

Company Registration No. 05065959 (England and Wales)

CERES NURSERY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2018

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**Abbey House
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CERES NURSERY LIMITED

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CERES NURSERY LIMITED

COMPANY INFORMATION

Director	Mr R. Shannon
Company number	05065959
Registered office	The Old Post Office Antlands Lane East Shipley Bridge Horley Surrey RH6 9TE
Auditor	TC Group Abbey House Hickleys Court South Street Farnham Surrey GU9 7QQ

CERES NURSERY LIMITED

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		4,217,689		1,157,425
Current assets					
Debtors	4	702,262		1,855,689	
Cash at bank and in hand		250,752		189,128	
		953,014		2,044,817	
Creditors: amounts falling due within one year	5	(2,738,458)		(1,717,137)	
Net current (liabilities)/assets			(1,785,444)		327,680
Total assets less current liabilities			2,432,245		1,485,105
Provisions for liabilities	6		(24,378)		(27,033)
Net assets			2,407,867		1,458,072
Capital and reserves					
Called up share capital	7		80		80
Capital redemption reserve			20		20
Profit and loss reserves			2,407,767		1,457,972
Total equity			2,407,867		1,458,072

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

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 and signed by the director and authorised for issue on 26/06/19

.....
Mr R. Shannon
Director

Company Registration No. 05065959

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company Information

Ceres Nursery Limited (05065959) is a private company limited by shares incorporated in England and Wales. The registered office is The Old Post Office, Antlands Lane East, Shipley Bridge, Horley, Surrey, United Kingdom, RH6 9TE.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

The turnover shown in the profit and loss account represents amounts receivable for services provided in the normal course of business during the year.

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:

Freehold property	- 50 years straight line
Long leasehold and improvements	- 25 years straight line
Nursery and office equipment	- 15% and 25% reducing balance
Furniture and fittings	- 15% and 25% 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.

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Cash and cash equivalents

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, amounts owed by group undertakings 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 and loans from fellow group companies 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.

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.8 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction 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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

The company operates a defined contribution pension scheme, the assets of which are held in a separate company. Contributions made are charged to the profit and loss account at the time they are payable.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

1.13 Finance costs

Finance costs in respect of bank loans are accounted for as prepayments, which are then amortised over the term of the bank loan.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 49 (2017 - 48).

3 Tangible fixed assets

	Freehold property	Long leasehold and improvements	Furniture and fittings	Nursery and office equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2017	-	1,402,750	80,602	121,269	1,604,621
Additions	3,158,100	3,300	-	3,843	3,165,243
At 30 June 2018	3,158,100	1,406,050	80,602	125,112	4,769,864
Depreciation and impairment					
At 1 July 2017	-	311,544	42,677	92,975	447,196
Depreciation charged in the year	31,870	55,953	9,481	7,675	104,979
At 30 June 2018	31,870	367,497	52,158	100,650	552,175
Carrying amount					
At 30 June 2018	3,126,230	1,038,553	28,444	24,462	4,217,689
At 30 June 2017	-	1,091,206	37,925	28,294	1,157,425

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	49,900	9,682
Amounts owed by group undertakings	589,840	1,802,968
Prepayments and accrued income	62,522	43,039
	<u>702,262</u>	<u>1,855,689</u>

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	29,624	3,947
Amounts owed to group undertakings	2,382,782	1,081,947
Corporation tax	224,615	101,763
Other taxation and social security	10,926	11,981
Other creditors	47,724	59,808
Accruals and deferred income	42,787	457,691
	<u>2,738,458</u>	<u>1,717,137</u>

6 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2018	2017
	£	£
Balances:		
Accelerated capital allowances	<u>24,378</u>	<u>27,033</u>
Movements in the year:		2018
		£
Liability at 1 July 2017		27,033
Credit to profit or loss		(2,655)
Liability at 30 June 2018		<u>24,378</u>

CERES NURSERY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2018****7 Called up share capital**

	2018	2017
	£	£
Ordinary share capital Issued and fully paid 80 Ordinary shares at £1 each	80	80

8 Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 33.1A, whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

9 Financial commitments, guarantees and contingent liabilities

During the year, the Group secured an increased loan facility which provides finance up to £17,975,000 (2017 - £15,050,000) which terminates in August 2020. At the year end £17,975,000 of this facility had been drawn down. The bank loans are secured by a Group cross guarantee, and a first charge over the properties owned by the Group. In respect of borrowings Santander Corporate Bank hold a legal charge over all the properties owned by the Group. It also holds a cross guarantee and debentures between the Group companies. The loan is subject to quarterly capital repayments, and interest is charged at 2.5%.

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
Total commitments for future minimum lease payments	93,333	1,737,021

11 Parent company

The company's immediate parent undertaking is Childcare and Learning (Holdings) Limited.

The smallest and largest group of which the company is a member and for which consolidated accounts are prepared is Childcare and Learning (Holdings) Limited. Copies of the consolidated accounts of Childcare and Learning (Holdings) Limited can be obtained from the company's registered office. The Old Post Office, Antlands Lane, Shipley Bridge, Horley, Surrey, RH6 9TE.

The ultimate parent undertaking is Childcare and Learning (Hong Kong) Limited, a company incorporated in Hong Kong. The ultimate controlling party is considered to be Mr R. Shannon.

CERES NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Helen Kay BA FCA.

The auditor was TC Group.

TC Group
26 June 2019