

# **Bobby's Playhouse Limited**

Annual Report and Unaudited

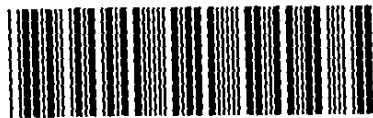
Financial Statements

Year Ended

31 December 2019

Company Number 04184819

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# **Bobby's Playhouse Limited**

## **Company Information**

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<b>Directors</b>	E Boland J Casagrande G Fee R Marshall
<b>Company secretary</b>	S Kramer
<b>Registered number</b>	04184819
<b>Registered office</b>	2 Crown Court Rushden England NN10 6BS
<b>Accountants</b>	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

# **Bobby's Playhouse Limited**

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# **Bobby's Playhouse Limited**

## **Directors' Report For the Year Ended 31 December 2019**

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The directors present their report and the financial statements for the year ended 31 December 2019.

### **Principal activity**

The principal activity of the company is the operation of private day nurseries.

### **Results and dividends**

The profit for the year, after taxation, amounted to £331,029 (2018 - £262,502).

The directors do not recommend the payment of a dividend for the year under review (2018 - £Nil).

### **Directors**

The directors who served during the year were:

E Boland  
D Lissy (resigned 13 April 2020)  
S Dreier (resigned 13 April 2020)  
J Tugendhat (resigned 13 April 2020)  
J Casagrande (appointed 16 April 2020)  
G Fee (appointed 16 April 2020)  
R Marshall (appointed 16 April 2020)

### **Post balance sheet events**

In March 2020, the Bright Horizons Group began to experience the impact of the COVID-19 pandemic on its operations in the UK, as required business and school closures government mandates in response to the pandemic resulted in the temporary closure of a significant portion of the Group's child care centres.

At the date of signing the financial statements, the majority of nurseries have re-opened and all open centres are operating with special COVID-19 protocols in place in order to protect the health and safety of the children and staff.

### **Audit exemption**

Under Section 497C of the Companies Act 2006 the Directors have taken the exemption from an audit for the year ended 31 December 2019 for these statutory accounts. The ultimate parent company, BHFS One Limited (company registration number 03943330) has guaranteed all outstanding liabilities to which the company is subject at 31 December 2019 until they are satisfied in full.

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 Nov 23, 2020

and signed on its behalf.

*Gary Fee*  
Gary Fee (Nov 23, 2020 14:39 GMT)

**G Fee**  
Director

# **Bobby's Playhouse Limited**

## **Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Bobby's Playhouse Limited**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bobby's Playhouse Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Bobby's Playhouse Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Bobby's Playhouse Limited. You consider that Bobby's Playhouse Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Bobby's Playhouse Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

### **Use of our report**

This report is made solely to the board of directors of Bobby's Playhouse Limited, as a body, in accordance with the terms of our engagement letter dated 27 January 2020. Our work has been undertaken solely to prepare for your approval the accounts of Bobby's Playhouse Limited and state those matters that we have agreed to state to the board of directors of Bobby's Playhouse Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bobby's Playhouse Limited and its board of directors as a body for our work or for this report.



### **BDO LLP**

Southampton

United Kingdom

26 November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Bobby's Playhouse Limited

## Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	1,688,535	1,609,442
Cost of sales		(651,479)	(655,991)
<b>Gross profit</b>		<b>1,037,056</b>	<b>953,451</b>
Administrative expenses		(709,024)	(695,914)
<b>Operating profit</b>	5	<b>328,032</b>	<b>257,537</b>
Tax on profit	8	2,997	4,965
<b>Profit for the financial year</b>		<b>331,029</b>	<b>262,502</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>331,029</b>	<b>262,502</b>

The notes on pages 6 to 15 form part of these financial statements.

# Bobby's Playhouse Limited

Registered number:04184819

## Statement of Financial Position As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	9		268,736		345,794
			<u>268,736</u>		<u>345,794</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	10	1,874,675		1,435,010	
Creditors: amounts falling due within one year	11	(163,466)		(141,263)	
<b>Net current assets</b>			<u>1,711,209</u>		<u>1,293,747</u>
<b>Total assets less current liabilities</b>			<u>1,979,945</u>		<u>1,639,541</u>
<b>Provisions for liabilities</b>					
Deferred tax	12		(381)		(3,378)
Other provisions	13		(35,106)		(22,734)
<b>Net assets</b>			<u>1,944,458</u>		<u>1,613,429</u>
<b>Capital and reserves</b>					
Called up share capital	14		2		2
Profit and loss account	15		1,944,456		1,613,427
			<u>1,944,458</u>		<u>1,613,429</u>

The directors consider that the company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on Nov 23, 2020

*Gary Fee*  
Gary Fee (NOV 23, 2020 14:39 GMT)  
**G Fee**  
Director

The notes on pages 6 to 15 form part of these financial statements.

