

Company Registration No. 07304188 (England and Wales)

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

31 JULY 2018

PAGES FOR FILING WITH REGISTRAR

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NURSERY (SHROPSHIRE) LIMITED
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**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED
BALANCE SHEET**

AS AT 31 JULY 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		8,163		12,247
Tangible assets	4		15,035		17,352
Current assets					
Stocks		250		250	
Debtors	5	6,090		11,209	
Cash at bank and in hand		21,749		14,231	
		<u>28,089</u>		<u>25,690</u>	
Creditors: amounts falling due within one year	6	<u>(47,871)</u>		<u>(52,594)</u>	
Net current liabilities			(19,782)		(26,904)
Total assets less current liabilities			<u>3,416</u>		<u>2,695</u>
Provisions for liabilities			(1,231)		(1,529)
Net assets			<u>2,185</u>		<u>1,166</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			<u>2,085</u>		<u>1,066</u>
Total equity			<u>2,185</u>		<u>1,166</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 July 2018 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 29 March 2019 and are signed on its behalf by:

Mrs J E Allmark
Director

Company Registration No. 07304188

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company information

Whitchurch Pre-School is a private company limited by shares incorporated in England and Wales. The registered office is Unit 7 & 8, Whitchurch Business Park, Shakespeare Way, Whitchurch, Shropshire, SY13 1LJ.

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 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 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.

1.3 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual installments over its estimated useful economic life of 10 years. The period of 10 years has been determined by the company directors.

1.4 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:

Fixtures, fittings & equipment	10% reducing balance
Computer equipment	1/3 straight line
Motor vehicles	20% reducing balance

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.

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.5 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 replacement cost and 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.

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

1.7 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.

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.

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies (Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 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.

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 18 (2017 - 17).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 August 2017 and 31 July 2018	40,835
Amortisation and impairment	
At 1 August 2017	28,588
Amortisation charged for the year	4,084
At 31 July 2018	32,672
Carrying amount	
At 31 July 2018	8,163
At 31 July 2017	12,247

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2017	33,335
Additions	300
At 31 July 2018	33,635
Depreciation and impairment	
At 1 August 2017	15,983
Depreciation charged in the year	2,617
At 31 July 2018	18,600
Carrying amount	
At 31 July 2018	15,035
At 31 July 2017	17,352

**WHITCHURCH PRE-SCHOOL
NURSERY (SHROPSHIRE) LIMITED**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

5 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	6,090	11,209
	<u> </u>	<u> </u>
6 Creditors: amounts falling due within one year	2018	2017
	£	£
Bank loans and overdrafts	-	7,040
Trade creditors	15,467	19,289
Corporation tax	4,298	5,294
Other taxation and social security	1,969	207
Other creditors	26,137	20,764
	<u> </u>	<u> </u>
	<u>47,871</u>	<u>52,594</u>
7 Called up share capital	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 of £1 each	100	100
	<u> </u>	<u> </u>
	<u>100</u>	<u>100</u>
8 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:		
	2018	2017
	£	£
	45,000	60,000
	<u> </u>	<u> </u>

9 Related party transactions

Transactions with related parties

At 31st July 2018 the company owed £20,257 (2017 £17,704) to Mrs J Allmark. No interest has been charged to the company in respect of this loan which is repayable on demand and classified in creditors due within one year.

At 31st July 2018 the company owed £3,000 to Mr B Leeden. No interest has been charged to the company in respect of this loan which is repayable on demand and classified in creditors due within one year.

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.