

Fran N Bru Limited

**Report of the Directors and Unaudited Financial
Statements**

Year ended

31 December 2017

Registered number 03271662

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Fran N Bru Limited

Report and financial statements for the year ended 31 December 2017

Contents

Page:

1	Report of the directors
2	Statement of comprehensive income
3	Statement of financial position
4	Statement of changes in equity
5 – 11	Notes forming part of the financial statements

Directors

E Boland
D Lissy
S Dreier
J Tugendhat

Company secretary and registered office

S Kramer
2 Crown Way
Rushden
England
NN10 6BS

Registered number

03271662

Fran N Bru Limited

Report of the directors for the year ended 31 December 2017

The directors present their report and the unaudited financial statements for the period ended 31 December 2017.

Principal activity

The company was dormant during the current year.

Results and dividends

The profit for the year, after taxation, amounted to £Nil (year ended 31 December 2016 - £225,939 loss).

The directors do not recommend the payment of a dividend for the period under review (year ended 31 December 2016 - £Nil).

Directors

The directors who served during the period were:

E Boland
D Lissy
S Dreier
J Tugendhat

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- 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 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. They 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.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 August 2018 and signed on its behalf.


E Boland
Director

Fran N Bru Limited

Statement of comprehensive income for the year ended 31 December 2017

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Turnover	4	-	1,707,629
Cost of sales		-	(965,011)
		<hr/>	<hr/>
Gross profit		-	742,618
Administrative expenses		-	(1,054,426)
		<hr/>	<hr/>
Operating profit / (loss)	5	-	(311,808)
Interest payable and similar charges	8	-	(3,998)
		<hr/>	<hr/>
Profit / (loss) before tax		-	(315,806)
Tax on profit / (loss)	9	-	89,867
		<hr/>	<hr/>
Profit / (loss) the financial year		-	(225,939)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income (loss) for the year		-	(225,939)
		<hr/>	<hr/>

The notes on pages 5 to 11 form part of these financial statements.

Fran N Bru Limited

Statement of Financial Position at 31 December 2017

Registered number 03271662	Note	31 December 2017 £	31 December 2016 £
Current assets			
Debtors	11	200	200
Cash at bank and in hand		-	-
		<u>200</u>	<u>200</u>
Net current assets		<u>200</u>	<u>200</u>
Total assets less current liabilities		<u>200</u>	<u>200</u>
Net assets		<u>200</u>	<u>200</u>
Capital and reserves			
Called up share capital	13	200	200
Profit and loss account	14	-	-
Shareholders' funds		<u>200</u>	<u>200</u>

The company financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The member has not required the company to obtain an audit of its accounts in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved by the Board of Directors and authorised for issue on 22 August 2018.


E Boland
Director

The notes on pages 5 to 11 form part of these financial statements.

Fran N Bru Limited

Statement of changes in equity for the year ended 31 December 2017

	Called-up Share capital £	Profit and loss account £	Total equity £
At 1 January 2017	200	-	200
Comprehensive income for the year:			
Profit for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2017	200	-	200
	<hr/>	<hr/>	<hr/>
At 1 January 2016	200	608,000	608,200
Comprehensive income for the year:			
(Loss) for the year	-	(225,939)	(225,939)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	277,583	277,583
Dividends	-	(37,080)	(37,080)
Capital distribution on waiver of intercompany debt	-	(344,981)	(344,981)
	<hr/>	<hr/>	<hr/>
Total transactions with owners		(382,061)	(382,061)
	<hr/>	<hr/>	<hr/>
At 31 December 2016	200	-	200
	<hr/>	<hr/>	<hr/>

The notes on pages 5 to 11 form part of these financial statements.

Fran N Bru Limited

Notes forming part of the financial statements for the year ended 31 December 2017

1 General Information

Fran N Bru Limited is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office can be found on the company information page. The nature of the company's operations and its principal activities can be found in the directors' report.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following accounting policies have been applied:

2.2 Financial reporting standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BHFS One Limited as at 31 December 2016 and these financial statements may be obtained from 2 Crown Court, Rushden, Northamptonshire NN10 6BS.

2.3 Turnover

Turnover consists of invoiced fees receivable for the year, without charging value added tax, for services provided during the year by the company. The company is exempt from registering for VAT.

2.4 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Fran N Bru Limited

Notes forming part of the financial statements for the year ended 31 December 2017 *(continued)*

2 Accounting policies (continued)

2.5 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.6 Pensions

Contributions to the company's defined contribution pension scheme are charged to the statement of comprehensive income in the year in which they become payable.