## Bobby's Playhouse Limited

### Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	2	1,613,427	1,613,429
<b>Comprehensive income for the year</b>			
Profit for the year	-	331,029	331,029
<b>Total comprehensive income for the year</b>	-	331,029	331,029
<b>At 31 December 2019</b>	<b>2</b>	<b>1,944,456</b>	<b>1,944,458</b>

### Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	2	1,350,925	1,350,927
<b>Comprehensive income for the year</b>			
Profit for the year	-	262,502	262,502
<b>Total comprehensive income for the year</b>	-	262,502	262,502
<b>At 31 December 2018</b>	<b>2</b>	<b>1,613,427</b>	<b>1,613,429</b>

The notes on pages 6 to 15 form part of these financial statements.



# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

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### 1. General information

Bobby's Playhouse 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 unless otherwise specified within these accounting policies 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 judgement in applying the company's accounting policies (see note 3).

The following principal 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 the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- 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 11.42, 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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BHFS One Limited as at 31 December 2019 and these financial statements may be obtained from The Secretary, 2 Crown Way, Rushden, Northamptonshire, NN10 6BS.

#### 2.3 Going concern

In the light of the coronavirus pandemic and the subsequent lock down in the UK, the directors have reviewed the current financial performance and the liquidity of the business.

The UK group is 100% owned by Bright Horizons Family Solutions Inc., a Company incorporated in the USA and listed on New York Stock Exchange. The parent company has declared its ability and willingness to support the UK business as it continues its recovery from the COVID-19 pandemic, by providing liquidity where required.

The directors, having reviewed current performance and forecasts, and the factors listed above, have a reasonable expectation that the Group has adequate resources to continue its operations for the foreseeable future. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

# **Bobby's Playhouse Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **2. Accounting policies (continued)**

#### **2.4 Revenue**

Turnover represents sales to external customers at invoiced amounts net of discounts less value added tax or local taxes on sales. Revenue is recognised on performance of underlying services which is based on attendance at the company's nurseries.

#### **2.5 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

#### **2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the shorter of 15 years or the remaining term of the lease
Fixtures and fittings	- 14% straight line
Equipment	- 10% - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

# **Bobby's Playhouse Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **2. Accounting policies (continued)**

#### **2.7 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

#### **2.8 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.

#### **2.9 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.

# **Bobby's Playhouse Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **2. Accounting policies (continued)**

#### **2.10 Current and deferred taxation**

The charge for taxation is based on the results for the year and takes into account 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 difference that have originated but not reversed by the Statement of Financial Position date, except that:

Deferred tax balances are not discounted.

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

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

Key assumptions include:

- Determine whether there are indicators of impairment of the company's fixed asset investments and amounts owed by group undertakings. 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.

#### *Discount rates*

The discount rate us a pre-tax adjustment discount rate of 4.72% (2018 - 8%) 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 of 3% and assumptions relevant for the business sector and are based on industry research.

# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 4. Turnover

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

### 5. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	81,865	82,488
Defined contribution pension cost	13,273	11,246

### 6. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
	39	43

### 7. Directors' remuneration

No director received any emoluments during the current year (2018 - £Nil).

There were no directors in the company's defined contribution pension scheme during the year (2018 - £Nil).

Directors' costs are borne by Bright Horizons Family Solutions Limited and Bright Horizons Family Solutions Inc.

