

Company Registration No. 05102093 (England and Wales)

**LITTLE OWLS NURSERY LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**  
**PAGES FOR FILING WITH REGISTRAR**

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**LITTLE OWLS NURSERY LIMITED**

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# LITTLE OWLS NURSERY LIMITED

## BALANCE SHEET

AS AT 31 JULY 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	3		80,556		91,829
<b>Current assets</b>					
Debtors	4	215,807		157,757	
Cash at bank and in hand		238,016		109,928	
		<u>453,823</u>		<u>267,685</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(135,800)</u>		<u>(102,455)</u>	
<b>Net current assets</b>			318,023		165,230
<b>Total assets less current liabilities</b>			<u>398,579</u>		<u>257,059</u>
<b>Provisions for liabilities</b>			<u>(12,700)</u>		<u>(14,900)</u>
<b>Net assets</b>			<u><u>385,879</u></u>		<u><u>242,159</u></u>
<b>Capital and reserves</b>					
Called up share capital	6	100,000		100,000	
Profit and loss reserves		285,879		142,159	
<b>Total equity</b>			<u><u>385,879</u></u>		<u><u>242,159</u></u>

## **LITTLE OWLS NURSERY LIMITED**

### **BALANCE SHEET (CONTINUED)**

**AS AT 31 JULY 2018**

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

For the financial year ended 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 12 April 2019

M Ashraf  
**Director**

**Company Registration No. 05102093**

# **LITTLE OWLS NURSERY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2018**

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### **1 Accounting policies**

#### **Company information**

Little Owls Nursery Limited is a private company limited by shares incorporated in England and Wales. The registered office is Century House, Well Lane, Danbury, Chelmsford, CM3 4AB.

#### **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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover represents amounts receivable for services net of trade discounts.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### **1.3 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:

Improvement to property	10 year straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	15% 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.

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

# LITTLE OWLS NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Cash at bank and in hand

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.

#### 1.6 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 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, bank loans, loans from fellow group companies and preference shares 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 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.

# **LITTLE OWLS NURSERY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.8 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# LITTLE OWLS NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 37 (2017 - 33).

### 3 Tangible fixed assets

	Improvement to property	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 August 2017	154,064	123,816	277,880
Additions	-	5,753	5,753
At 31 July 2018	154,064	129,569	283,633
<b>Depreciation and impairment</b>			
At 1 August 2017	93,723	92,329	186,052
Depreciation charged in the year	8,140	8,885	17,025
At 31 July 2018	101,863	101,214	203,077
<b>Carrying amount</b>			
At 31 July 2018	52,201	28,355	80,556
At 31 July 2017	60,341	31,488	91,829

### 4 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	201	291
Amounts owed by group undertakings	178,855	141,941
Other debtors	36,751	15,525
	215,807	157,757

# LITTLE OWLS NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

### 5 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	40,211	30,127
Corporation tax	44,282	26,790
Other taxation and social security	5,035	(3,527)
Other creditors	46,272	49,065
	<u>135,800</u>	<u>102,455</u>

The company's liabilities are secured by two fixed and floating charges and negative pledges over all assets of the company, to the benefit of National Westminster Bank Plc, both created on 5 November 2014.

### 6 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

### 7 Operating lease commitments

#### Lessee

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

	2018 £	2017 £
	414,400	481,600
	<u>414,400</u>	<u>481,600</u>

### 8 Related party transactions

The balance due at the year end, from Little Giants Nursery Limited, the parent company, is £178,855 (2017: £141,941).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.