

Company registration number 07112004 (England and Wales)

SILVER CROSS NURSERIES LIMITED

Financial Statements

For The Year Ended 31 December 2021

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SILVER CROSS NURSERIES LIMITED

COMPANY INFORMATION

Directors	Mr C A Walsh Mr N J Paxton Mr W Zhang Mr X Zhang
Secretary	Mr C A Walsh
Company number	07112004
Registered office	Micklethorn Broughton Skipton BD23 3JA
Auditor	Azets Audit Services Limited 33 Park Place Leeds LS1 2RY

SILVER CROSS NURSERIES LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

SILVER CROSS NURSERIES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £000	£000	2020 £000	£000
Fixed assets					
Investments	4		7,117		9,051
Current assets					
Debtors	6	5,358		3,253	
Creditors: amounts falling due within one year	7	(8,124)		(5,938)	
Net current liabilities			(2,766)		(2,685)
Net assets			4,351		6,366
Capital and reserves					
Called up share capital			1		1
Share premium account			6,999		6,999
Other reserves			26		26
Profit and loss reserves			(2,675)		(660)
Total equity			4,351		6,366

The directors of the company have 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 by the board of directors and authorised for issue on 2 September 2022 and are signed on its behalf by:

Mr C A Walsh
Director

Company Registration No. 07112004

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Silver Cross Nurseries Limited is a private company limited by shares incorporated in England and Wales. The registered office is Micklethorn, Broughton, Skipton, BD23 3JA.

1.1 Accounting convention

These financial statements have been prepared in accordance with "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 £1,000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Fosun International Limited as at 31 December 2021. These consolidated financial statements are available from www.fosun.com.

1.2 Going concern

To assess the appropriateness of the preparation of the accounts on a going concern basis, a range of financial forecasts have been prepared to model hypothetical scenarios reflecting material deterioration in demand, or ability to meet demand, amongst other factors. The latest cash, bank facilities and working capital position are also factored into the assessment. Additionally, a letter of support has been obtained from the ultimate parent (Fosun International Holdings Limited) which assures intercompany loans will not be repayable on demand if there is a deterioration in trading and performance. Based on this assessment, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for the foreseeable future.

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 Cash and cash equivalents

Cash and cash equivalents 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.

1.5 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.

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 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.

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

There were no persons other than directors (2020 - nil) employed by the company during the year.

4 Fixed asset investments

	2021 £000	2020 £000
Other investments other than loans	7,117	9,051

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Fixed asset investments (Continued)

Movements in fixed asset investments

	Investments £000
Cost or valuation	
At 1 January 2021 & 31 December 2021	9,051
Impairment	
At 1 January 2021	-
Impairment losses	1,934
At 31 December 2021	1,934
Carrying amount	
At 31 December 2021	7,117
At 31 December 2020	9,051

During the year, Silver Cross Nurseries Limited 100% subsidiary (Silver Cross (China) Trading Limited) issued new shares to Fosun International Limited. Consequently, this has resulted in a dilution of the shareholding from a 100% fully owned shareholding to a shareholding of 50% in Silver Cross (China) Trading Limited. Consequently, this has resulted in an impairment loss in the investment for the company. Upon the completion of the share issue, years of losses which have impaired the investment were recognised, creating an impairment loss in Silver Cross Nurseries Limited in 2021.

5 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Silver Cross (UK) Limited	UK	Manufacture of prams and related nursery products	Ordinary	100.00	-
Silver Cross (Pacific) Limited	Hong Kong	Manufacture of prams and related nursery products	Ordinary	100.00	-
Silver Cross (IP) Limited	UK	Owner of intellectual property	Ordinary	100.00	-
Micralite (Holdings) Limited	UK	Holding company	Ordinary	100.00	-
Micralite Limited	UK	Manufacture of prams and related nursery products	Ordinary	0	100.00
Micralite (IP) Limited	UK	Dormant	Ordinary	0	100.00

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Debtors	2021	2020
	£000	£000
Amounts falling due within one year:		
Trade debtors	1	-
Amounts owed by group undertakings	5,357	3,253
	<u>5,358</u>	<u>3,253</u>
	<u><u>5,358</u></u>	<u><u>3,253</u></u>
 7 Creditors: amounts falling due within one year	 2021	 2020
	£000	£000
Amounts owed to group undertakings	8,106	5,938
Other creditors	18	-
	<u>8,124</u>	<u>5,938</u>
	<u><u>8,124</u></u>	<u><u>5,938</u></u>

Amounts owed to group undertakings are interest free and repayable on demand.

SILVER CROSS NURSERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

8 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 Chris Butt and the auditor was Azets Audit Services Limited.

9 Parent company

The company is a wholly owned subsidiary of Plata Cross (UK) Limited, a company registered in the United Kingdom, which itself is an indirect subsidiary of Fosun International Limited, a company registered in Hong Kong. The principal place of business of Fosun International Limited is, Tower S1, Bund Finance Centre, 600 Zhongshan No. 2 Road (E), Shanghai China.

The ultimate parent undertaking of the group for which consolidated financial statements are drawn up is Fosun International Limited. Fosun International Limited is deemed to be the controlling party. Copies of the group financial statements can be obtained from ww.fosun.com.

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.