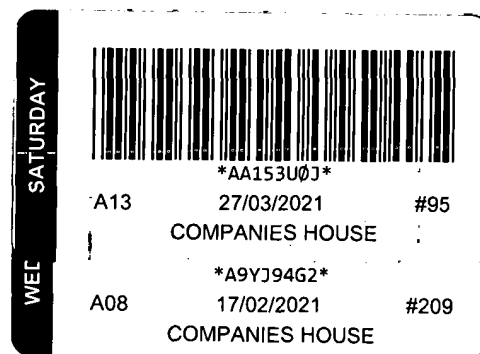


Orchard Day Nursery (Liverpool) Limited
Filleted Financial Statements
31 August 2020

WRIGLEY PARTINGTON

Chartered accountants & statutory auditor
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY



Orchard Day Nursery (Liverpool) Limited

Statement of Financial Position

31 August 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 6 | 29,139 | 28,693 |
| Current assets | | | |
| Stocks | | 1,179 | 2,056 |
| Debtors | 7 | 157,663 | 11,318 |
| Cash at bank and in hand | | 317,104 | 356,088 |
| | | <u>475,946</u> | <u>369,462</u> |
| Creditors: amounts falling due within one year | 8 | <u>67,097</u> | <u>54,484</u> |
| Net current assets | | <u>408,849</u> | <u>314,978</u> |
| Total assets less current liabilities | | <u>437,988</u> | <u>343,671</u> |
| Provisions | | <u>5,028</u> | <u>5,028</u> |
| Net assets | | <u><u>432,960</u></u> | <u><u>338,643</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | <u>432,958</u> | <u>338,641</u> |
| Shareholders funds | | <u><u>432,960</u></u> | <u><u>338,643</u></u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 22 January 2021, and are signed on behalf of the board by:



Mr C Barratt
Director

Company registration number: 06170311

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

Orchard Day Nursery (Liverpool) Limited

Notes to the Financial Statements

Year ended 31 August 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Sterling House, 501 Middleton Road, Chadderton, Oldham, OL9 9LY.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at fair value of the fees receivable for the provision of childcare during the year. Revenue is recognised when these services are provided.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Orchard Day Nursery (Liverpool) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 5 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Orchard Day Nursery (Liverpool) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 52 (2019: 55).

5. Intangible assets

| | Goodwill |
|--|-----------------|
| | £ |
| Cost | |
| At 1 September 2019 and 31 August 2020 | 142,000 |
| Amortisation | |
| At 1 September 2019 and 31 August 2020 | 142,000 |
| Carrying amount | |
| At 31 August 2020 | — |
| At 31 August 2019 | — |

Orchard Day Nursery (Liverpool) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

6. Tangible assets

| | Fixtures and fittings £ |
|--------------------------|----------------------------|
| Cost | |
| At 1 September 2019 | 79,474 |
| Additions | 8,165 |
| At 31 August 2020 | 87,639 |
| Depreciation | |
| At 1 September 2019 | 50,781 |
| Charge for the year | 7,719 |
| At 31 August 2020 | 58,500 |
| Carrying amount | |
| At 31 August 2020 | 29,139 |
| At 31 August 2019 | 28,693 |

7. Debtors

| | 2020 £ | 2019 £ |
|---|----------------|---------------|
| Trade debtors | 1,216 | 11,318 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 140,000 | — |
| Other debtors | 16,447 | — |
| | 157,663 | 11,318 |

8. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|---------------------------------|---------------|---------------|
| Corporation tax | 50,415 | 39,759 |
| Social security and other taxes | 8,000 | 8,000 |
| Other creditors | 8,682 | 6,725 |
| | 67,097 | 54,484 |

9. Summary audit opinion

The auditor's report for the year, dated 22 January 2021, was unqualified.

The senior statutory auditor was Paul Gerard Quinn, for and on behalf of Wrigley Partington.

10. Controlling party

The company is a wholly owned subsidiary of Brightstart Day Nursery Group Limited, a company registered in England and Wales.