

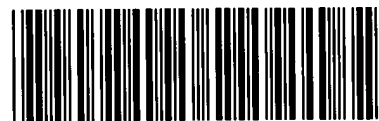
Company Registration No. 10836436

Eagle Target 5 Limited

Annual report and financial statements

For the period ended 31 December 2017

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Eagle Target 5 Limited

Report and financial statements 2017

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Eagle Target 5 Limited

Strategic report

The directors present their strategic report for the period from incorporation on 26 June 2017 to 31 December 2017 (the "period").

Business review and future developments

The company's principal activity is that of an intermediary holding company under the Busy Bees brand. The company is part of the Busy Bees group of companies ('the Group'). The company holds investments in group companies in Canada. The profit for the year was C\$2,319,000. Shareholder's funds were C\$153,720,000 as at 31 December 2017.

The directors expect the general level of activity to remain broadly the same in the coming year. The company has not identified particular key performance indicators due to its nature being an intermediate holding company.

Principal risks and uncertainties

The company considers its key risks to be in relation to the value of its investments and therefore whether any impairment is required.

Credit risk

The company's principal assets are investments in subsidiary companies. The company also has receivables that primarily relate to other group companies. Any impairment arising on these is recognised based on comparisons to the recoverable amount and solvency/liquidity of these undertakings.

Liquidity risk

The company's funding requirements are under constant review. All funding is carried out through Eagle Midco Limited or other UK group related companies either on a short term loan basis or through the cash pooling arrangement.

Currency risk

The functional currency is Canadian Dollars as that is the currency of the economic environment in which the company operates. The risk and rewards of the company operating are based in Canada.

Going concern

In preparation of the financial statements, the directors have made an assessment of the company's ability to continue as a going concern. The company's business activities, together with the factors likely to affect its future development, performance and position and its exposures to credit risk are set out above.

The company is financed through, but is not reliant upon, an inter-company facility with Busy Bees Holdings Limited, and there is an unlimited cross guarantee between the company and other group companies in respect of bank borrowings. As such the directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

Approved by the Board of Directors and signed on their behalf of the board:



S A Irons
Director
30 November 2018

Busy Bees at St Matthews
Shaftsbury Drive
Burntwood
Staffordshire
WS7 9QP
United Kingdom

Eagle Target 5 Limited

Directors' report

The directors present their annual report and the audited financial statements for the period from incorporation on 26 June 2017 to 31 December 2017 (the "period"). Details of the directors' assessment of future developments, going concern and principal risks are set out in the strategic report.

Proposed dividend

The directors do not recommend payment of a final dividend.

Post balance sheet events

As at the date of signing these accounts, there have been no post balance sheet events.

Reporting period

Eagle Target 5 Limited was incorporated on 26 June 2017. These financial statements are therefore for the 6 month period from incorporation to 31 December 2017, and there is no comparative period.

Directors

The directors who held office during the period were as follows:

JC Douin	appointed 26 June 2017
S A Irons	appointed 26 June 2017
M J Randles	appointed 26 June 2017

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP is deemed to be reappointed under s487(2) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board:



S A Irons
Director
30 November 2018

St Matthews
Shaftsbury Drive
Burntwood
Staffordshire
WS7 9QP
United Kingdom

Eagle Target 5 Limited

Directors' responsibility statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Eagle Target 5 Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Eagle Target 5 Limited:

- give a true and fair view of the state of the company's affairs as at 30 December 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Eagle Target 2 Limited (the 'company'), which comprise:

- the profit and loss account;
- statement of income and retained earnings;
- the balance sheet; and
- the notes to the financial statements 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Eagle Target 5 Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jaspal Flora

Jaspal Flora (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
30 November 2018

Eagle Target 5 Limited

Profit & Loss account

For the period from incorporation to 31 December 2017

	Note	Period ended 31 December 2017 CS'000
Interest receivable and similar income	5	2,477
Interest payable and similar charges	6	(158)
Profit before taxation		2,319
Tax	7	-
Profit for the financial period		2,319

All amounts relate to continuing activities. There are no items of other comprehensive income in either year other than those reflected in the profit and loss account. Accordingly no separate statement of other comprehensive income is presented.

