

Registration number: 05577071

PREPARED FOR THE REGISTRAR
CHILD'S TIME LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

Hazlewoods LLP
Windsor House
Bayshill Road
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GL50 3AT



CHILD'S TIME LTD

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CHILD'S TIME LTD

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | E Burgess W R Thresher |
| Registered office | Suite 3 Wentworth Lodge Great North Road Welwyn Garden City Hertfordshire AL8 7SR |
| Accountants | Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT |

CHILD'S TIME LTD**(REGISTRATION NUMBER: 05577071)
BALANCE SHEET AS AT 30 SEPTEMBER 2022**

| | Note | 30 September 2022 £ | 30 November 2021 £ |
|---|------|---------------------------|--------------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 22,683 | 26,686 |
| Tangible assets | 5 | - | 1,646,392 |
| | | <u>22,683</u> | <u>1,673,078</u> |
| Current assets | | | |
| Stocks | | - | 4,000 |
| Debtors: Amounts falling due within one year | 6 | - | 39,509 |
| Debtors: Amounts falling due after more than one year | 6 | 110,388 | - |
| Cash at bank and in hand | | <u>197,576</u> | <u>402,024</u> |
| | | 307,964 | 445,533 |
| Creditors: Amounts falling due within one year | 7 | - | (445,818) |
| Net current assets/(liabilities) | | <u>307,964</u> | <u>(285)</u> |
| Total assets less current liabilities | | 330,647 | 1,672,793 |
| Creditors: Amounts falling due after more than one year | 7 | - | (837,785) |
| Deferred tax liabilities | | - | (142,460) |
| Net assets | | <u>330,647</u> | <u>692,548</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 5 | 150,005 |
| Share premium reserve | | - | 124,999 |
| Profit and loss account | | <u>330,642</u> | <u>417,544</u> |
| Shareholders' funds | | <u>330,647</u> | <u>692,548</u> |

For the financial period ending 30 September 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

29/2/2024

Approved and authorised by the Board on and signed on its behalf by:

Warwick Thresher

WR Thresher
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

CHILD'S TIME LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Suite 3
Wentworth Lodge
Great North Road
Welwyn Garden City
Hertfordshire
AL8 7SR

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of LGDN Topco Limited.

The financial statements of LGDN Topco Limited may be obtained from Companies House.

Disclosure of long or short period

The financial statements cover a period of 273 days. The accounting period has been shortened to bring the year end in line with that of its ultimate parent undertaking, LGDN Topco Limited.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of discounts. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

CHILD'S TIME LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|------------------------|------------------------------|
| Leasehold improvements | Over the period of the lease |
| Fixtures and fittings | 10%-20% straight line |
| Computer equipment | 20%-33% straight line |

Following the acquisition in the period, the company adopted group policies from the date of acquisition.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|-------------|------------------------------|
| Goodwill | 10% straight line |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

CHILD'S TIME LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

CHILD'S TIME LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

CHILD'S TIME LTD**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022****3 Staff numbers**

The average number of persons employed by the company (including directors) during the period, was as follows:

| | 1 December 2021 to 30 September 2022 No. | Year ended 30 November 2021 No. |
|-----------------------------|---|--|
| Average number of employees | <u>77</u> | <u>97</u> |

4 Intangible assets

| | Goodwill £ |
|---|-----------------------|
| Cost | |
| At 1 December 2021 and at 30 September 2022 | <u>248,589</u> |
| Amortisation | |
| At 1 December 2021 | 221,903 |
| Amortisation charge | <u>4,003</u> |
| At 30 September 2022 | <u>225,906</u> |
| Carrying amount | |
| At 30 September 2022 | <u>22,683</u> |
| At 30 November 2021 | <u>26,686</u> |

5 Tangible assets

| | Land and buildings £ | Furniture, fittings and equipment £ | Total £ |
|----------------------------------|-------------------------------------|--|--------------------|
| Cost | | | |
| At 1 December 2021 | 1,674,338 | 440,625 | 2,114,963 |
| Additions | 193,587 | 184,318 | 377,905 |
| Disposals | (1,456,836) | - | (1,456,836) |
| Transferred to group undertaking | <u>(411,089)</u> | <u>(624,943)</u> | <u>(1,036,032)</u> |
| At 30 September 2022 | <u>-</u> | <u>-</u> | <u>-</u> |
| Depreciation | | | |
| At 1 December 2021 | 205,522 | 263,049 | 468,571 |
| Charge for the period | 23,037 | 25,180 | 48,217 |
| Transferred to group undertaking | <u>(228,559)</u> | <u>(288,229)</u> | <u>(516,788)</u> |
| At 30 September 2022 | <u>-</u> | <u>-</u> | <u>-</u> |
| Carrying amount | | | |
| At 30 September 2022 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 30 November 2021 | <u>1,468,816</u> | <u>177,576</u> | <u>1,646,392</u> |

On 30 September 2022, all of the fixed assets were transferred to Little Garden Day Nurseries Limited as part of a hive up of the company's net assets carried out.