### 8. Taxation

	2019 £	2018 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(3,061)	(2,218)
Prior year adjustment	64	(2,747)
<b>Total deferred tax</b>	<b>(2,997)</b>	<b>(4,965)</b>
<b>Taxation on profit on ordinary activities</b>	<b>(2,997)</b>	<b>(4,965)</b>

# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 8. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<b>328,032</b>	262,502
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>62,326</b>	48,932
<b>Effects of:</b>		
Expenses not deductible	<b>5,785</b>	5,826
Adjustments to tax charge in respect of previous periods - deferred tax	<b>64</b>	(2,747)
Adjust closing deferred tax to average rate of 19%	<b>721</b>	369
Adjust opening deferred tax to average rate of 19%	<b>(360)</b>	(108)
Effect of group relief	<b>(71,533)</b>	(57,237)
<b>Total tax charge for the year</b>	<b>(2,997)</b>	(4,965)

#### Factors that may affect future tax charges

The UK corporation tax rate was 19% in the year to 31 December 2019 and this rate has been used for the purposes of preparing the tax disclosures. The tax rate was due to reduce to 17% on 1 April 2020, however, the Government announced in the March 2020 Budget that the rate would remain at 19% and not reduce to 17% as previously expected. As the 19% rate was not substantively enacted until 17 March 2020, the deferred tax balances have been calculated at 17%, this being the rate substantively enacted at the date of the Statement of Financial Position. The impact of the change in rate on deferred tax assets and liabilities will therefore be reflected in the 2020 financial statements.

# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 9. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019 (as previously stated)	522,996	126,043	-	649,039
Prior Year Adjustment	-	(33,938)	33,938	-
At 1 January 2019 (as restated)	522,996	92,105	33,938	649,039
Additions	2,372	1,700	735	4,807
At 31 December 2019	525,368	93,805	34,673	653,846
<b>Depreciation</b>				
At 1 January 2019 (as previously stated)	270,017	33,228	-	303,245
Prior Year Adjustment	-	(7,919)	7,919	-
At 1 January 2019 (as restated)	270,017	25,309	7,919	303,245
Charge for the year on owned assets	63,256	11,692	6,917	81,865
At 31 December 2019	333,273	37,001	14,836	385,110
<b>Net book value</b>				
At 31 December 2019	192,095	56,804	19,837	268,736
At 31 December 2018 (as restated)	252,979	66,796	26,019	345,794

### 10. Debtors

	2019 £	2018 £
Trade debtors	810	-
Amounts owed by group undertakings	1,818,941	1,388,525
Other debtors	-	71
Prepayments and accrued income	54,924	46,414
	<u>1,874,675</u>	<u>1,435,010</u>

All amounts owed by group undertakings are unsecured and not subject to any fixed repayment date. The debt is repayable on demand and therefore classified as due within one year.

# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	9,694	-
Other creditors	9,514	14,250
Accruals and deferred income	144,258	127,013
	<u>163,466</u>	<u>141,263</u>

### 12. Deferred taxation

	2019 £	2018 £
At beginning of year	3,378	8,343
Charged to profit or loss	(2,997)	(4,965)
<b>At end of year</b>	<u>381</u>	<u>3,378</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	518	3,378
Short term timing differences	(137)	-
	<u>381</u>	<u>3,378</u>



# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 13. Provisions

	Dilapidation provision £
At 1 January 2019	22,734
Charged to profit or loss	12,372
<b>At 31 December 2019</b>	<b>35,106</b>

#### Dilapidations provision

As part of the company's property leasing arrangements there is an obligation to repair damages which incur during the life the lease, such as wear and tear. The cost is charged to profit and loss as the obligation arises. The provision is expected to be utilised as the leases terminate.

### 14. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 (2018 - 2) Ordinary shares of £1.00 each	2	2

### 15. 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 or losses net of dividends paid and other adjustments.

### 16. Pension commitments

The company operates a defined contribution pension scheme for the benefit of certain employees. Contributions are charged to the Statement of Comprehensive Income in the period to which they relate. The charge for the year was £13,273 (2018 - £11,246). At the year end contributions of £1,767 was outstanding (2018 - £Nil).

# Bobby's Playhouse Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 17. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	200,904	198,056
Later than 1 year and not later than 5 years	634,036	803,616
Later than 5 years	-	1,088,230
	<u>834,940</u>	<u>2,089,902</u>

### 18. Related party transactions

The company has taken advantage of the exemption available in section 33.1A of FRS 102 not to disclose transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

### 19. Post balance sheet events

In March 2020, the Bright Horizons Group began to experience the impact of the COVID-19 pandemic on its operations in the UK, as required business and school closures government mandates in response to the pandemic resulted in the temporary closure of a significant portion of the Group's child care centres.

At the date of signing the financial statements, the majority of nurseries have re-opened and all open centres are operating with special COVID-19 protocols in place in order to protect the health and safety of the children and staff.

### 20. Ultimate parent company and controlling party

The company's immediate parent undertaking is Asquith Nurseries 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.