Statement of income and retained earnings

For the period from incorporation to 31 December 2017

	Period ended 31 December 2017 CS'000
Profit for the financial period	2,319
Retained earnings at the end of period	2,319

The notes on pages 8 to 14 form part of these financial statements.

Eagle Target 5 Limited

Balance sheet As at 31 December 2017

	Note	31 December 2017 C\$'000
Fixed assets		
Investments	8	65,027
Current assets		
Debtors	9	100,708
Creditors: amounts falling due within one year	10	(12,015)
Net current assets		<u>88,693</u>
Total assets less current liabilities		<u>153,720</u>
Capital and reserves		
Called-up share capital	11	1,514
Share premium		149,887
Profit and loss account		<u>2,319</u>
Total equity shareholders' funds		<u>153,720</u>

These financial statements of Eagle Target 5 Limited, (registered number 10836436) were approved by the Board of Directors on 30 November 2018 and were signed on its behalf by:



S A Irons
Director

Eagle Target 5 Limited

Notes to the financial statements For the year ended 31 December 2017

1. Accounting policies

Eagle Target 5 Limited (the “company”) is a company incorporated in England, United Kingdom under the Companies Act 2006.

The Company is a private company limited by shares and is registered in England and Wales. The address of the Company’s registered address is shown on page 1.

These financial statements have been prepared under the historical cost basis of accounting, and in accordance with Financial Reporting Standard (FRS) 102 and with the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and advantage has been taken of certain of the disclosure exemptions set out in paragraph 1.12 of that standard. Accordingly the following disclosures have not been made in these financial statements:

- financial instruments as otherwise required by section 11 of FRS 102;
- a cash flow statement as otherwise required by section 7 of FRS 102; and
- key management personnel compensation as otherwise required by paragraph 33.7 of FRS 102.

Group accounts

The company’s results are included in the consolidated accounts of Eagle Superco Limited, a company registered in United Kingdom. Accordingly the company has taken advantage of the exemption given in s400 of the Companies Act 2006 from preparing and delivering group accounts. The financial statements therefore contain information about the company as an individual undertaking and not about its group.

Functional currency

The functional currency is Canadian Dollars (C\$) as that is the currency of the economic environment in which the company operates. The risk and rewards of the company operating are based in Canada.

2. Accounting policies

Going concern

In preparation of the financial statements, the directors have made an assessment of the company’s ability to continue as a going concern.

The company’s business activities, together with the factors likely to affect its future development, performance and position and its exposures to credit risk are set out in the strategic report.

The company is financed through, but is not reliant upon, an inter-company facility with Busy Bees Holdings Limited, and there is an unlimited cross guarantee between the company and other group companies in respect of bank borrowings.

As such the directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

Investments

In the company’s financial statements, investments in subsidiary undertakings are stated at cost less provision for any impairment losses.

Eagle Target 5 Limited

Notes to the financial statements (continued) Period ended 31 December 2017

2. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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 Group after deducting all of its liabilities.

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.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Eagle Target 5 Limited

Notes to the financial statements (continued) **Period ended 31 December 2017**

2. Accounting policies (continued)

Financial instruments (continued)

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of assets

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.

Non-financial assets

An 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.

Financial assets

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.

Related party transactions

The company is exempt from the requirements of section 33 of FRS 102 to disclose transactions with other wholly-owned group undertakings as its financial statements are included in the consolidated financial statements of a parent company whose financial statements are publically available.

Taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Eagle Target 5 Limited

Notes to the financial statements (continued) **Period ended 31 December 2017**

3. Accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from the 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 if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

The key judgement is around the valuation and impairment of investments. An impairment review exercise is performed on annual basis to review the value of investments. During 2017, there was no impairment of investments.

There are no key sources of estimation uncertainty in the period from incorporation to 31 December 2017.

