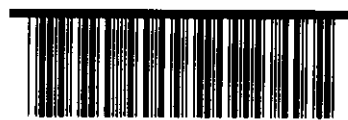


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DAYBREAK NURSERIES LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD
1 DECEMBER 2003 TO 31 JANUARY 2005



DAYBREAK NURSERIES LIMITED

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FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005**

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DAYBREAK NURSERIES LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005**

DIRECTORS: Mrs K J Curtis
Mrs S J Lewis
Mrs S L Dodds

SECRETARY: Mrs S J Lewis

REGISTERED OFFICE: The Town House
3 Park Terrace
Manor Road
Luton
Bedfordshire
LU1 3HN

REGISTERED NUMBER: 4581370 (England and Wales)

ACCOUNTANTS: GKP
Chartered Accountants
The Town House
3 Park Terrace
Manor Road
Luton
Bedfordshire
LU1 3HN

DAYBREAK NURSERIES LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005

The directors present their report with the financial statements of the company for the period 1 December 2003 to 31 January 2005.

COMMENCEMENT OF TRADING

The company commenced trading on 1 April 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the provision of pre-school child care.

DIRECTORS

The directors during the period under review were:

Mrs K J Curtis
Mrs S J Lewis
Mrs S L Dodds

The beneficial interests of the directors holding office on 31 January 2005 in the issued share capital of the company were as follows:

	31.1.05	1.12.03
Ordinary £1 shares		
Mrs K J Curtis	1	1
Mrs S J Lewis	1	1
Mrs S L Dodds	1	1
A Ordinary £1 shares		
Mrs K J Curtis	50	-
Mrs S J Lewis	-	-
Mrs S L Dodds	50	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Mrs K J Curtis - Director

30 September 2005

DAYBREAK NURSERIES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005**

		Period 1.12.03 to 31.1.05 £	Period 5.11.02 to 30.11.03 £
	Notes		
TURNOVER		180,551	-
Cost of sales		(22,444)	-
GROSS PROFIT		158,107	-
Administrative expenses		(310,607)	-
		(152,500)	-
Other operating income		8,000	-
OPERATING LOSS	2	(144,500)	-
Interest payable and similar charges		(3,000)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(147,500)	-
Tax on loss on ordinary activities	3	-	-
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		(147,500)	-
DEFICIT CARRIED FORWARD		£(147,500)	-

The notes form part of these financial statements

DAYBREAK NURSERIES LIMITED**BALANCE SHEET
31 JANUARY 2005**

	Notes	2005 £	2003 £
FIXED ASSETS:			
Tangible assets	4	124,322	-
CURRENT ASSETS:			
Debtors	5	22,275	-
Cash in hand		-	3
		<u>22,275</u>	<u>3</u>
CREDITORS: Amounts falling due within one year	6	(293,994)	-
NET CURRENT (LIABILITIES)/ASSETS:		<u>(271,719)</u>	<u>3</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£(147,397)</u>	<u>£3</u>
CAPITAL AND RESERVES:			
Called up share capital	7	103	3
Profit and loss account		(147,500)	-
SHAREHOLDERS' FUNDS:		<u>£(147,397)</u>	<u>£3</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 January 2005.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 January 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

Mrs K J Curtis - Director

Approved by the Board on 30 September 2005

The notes form part of these financial statements

DAYBREAK NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over the term of the lease
Fixtures fittings & equipment	- 20% on reducing balance
Computer equipment	- 33% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING LOSS

The operating loss is stated after charging:

	Period 1.12.03 to 31.1.05 £	Period 5.11.02 to 30.11.03 £
Depreciation - owned assets	<u>20,228</u>	<u>-</u>
Directors' emoluments and other benefits etc	<u>7,900</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period ended 31 January 2005 nor for the period ended 30 November 2003.

DAYBREAK NURSERIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005**

4. TANGIBLE FIXED ASSETS

	Improvements to property	Fixtures fittings & equipment	Computer equipment	Totals
	£	£	£	£
COST:				
Additions	95,489	43,259	5,802	144,550
At 31 January 2005	95,489	43,259	5,802	144,550
DEPRECIATION:				
Charge for period	12,289	6,489	1,450	20,228
At 31 January 2005	12,289	6,489	1,450	20,228
NET BOOK VALUE:				
At 31 January 2005	83,200	36,770	4,352	124,322

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2005 £	2003 £
Prepayments	22,275	-

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2005 £	2003 £
Bank loans and overdrafts	117,791	-
Directors' current accounts	163,782	-
Social security & other taxes	5,498	-
Accrued expenses	6,923	-
	293,994	-

DAYBREAK NURSERIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 DECEMBER 2003 TO 31 JANUARY 2005**

7. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2005	2003
Number:	Class:		£	£
1,000	Ordinary	£1	1,000	1,000
1,000	A Ordinary	£1	1,000	-
			<u>2,000</u>	<u>1,000</u>

Allotted, issued and fully paid:		Nominal value:	2005	2003
Number:	Class:		£	£
3	Ordinary	£1	3	3
100	A Ordinary	£1	100	-
			<u>103</u>	<u>3</u>

The following shares were allotted and fully paid for cash at par during the period:

100 A Ordinary shares of £1 each

DAYBREAK NURSERIES LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
DAYBREAK NURSERIES LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 January 2005 set out on pages three to seven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

GKP

GKP
Chartered Accountants
The Town House
3 Park Terrace
Manor Road
Luton
Bedfordshire
LU1 3HN

30 September 2005

This page does not form part of the statutory financial statements