CHILD'S TIME LTD**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022****6 Debtors**

| | 30 September 2022 £ | 30 November 2021 £ |
|---------------------------------------|------------------------------------|-----------------------------------|
| Trade debtors | - | (19,194) |
| Other debtors | - | 31,985 |
| Prepayments | - | 26,718 |
| Amounts owed by group undertakings | <u>110,388</u> | <u>-</u> |
| | 110,388 | 39,509 |
| Less non-current portion | <u>(110,388)</u> | <u>-</u> |
| Total current trade and other debtors | <u>-</u> | <u>39,509</u> |

Details of non-current trade and other debtors

£110,388 (30 November 2021 - £Nil) of amounts owed by group undertakings is classified as non current.

7 Creditors

| | Note | 30 September 2022 £ | 30 November 2021 £ |
|----------------------------|-------------|------------------------------------|-----------------------------------|
| Due within one year | | | |
| Loans and borrowings | 8 | - | 151,290 |
| Trade creditors | | - | 137,497 |
| Other creditors | | - | 102,981 |
| Accrued expenses | | - | 29,305 |
| Corporation tax liability | | - | 24,745 |
| | | <u>-</u> | <u>445,818</u> |
| Due after one year | | | |
| Loans and borrowings | 8 | <u>-</u> | <u>837,785</u> |

8 Loans and borrowings

| | 30 September 2022 £ | 30 November 2021 £ |
|---|------------------------------------|-----------------------------------|
| Current loans and borrowings | | |
| Bank borrowings | <u>-</u> | <u>151,290</u> |
| | | |
| | 30 September 2022 £ | 30 November 2021 £ |
| Non-current loans and borrowings | | |
| Bank borrowings | <u>-</u> | <u>837,785</u> |

CHILD'S TIME LTD**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022****9 Share capital****Allotted, called up and fully paid shares**

| | 30 September 2022 | £ | 30 November 2021 | £ |
|--------------------------------------|-------------------|----------|------------------|----------------|
| | No. | | No. | |
| Ordinary A shares of £1 each | - | - | 2 | 2 |
| Ordinary B shares of £1 each | - | - | 2 | 2 |
| Ordinary C shares of £1 each | - | - | 1 | 1 |
| Preference shares of £1 each | - | - | 150,000 | 150,000 |
| Ordinary A1 shares of £0.000001 each | 257,576 | 0.26 | - | - |
| Ordinary A2 shares of £0.000001 each | 1,742,424 | 1.74 | - | - |
| Ordinary B1 shares of £0.000001 each | 257,576 | 0.26 | - | - |
| Ordinary B2 shares of £0.000001 each | 1,742,424 | 1.74 | - | - |
| Ordinary C1 shares of £0.000001 each | 128,787 | 0.13 | - | - |
| Ordinary C2 shares of £0.000001 each | 871,213 | 0.87 | - | - |
| | <u>5,000,000</u> | <u>5</u> | <u>150,005</u> | <u>150,005</u> |

On 27 May 2022, the directors reduced the share capital of the company by cancelling all Preference shares of £1 each.

On 8 June 2022, the 2 Ordinary A shares of £1 each were subdivided into 2,000,000 Ordinary A shares of £0.000001 each, the 2 Ordinary B shares of £1 each were subdivided into 2,000,000 Ordinary B shares of £0.000001 each and the 1 Ordinary C share of £1 was subdivided into 1,000,000 Ordinary C shares of £0.000001 each.

On the same date, the 2,000,000 Ordinary A shares of £0.000001 each were redesignated as 257,576 Ordinary A1 shares of £0.000001 each and 1,742,424 Ordinary A2 shares of £0.000001 each, the 2,000,000 Ordinary B shares of £0.000001 each were redesignated as 257,576 Ordinary B1 shares of £0.000001 each and 1,742,424 Ordinary B2 shares of £0.000001 each and the 1,000,000 Ordinary C shares of £0.000001 each were redesignated as 128,787 Ordinary C1 shares of £0.000001 each and 871,213 Ordinary C2 shares of £0.000001 each.

Rights, preferences and restrictions

The different classes of share referred to above carry separate rights to dividends but, in all other significant respects, rank *pari passu*.

10 Pension and other schemes**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £20,092 (2021 - £184,389).

11 Financial commitments, guarantees and contingencies**Amounts not provided for in the balance sheet**

The total amount of financial commitments not included in the balance sheet is £3,525,000 (2021 - £Nil).

CHILD'S TIME LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 DECEMBER 2021 TO 30 SEPTEMBER 2022

12 Parent and ultimate parent undertaking

The company's immediate parent is Child's Time Holdings Limited, incorporated in England and Wales.

Between 1 September 2022 and 30 November 2022, the ultimate parent was LGDN Topco Limited, incorporated in England and Wales. The ultimate controlling party was August Equity Partners IV General Partner LLP.

Since 1 December 2022, the ultimate parent is Family First Topco Limited, incorporated in England and Wales.

The ultimate controlling party is August Equity Partners V General Partners LLP.

13 Disclosure under Section 444(5B) CA 2006

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. These accounts are unaudited.