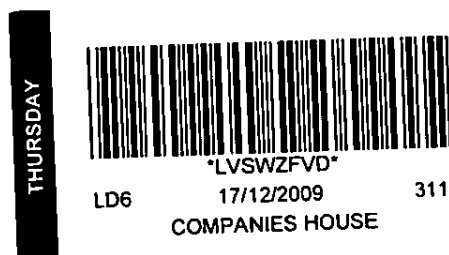


NUFFIELD HEALTH DAY NURSERIES LIMITED
(Formerly Cannons Day Nurseries Limited)

Annual Report & Financial Statements

For the year ended 31 December 2008

Registered Number 3489051



REGISTERED OFFICE: 40-44 Coombe Road
New Malden
Surrey
KT3 4QF

NUFFIELD HEALTH DAY NURSERIES LIMITED
(formerly Cannons Day Nurseries Limited)
DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2008. The report has been prepared in accordance with the special provision relating to small companies under section 246(4) of the Companies Act 1985

Principal Activities and Review of the Business

The principal activity of the Company during the year was the operation of day nursery facilities. The Company performed in line with management's expectations.

On 26 November 2008 the company changed its name to Nuffield Health Day Nurseries Limited.

Principal Risks and Uncertainties

The Company operates day nursery facilities within two of the health and fitness clubs of one of the group's subsidiary companies. The principle risk for the company is from competition within the day nursery sector. The Company reviews its individual services and pricing relative to other day nursery operators in the local area.

Financial Results and Dividends

The profit on ordinary activities after taxation amounted to £72,000 (2007:£47,000). This retained profit was transferred to reserves. The directors do not propose a dividend for the year (2007: nil).

Financial Risk

The Company does not have any financial instruments other than cash and short term debtors and creditors. Cash balances are held with a major UK bank and earn competitive rates of interest.

Future Prospects

The directors intend the Company to continue its principal activity thereby attracting members and contributing to the profits of the health and fitness centres of which it forms an integral part.

Directors and their Interests in the Share Capital of the Company

The Directors who served throughout the year were as follows:

KP Doyle	
Christopher Ian Jessop	(Resigned 31 August 2008)
Greg Hyatt	(Appointed 3 November 2008)

No Director had any interest in the share capital of the Company or any other group company.

NUFFIELD HEALTH DAY NURSERIES LIMITED
(formerly Cannons Day Nurseries Limited)
DIRECTORS' REPORT

Disclosure of Information to Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

BY ORDER OF THE BOARD



David G Holben
Secretary
11 December 2009

NUFFIELD HEALTH DAY NURSERIES LIMITED
(formerly Cannons Day Nurseries Limited)
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF NUFFIELD HEALTH DAY NURSERIES LIMITED (formerly Cannons Day Nurseries Limited)

We have audited the financial statements of Nuffield Health Day Nurseries Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 31 December 2008.



Grant Thornton

Chartered Accountants & Registered Auditors

Gatwick, United Kingdom

14 December 2009

NUFFIELD HEALTH DAY NURSERIES LIMITED**(formerly Cannons Day Nurseries Limited)****Profit and Loss Account****for the year ended 31 December 2008**

	Notes	2008 £'000	2007 £'000
TURNOVER	1	794	760
Cost of sales		(666)	(652)
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	128	108
Tax (charge) on profit on ordinary activities	4	(56)	(61)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE FINANCIAL YEAR	9	72	47

The Company had no recognised gains or losses during the current or preceding financial year other than the profit shown above. No Statement of Total Recognised Gains and Losses has therefore been presented.

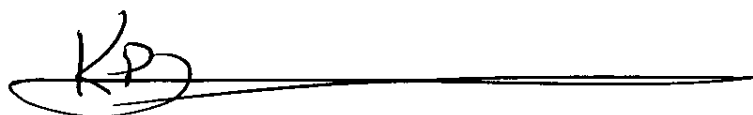
There is no difference between the historical cost profit and that reported for the year.

All of the results relate to continuing operations in the United Kingdom.

NUFFIELD HEALTH DAY NURSERIES LIMITED**(formerly Cannons Day Nurseries Limited)****Balance Sheet****at 31 December 2008**

	Notes	2008 £'000	2007 £'000
FIXED ASSETS			
Tangible fixed assets	5	44	54
		44	54
CURRENT ASSETS			
Debtors	6	2,138	1,867
Cash at bank and in hand		-	-
		2,138	1,867
CREDITORS: Amounts falling due within one year	7	(1,055)	(866)
NET CURRENT ASSETS		1,083	1,001
TOTAL ASSETS LESS CURRENT LIABILITIES		1,127	1,055
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account	9	1,127	1,055
TOTAL SHAREHOLDERS' FUNDS	10	1,127	1,055

These financial statements were approved by the board of Directors on 11 December 2009 and signed on its behalf by:



KP Doyle
Director

NUFFIELD HEALTH DAY NURSERIES LIMITED

(formerly Cannons Day Nurseries Limited)

Notes to the Accounts

for the year ended 31 December 2008

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding year.

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and accounting standards in the United Kingdom.

