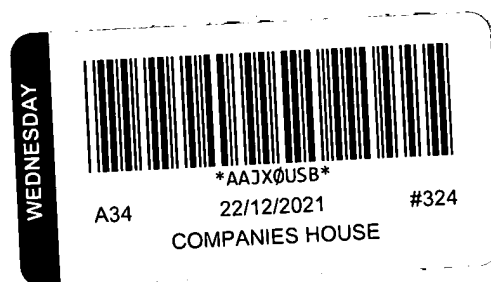


Company Registration No. 09291609 (England and Wales)

BRIGHT LITTLE STARS WATFORD LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
PAGES FOR FILING WITH REGISTRAR



BRIGHT LITTLE STARS WATFORD LTD

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BRIGHT LITTLE STARS WATFORD LTD

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	6		2,449,256		2,489,078
Current assets					
Debtors	7	546,074		421,547	
Cash at bank and in hand		80,542		36,346	
		<u>626,616</u>		<u>457,893</u>	
Creditors: amounts falling due within one year	8	<u>(276,233)</u>		<u>(136,800)</u>	
Net current assets			<u>350,383</u>		<u>321,093</u>
Total assets less current liabilities			<u>2,799,639</u>		<u>2,810,171</u>
Creditors: amounts falling due after more than one year	9		(1,102,498)		(1,281,265)
Provisions for liabilities			<u>(240,870)</u>		<u>(242,212)</u>
Net assets			<u><u>1,456,271</u></u>		<u><u>1,286,694</u></u>
Capital and reserves					
Called up share capital	11		20		20
Revaluation reserve			956,944		970,693
Profit and loss reserves			<u>499,307</u>		<u>315,981</u>
Total equity			<u><u>1,456,271</u></u>		<u><u>1,286,694</u></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 25 November 2021 and are signed on its behalf by:



Mr A Devani
Director

Company Registration No. 09291609

BRIGHT LITTLE STARS WATFORD LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2019	20	985,650	184,300	1,169,970
Year ended 30 June 2020:				
Profit for the year	-	-	115,489	115,489
Other comprehensive income:				
Tax relating to other comprehensive income	-	1,235	-	1,235
Total comprehensive income for the year	-	1,235	115,489	116,724
Transfers	-	(16,192)	16,192	-
Balance at 30 June 2020	20	970,693	315,981	1,286,694
Year ended 30 June 2021:				
Profit and total comprehensive income for the year	-	-	169,577	169,577
Transfers	-	(13,749)	13,749	-
Balance at 30 June 2021	20	956,944	499,307	1,456,271

BRIGHT LITTLE STARS WATFORD LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	15	211,494		145,807	
Interest paid		(27,608)		(36,362)	
Income taxes paid		(17,333)		(15,900)	
Net cash inflow from operating activities		166,553		93,545	
Investing activities					
Purchase of tangible fixed assets		(8,016)		(13,775)	
Net cash used in investing activities		(8,016)		(13,775)	
Financing activities					
Repayment of bank loans		(114,341)		(127,803)	
Net cash used in financing activities		(114,341)		(127,803)	
Net increase/(decrease) in cash and cash equivalents		44,196		(48,033)	
Cash and cash equivalents at beginning of year		36,346		84,379	
Cash and cash equivalents at end of year		80,542		36,346	

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Bright Little Stars Watford Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 80 Sheepcote Lane, Watford, Hertfordshire, WD25 0EA.

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 Going concern

The company is financed by equity and banking facilities. The company is therefore dependent upon its bankers for continued financial support.

As at the year end the company has net current assets of £350,383 (2020: £321,093) and shareholders funds of £1,456,271 (2020: £1,286,694).

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. For this basis they have reviewed the financial and cash flow projections for the next 12 months from the date of the approval of the financial statements.

The company's banks will continue to provide financial support as required and thus the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

1.3 Turnover

Income represents the value, net of value added tax and discounts, of the following streams:

- Government funding, which is recognised as income when the company becomes entitled to the fund.
- Contract services, including nursery fees and child care vouchers are recognised as income when the service is provided.