4. Staff number and costs

The directors, who are the only employees of the company, neither received nor waived any remuneration in the period from this entity. 2 directors were remunerated in the current period by a fellow group company. 1 director was remunerated by the ultimate controlling party.

5. Interest receivable and similar income

**6 months
ended 31
December
2017
CS'000**

Interest due from group undertakings

2,477

6. Interest payable and similar charges

**6 months
ended 31
December
2017
CS'000**

Interest due to group undertakings

158

Eagle Target 5 Limited

Notes to the financial statements (continued) Period ended 31 December 2017

7. Tax on profit

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	6 months ended 31 December 2017 C\$'000
Profit before tax	2,319
Tax on profit at standard UK corporation tax rate of 19.00%	446
Effect of:	
- Income not taxable in determining taxable profit	(446)
Total tax charge for the year	-

Factors that may affect future tax charges

The standard rate of tax applied to the reported profit on ordinary activities is 19.00%. The government has announced that the UK corporation tax rate will reduce to 18% by 1 April 2020. Reductions in the UK tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. These reductions will further reduce the company's current tax charge.

At 31 December 2017 the company has unrecognised trading losses of C\$nil available to offset against certain future profits.

8. Investments

	31 December 2017 C\$'000
Additions during the period	65,027
Investments as at 31 December 2017	65,027

A complete list of investments is set out below. Unless otherwise stated, investments are held indirectly.

Eagle Target 5 Limited

Notes to the financial statements (continued) Period ended 31 December 2017

8. Investments (continued)

Name	Country of registration	Nature of business	Proportion of issued ordinary share capital held by holding company %
Busy Bees Canada Holdings Limited*	Canada	Management services/ holding company	100%
BrightPath Early Learning Inc	Canada	Childcare services	100%
BrightPath Kids Corp.	Canada	Childcare services	100%
EPG Realty Inc.	Canada	Childcare services	100%

*Held Directly

The registered address of Busy Bees Canada Holdings Limited is 79 Wellington St. W. 30th Floor, TD South Tower, Toronto, ON M5K 1N2.

The registered address of BrightPath Early Learning Inc. and EPG Realty Inc. is 200 Rivercrest Drive, SE, Suite 201, Calgary, AB, T2C 2X5.

The registered address of BrightPath Kids Corp. is 2141627 Ontario Limited, ABC Academy Inc., 199 Bay Street, Suite 5300, Commerce Court West, Toronto, ON M5L1B9.

9. Debtors

31
December
2017
C\$'000

Amounts owed by group undertakings 100,708

There is no repayment date attached to the amount owed by group undertakings. The interest rate on the loan is 6.15%.

10. Creditors: amounts falling due within one year

31
December
2017
C\$'000

Amounts owed to group undertakings 12,015

There is no repayment date attached to the amount owed by group undertakings. The interest rate on the loan is 6.44%.

Eagle Target 5 Limited

Notes to the financial statements (continued) Period ended 31 December 2017

11. Called-up share capital

	31 December 2017 CS
Called-up, allotted and fully paid	
92,927,327 A ordinary shares of £0.01 each	1,514,008
10 B ordinary shares of £0.000001 each	-
	<u>1,514,008</u>

Following the period end on 10 July 2018, a further 4,601,404 A ordinary shares were allotted and fully paid.

12. Commitments

- (a) The company has no capital commitments as at 31 December 2017.
- (b) At 31 December 2017 the company had no non-cancellable operating leases.

13. Controlling parties

The company's immediate parent undertaking is Eagle Bidco Limited, a company incorporated in Great Britain and registered in England and Wales. The largest group into which the company is consolidated is the group headed by Eagle Superco Limited, a company incorporated in Great Britain and registered in England and Wales and the smallest group into which the company is consolidated is the group headed by Eagle Midco Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Eagle Superco Limited and Eagle Midco Limited can be obtained from the company's registered address, which is the same as the one listed on page 3. The ultimate controlling party is the Ontario Teachers' Pension Plan incorporated in Canada, its registered address is 5650 Yonge Street, Toronto, Ontario, M2M 2H5.