The Company is a wholly owned subsidiary of Pinnacle Leisure Group Limited and its results and net assets are included in the consolidated financial statements of Nuffield Health, its ultimate parent company. Consequently, the Company is exempt from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996) and exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Nuffield Health group.

The directors have considered the basis of preparation of the financial statements on a going concern basis. After due enquiry, they are satisfied that the company has sufficient resources available to it for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Furniture and equipment 10% to 25% per annum

Current Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred Taxation

Full provision is made for deferred tax liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation, in accordance with Financial Reporting Standard 19 ("FRS19").

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NUFFIELD HEALTH DAY NURSERIES LIMITED

(formerly Cannons Day Nurseries Limited)

Notes to the Accounts

for the year ended 31 December 2008

1. ACCOUNTING POLICIES (continued)**Pension Costs**

The Company operates a defined contribution pension scheme for qualifying employees. Pension costs are charged to the profit and loss account in the year incurred and any outstanding contributions at the year end are included within creditors.

Turnover

Turnover excludes value added tax and represents amounts receivable from the sale of goods and services supplied to customers and arises entirely in the United Kingdom.

2. OPERATING PROFIT

	2008 £'000	2007 £'000
Operating profit is stated after charging:		
Depreciation of tangible fixed assets	10	9

The auditors' remuneration is borne by Nuffield Health, the ultimate parent company, for the current year and the preceding year by Nuffield Health Wellbeing Limited (formerly Cannons Health & Fitness Limited), a fellow subsidiary undertaking. The fee for this service was £10,000 (2007:£10,000).

3. STAFF NUMBERS AND COSTS AND DIRECTORS' EMOLUMENTS

The average number of persons employed by the Company during the year was 23 (2007: 24). All employees worked in the provision of nursery services. Aggregate payroll costs for the year were as follows:

	2008 £'000	2007 £'000
Wages and salaries	384	395
Social security costs	23	25
Other pension costs	1	1
	408	421

The Directors received no remuneration from the Company during the current or preceding financial year.

NUFFIELD HEALTH DAY NURSERIES LIMITED
 (formerly Cannons Day Nurseries Limited)
Notes to the Accounts
 for the year ended 31 December 2008

4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

(I) TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2008 £'000	2007 £'000
Current tax		
UK Corporation tax	-	-
Group relief claimed	56	61
Current tax charge for the year	56	61

(II) FACTORS AFFECTING TAX CHARGE FOR THE CURRENT YEAR

	2008 £'000	2007 £'000
Profit on ordinary activities before taxation	128	108
Tax on profit on ordinary activities at standard UK corporation tax rate of 28.5% (2007 – 30%)	36	32
Effects of		
Capital allowances in excess of depreciation	-	(1)
Depreciation in excess of capital allowances	1	-
Imputed interest income	19	30
Current tax charge for the year	56	61

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £17 (2007: £421). The asset would be recovered if there were suitable taxable profits in the future against which to offset the deferred tax asset.

NUFFIELD HEALTH DAY NURSERIES LIMITED
(formerly Cannons Day Nurseries Limited)
Notes to the Accounts
for the year ended 31 December 2008

5. FIXED ASSETS

	Furniture & equipment £'000
Cost	
At 1 January 2008	105
Disposals	(3)
At 31 December 2008	102
Accumulated Depreciation	
At 1 January 2008	51
Charge for year	10
Disposals	(3)
At 31 December 2008	58
NBV at 31 December 2008	44
NBV at 31 December 2007	54

6. DEBTORS

	2008 £'000	2007 £'000
Amounts due from fellow subsidiary undertakings	2,098	1,842
Other debtors	40	25
	2,138	1,867

7. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts	-	3
Trade creditors	14	3
Amounts due to fellow subsidiary undertakings	1,013	832
Other creditors	23	25
Accruals and deferred income	5	3
	1,055	866

NUFFIELD HEALTH DAY NURSERIES LIMITED**(formerly Cannons Day Nurseries Limited)****Notes to the Accounts****for the year ended 31 December 2008****8. CALLED UP SHARE CAPITAL**

	2008 £	2007 £
Authorised:		
1,000 Ordinary equity shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:		
2 Ordinary equity shares of £1 each	2	2
	<u>2</u>	<u>2</u>

9. PROFIT AND LOSS ACCOUNT

	2008 £'000	2007 £'000
Balance at 1 January	1,055	1,008
Retained profit for the year	72	47
Balance at 31 December	<u>1,127</u>	<u>1,055</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £'000	2007 £'000
Shareholders' funds at 1 January	1,055	1,008
Retained profit for the year	72	47
Shareholders' funds at 31 December	<u>1,127</u>	<u>1,055</u>

11. ULTIMATE PARENT UNDERTAKING

The Company's immediate parent undertaking is Pinnacle Leisure Group Limited. The Company's ultimate parent undertaking is Nuffield Health, a company incorporated in the UK and limited by guarantee and a registered charity number 205533. Copies of the Financial Statements of Nuffield Health are available from Companies House, Crown Way, Maindy, Cardiff, C14 3UZ on payment of the appropriate fee.