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:

Land and buildings Freehold	2% on Building Cost
Plant and machinery	7% on Reducing balance

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

1.5 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.

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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

1.7 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 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.

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

1.8 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 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.

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

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.

We have exercised judgement in evaluating the impact of COVID-19 on the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful lives of property, plant and equipment

Management reviews the useful lives and residual values of the items of property, plant and equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

3 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	3,600	3,720
	<u> </u>	<u> </u>

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

4 Employees

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

	2021 Number	2020 Number
Total	41	41

5 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	-	17,333
Deferred tax		
Origination and reversal of timing differences	(1,342)	4,753
Total tax (credit)/charge	(1,342)	22,086

In addition to the amount (credited)/charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2021 £	2020 £
Deferred tax arising on:		
Revaluation of property	-	(1,235)

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2020	2,346,091	409,447	2,755,538
Additions	-	8,016	8,016
At 30 June 2021	2,346,091	417,463	2,763,554
Depreciation and impairment			
At 1 July 2020	130,208	136,252	266,460
Depreciation charged in the year	28,153	19,685	47,838
At 30 June 2021	158,361	155,937	314,298
Carrying amount			
At 30 June 2021	2,187,730	261,526	2,449,256
At 30 June 2020	2,215,883	273,195	2,489,078

The freehold land and buildings (including plant & Machinery) was revalued at fair value on 11 January 2018 by Copping Joyce Surveyors Limited at £2,570,000.

7 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	46,074	-
Amounts owed by group undertakings	500,000	400,000
Other debtors	-	21,547
	546,074	421,547

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans	171,295	100,032
Corporation tax	-	17,333
Other creditors	104,938	19,435
	276,233	136,800

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

9 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans	1,064,107	1,249,711
Other creditors	38,391	31,554
	<u>1,102,498</u>	<u>1,281,265</u>

The loans are secured by a first charge over the freehold property, 80 Sheepcot Lane, Watford, WD25 0EA and by the cross guarantee and debenture between Bright Little Stars Limited and Bright Little Stars Watford Limited. The loans are subject to monthly repayments and commercial rates of interest.

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated capital allowances	45,703	47,045
Revaluations	195,167	195,167
	<u>240,870</u>	<u>242,212</u>
Movements in the year:		2021 £
Liability at 1 July 2020		242,212
Credit to profit or loss		(1,342)
Liability at 30 June 2021		<u>240,870</u>

11 Called up share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
16 Ordinary shares of £1 each	16	16
4 A Ordinary shares of £1 each	4	4
	<u>20</u>	<u>20</u>

BRIGHT LITTLE STARS WATFORD LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

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 Shilpa Chheda.

The auditor was KLSA LLP.

13 Related party transactions

The company has taken advantage of the exemption available in FRS 102 (s33 "Related Party Disclosure"), whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

14 Parent company

The parent company of Bright Little Stars Watford Limited is Bright Little Stars Group Limited and its registered office is Kinetic Business Centre, Theobald Street, Elstree, Hertfordshire, WD6 4PJ.

15 Cash generated from operations

	2021 £	2020 £
Profit for the year after tax	169,577	115,489
Adjustments for:		
Taxation (credited)/charged	(1,342)	22,086
Finance costs	27,608	36,362
Depreciation and impairment of tangible fixed assets	47,838	49,603
Movements in working capital:		
Increase in debtors	(124,527)	(88,824)
Increase in creditors	92,340	11,091
Cash generated from operations	211,494	145,807

16 Analysis of changes in net debt

	1 July 2020 £	Cash flows £	30 June 2021 £
Cash at bank and in hand	36,346	44,196	80,542
Borrowings excluding overdrafts	(1,349,743)	114,341	(1,235,402)
	(1,313,397)	158,537	(1,154,860)