2.7 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

2.9 Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation.

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

2.10 Current and deferred taxation

The charge for taxation is based on the results for the period and takes into accounts taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rate and laws that have been enacted or substantially enacted by the statement of financial position date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Fran N Bru Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether the fair value of the properties acquired is the price that would be received to sell the asset in an orderly transaction between market participants.
- Determine whether the acquired intangibles assets are identifiable as being separable and arise from contractual or legal rights. This should be determined on a basis that reflects an amount that the group would have paid for the asset in an arm's length transaction between knowledgeable and willing parties, based on the best information available. If the fair value cannot be measured reliably, the asset is not recognised as a separate intangible asset, but is included in goodwill.

Key assumptions include:

Discount rates

The discount rate is a pre-tax adjusted discount rate and reflects management's estimate of the company's weighted average cost of capital.

Long term growth rates

The management forecasts are extrapolated using growth assumptions relevant for the business sector and are based on industry research.

4 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely in the United Kingdom.

5 Operating profit

This is arrived at after charging:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Depreciation of tangible fixed assets	-	21,549
Defined contribution pension cost	-	10,478
	<hr/>	<hr/>

Fran N Bru Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (continued)

6 Employees

Staff costs, including directors' remuneration, were as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Wages, salaries and social security costs	-	899,831
Cost of defined contribution scheme	-	10,478
	<u>-</u>	<u>910,309</u>

7 Directors' remuneration

From 15 August 2016, all directors' costs were borne by Bright Horizons Family Solutions Inc. and Bright Horizons Family Solutions Limited.

8 Interest payable and similar charges

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Bank interest payable	-	3,998
	<u>-</u>	<u>3,998</u>

Fran N Bru Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

9 Taxation

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Corporation tax		
Current tax on profits for the year	-	(89,867)

Factors affecting the tax charge for the year/period

The company was dormant in the current year and no tax was assessed (2016 – the same as) at the standard rate of corporation tax in the UK of 19.25% (2016 – 20%). The differences are explained below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Profit / (loss) on ordinary activities before tax	-	(315,806)
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 – 20%)	-	(63,161)
Effects of:		
Adjustments in respect of previous periods	-	(56,203)
Other tax adjustments, reliefs and transfers	-	3,841
Losses carried back	-	25,656
Total tax charge for the year	-	(89,867)

Factors that may affect future tax charges

The UK corporation tax was 20% for the period to 5 April 2017, when the rate changed to 19% and a marginal rate of 19.25% has therefore been used. The Government also announced in the 2016 Budget that the UK corporation tax rate will decrease further to 17% from 1 April 2020. Accordingly, deferred tax balances recognised in the accounts as at the year-end have been calculated using the 17% rate.

Fran N Bru Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

10 Dividends

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Dividends paid	-	37,080
	<u> </u>	<u> </u>

11 Debtors

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Amounts owed by group undertakings	200	200
	<u> </u>	<u> </u>
	200	200
	<u> </u>	<u> </u>

During the previous year, a waiver of intercompany debt due from fellow subsidiary undertakings resulted in a capital distribution of £344,981. This has been recognised as a distribution within the statement of changes in equity.

12 Pension commitments

The amount recognised in the statement of comprehensive income as an expense in relation to the company's defined contribution schemes is £nil (2016 - £10,478). There were no amounts owing at the year end.

13 Share capital

	31 December 2017 £	31 December 2016 £
Allotted, called up and fully paid		
200 ordinary shares of £1 each	200	200
	<u> </u>	<u> </u>

14 Reserves

The company's capital and reserves are as follows:

Share capital

Called up share capital reserve represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends paid and other adjustments.

Fran N Bru Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

15 Related party transactions

The company has taken advantage of the exemption available under Section 33.A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

16 Ultimate parent company and controlling party

The company's immediate parent undertaking is BHFS Two Limited, a company incorporated in England and Wales. The company's ultimate controlling party is Bright Horizons Family Solutions Inc., which is the ultimate parent company incorporated in the United States of America.

The largest group in which the results of the company are consolidated is that headed by Bright Horizons Family Solutions Inc., incorporated in the United States of America. The smallest group in which they are consolidated is that headed by BHFS One Limited, incorporated in England and Wales. The consolidated accounts are available to the public and may be obtained from The Secretary, BHFS One Limited, 2 Crown Court, Rushden, Northamptonshire NN10 6BS.