

Brabyns Preparatory School Limited

Financial Statements

For Filing with Registrar

For the year ended 31 August 2020

Company Registration No. 07752182 (England and Wales)

Brabyns Preparatory School Limited

Company Information

Directors	Mark Malley Steven Wade
Company number	07752182
Registered office	Weston Green School Weston Green Road Thames Ditton Surrey KT7 0JN
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Brabyns Preparatory School Limited

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Brabyns Preparatory School Limited

Balance Sheet

As at 31 August 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	3		28,277		30,810
Tangible assets	4		740,010		751,214
			<u>768,287</u>		<u>782,024</u>
Current assets					
Debtors	5	272,031		62,272	
Cash at bank and in hand		92,649		263,355	
		<u>364,680</u>		<u>325,627</u>	
Creditors: amounts falling due within one year	6	(944,006)		(937,480)	
Net current liabilities			<u>(579,326)</u>		<u>(611,853)</u>
Total assets less current liabilities			188,961		170,171
Provisions for liabilities			<u>(14,450)</u>		<u>(879)</u>
Net assets			<u>174,511</u>		<u>169,292</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			174,411		169,192
Total equity			<u>174,511</u>		<u>169,292</u>

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 16 April 2021 and are signed on its behalf by:

Mark Malley
Director

Company Registration No. 07752182

Brabyns Preparatory School Limited

Notes to the Financial Statements

For the year ended 31 August 2020

1 Accounting policies

Company information

Brabyns Preparatory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is Weston Green School, Weston Green Road, Thames Ditton, Surrey, KT7 0JN.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of 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 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 pound.

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

1.2 Going concern

The company has net current liabilities on its balance sheet of £579,326 and net assets of £174,511. The parent company, Bellevue Education Group Limited, has confirmed it will continue to provide financial support as required.

The directors have considered the company's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the impact of the COVID-19 pandemic which occurred before these financial statements were approved. After making enquiries the directors have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these accounts have been prepared on the going concern basis.

1.3 Turnover

Turnover represents the value of fees charged for educational and other related services delivered to pupils of the school in the accounting year, net of discounts.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years. This term is chosen because the investment is in a durable asset, i.e. school land and buildings, and that we expect the market for the school to continue, at least, for that period of time.

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

1 Accounting policies

(Continued)

1.5 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:

Long leasehold buildings	50 years
Buildings improvements	10 years
Motor vehicles	5 years
IT equipment	3 years

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.

1.6 Impairment of fixed assets

At each reporting 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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.

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

1 Accounting policies

(Continued)

1.8 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.

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.

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 trade and other payables, bank loans and loans from fellow group companies, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

Tax losses are transferred between companies within the group at no charge.

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

1 Accounting policies

(Continued)

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 provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted. If there are tax losses that cannot be recovered by group relief with other Bellevue Group subsidiary undertakings, and which the Directors consider will be recovered against the Company's future profits an appropriate deferred tax asset will be created.

1.11 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.

1.12 Retirement benefits

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

1.13 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 30 (2019: 35).

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 September 2019 and 31 August 2020	50,668
Amortisation and impairment	
At 1 September 2019	19,858
Amortisation charged for the year	2,533
At 31 August 2020	22,391
Carrying amount	
At 31 August 2020	28,277
At 31 August 2019	30,810

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 September 2019	857,876	108,071	965,947
Additions	1,081	16,871	17,952
At 31 August 2020	858,957	124,942	983,899
Depreciation and impairment			
At 1 September 2019	128,402	86,331	214,733
Depreciation charged in the year	18,634	10,522	29,156
At 31 August 2020	147,036	96,853	243,889
Carrying amount			
At 31 August 2020	711,921	28,089	740,010
At 31 August 2019	729,474	21,740	751,214

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	55,029	57,791
Bad debt provision	(19,818)	(14,905)
Amounts due from group undertakings	186,084	-
Other debtors	50,736	19,386
	<u>272,031</u>	<u>62,272</u>

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	12,950	10,864
Amounts due to group undertakings	721,111	729,601
Other taxation and social security	48,922	13,529
Other creditors	161,023	183,486
	<u>944,006</u>	<u>937,480</u>

7 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

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 Shivani Kothari.
The auditor was Moore Kingston Smith LLP.

9 Financial commitments, guarantees and contingent liabilities

Certain assets and property are secured by a legal fixed charge under the external group funding arrangements.

Brabyns Preparatory School Limited

Notes to the Financial Statements (Continued)

For the year ended 31 August 2020

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:

	2020 £	2019 £
Within one year	2,288	3,492
Between two and five years	824	3,112
	<u>3,112</u>	<u>6,604</u>

11 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 102 section 33.1A from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

12 Parent company

The immediate parent undertaking is Bellevue Education Group Limited, a company incorporated in England and Wales.

The intermediate parent undertaking of Brabyns Preparatory School Limited is GEMS Beta Holdco Limited, a company incorporated in England and Wales. GEMS Beta Holdco Limited is the smallest group for which consolidated financial statements are prepared and these financial statements are included in those consolidated financial statements. These are available from Botanic House, 100 Hills Road, Cambridge, England, CB2 1PH.

The ultimate parent undertaking of GEMS Beta Holdco Limited is Varkey Group Limited, a company incorporated in British Virgin Islands.

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.