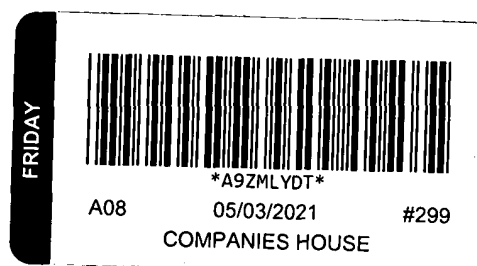


FAVOURS DAY NURSERY HOLDINGS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



FAVOURS DAY NURSERY HOLDINGS LIMITED
REGISTERED NUMBER: 10056969

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	4		152,377		173,580
Tangible assets	5		790,102		773,896
Investments	6		50		50
			942,529		947,526
Current assets					
Cash at bank and in hand	7	80		3,951	
		80		3,951	
Creditors: amounts falling due within one year	8	(368,884)		(350,439)	
Net current liabilities			(368,804)		(346,488)
Total assets less current liabilities			573,725		601,038
Creditors: amounts falling due after more than one year	9		(568,764)		(596,718)
Net assets			4,961		4,320
Capital and reserves					
Called up share capital			100		100
Profit and loss account			4,861		4,220
			4,961		4,320

FAVOURS DAY NURSERY HOLDINGS LIMITED
REGISTERED NUMBER: 10056969

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

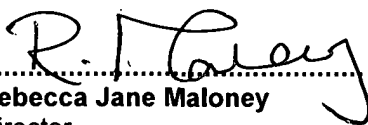
The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Rebecca Jane Maloney
Director

Date: 3/1/21

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

Favours Day Nursery Holdings Limited is a private limited company, incorporated in England and Wales.

The registered office is Moorgate House, Silbury Boulevard, Milton Keynes, MK9 1LZ.

The principal place of business is Boughton Fair Lane, Moulton, Northamptonshire, NN3 7RT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Income and Retained Earnings over its estimated economic life.

Amortisation on Goodwill is provided on a straight line basis over 10 years.

2.4 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.6 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% per annum
Fixtures and fittings	-	15% per annum
Computer equipment	-	33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Income and Retained Earnings.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

FAVOURS DAY NURSERY HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2019	212,028
At 31 March 2020	212,028
Amortisation	
At 1 April 2019	38,448
Charge for the year on owned assets	21,203
At 31 March 2020	59,651
Net book value	
At 31 March 2020	152,377
At 31 March 2019	173,580

FAVOURS DAY NURSERY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2019	761,930	88,279	4,251	854,460
Additions	-	-	96	96
Transfers intra group	-	49,297	-	49,297
At 31 March 2020	<u>761,930</u>	<u>137,576</u>	<u>4,347</u>	<u>903,853</u>
Depreciation				
At 1 April 2019	40,581	36,366	3,617	80,564
Charge for the year on owned assets	15,239	17,480	468	33,187
At 31 March 2020	<u>55,820</u>	<u>53,846</u>	<u>4,085</u>	<u>113,751</u>
Net book value				
At 31 March 2020	<u>706,110</u>	<u>83,730</u>	<u>262</u>	<u>790,102</u>
At 31 March 2019	<u>721,349</u>	<u>51,913</u>	<u>634</u>	<u>773,896</u>

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2019	50
At 31 March 2020	<u>50</u>

7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>80</u>	<u>3,951</u>

FAVOURS DAY NURSERY HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	25,688	27,094
Amounts owed to group undertakings	323,207	314,495
Corporation tax	10,257	5,628
Other creditors	6,686	282
Accruals and deferred income	3,046	2,940
	368,884	350,439

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets and undertaking of Favours Day Nursery Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future. There is an Unlimited Composite Company Guarantee given by Favours Day Nursery Holdings Limited, Favours Day Nursery Limited to secure all liabilities of each other.

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	568,764	596,718

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets and undertaking of Favours Day Nursery Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future. There is an Unlimited Composite Company Guarantee given by Favours Day Nursery Holdings Limited, Favours Day Nursery Limited to secure all liabilities of each other.

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Bank loans		
Amounts falling due within one year	25,688	27,094
Amounts falling due 1-2 years	28,922	27,999
Amounts falling due 2-5 years	92,618	89,664
Amounts falling due after more than 5 years	447,224	479,055
	594,452	623,812

FAVOURS DAY NURSERY HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

11. Related party transactions

At 31 March 2020 there was a balance due to Favours Day Nursery Limited of £323,206 (2019: £314,495). There was no interest charged on this loan during the year and the loan is repayable on demand.

During the year, inter-company dividends of £70,000 (2019: £60,000) were received from Favours Day Nursery Limited.

During the year, dividends of £60,000- (2019: £66,500) were paid to the directors.

At 31 March 2020 Rebecca J Maloney and Abbey Thompson had a joint directors loan account with a balance of £6,686 (2019: £282) due from the Company. No interest was charged on the loan during the year and it is repayable on demand.