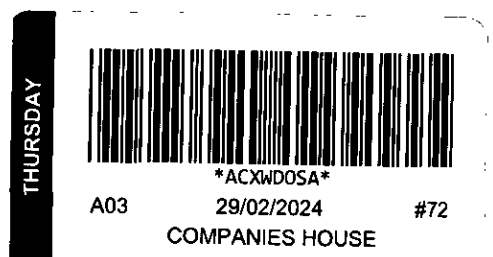


Registration number: 11960895

LGDN TOPCO LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022



LGDN TOPCO LIMITED

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LGDN TOPCO LIMITED
COMPANY INFORMATION

Directors	K R Y Chotai D T Lonsdale W R Thresher
Registered Office	Suite 3 Wentworth Lodge Great North Road Welwyn Garden City Hertfordshire AL8 7SR
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

LGDN TOPCO LIMITED**STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The directors present their strategic report for the year ended 30 September 2022.

Principal activity

The principal activity of the company is that of a holding company. The principal activity of the group is the provision of early years education.

Fair review of the business

The results for the period which are set out in the profit and loss account show turnover of £41,722,000 (2021 - £11,856,000) and a profit before depreciation, amortisation, profit on disposal of fixed assets and exceptional items (EBITDA) of £6,169,000 (2021 - £1,507,000). At 30 September 2022, the group had total assets less current liabilities of £102,271,000 (2021 - £62,009,000). The Directors consider the performance for the year and the financial position at the year-end to be satisfactory. The group has increased from 24 settings as at 30 September 2021 to 80 settings at 30 September 2022 as a result of a number of acquisitions in the period which are shown in note 27.

The objective of the group is to acquire and operate high quality child care settings primarily within the South East of England. Performance is determined through qualitative and financial measures to ensure each setting is moving towards and achieving an outstanding level of childcare at a sustainable and profitable level. Measurements are focused on level of occupancy, conversion of new starters, ratios and welfare along with cost and cash flow management.

Specific measurements used in the business include Occupancy levels, Average Fee rate, Turnover, Staff cost percentage and Net EBITDA.

The group's key financial and other performance indicators during the year were as follows:

	Unit	2022	2021
Occupancy	%	61	72
Average fee rate (per month)	£	1,585	1,435
Turnover	£ 000	41,722	11,856
Staff cost	%	57	57
Net EBITDA	£ 000	6,169	1,507

Principal risks and uncertainties

The management of the business and the execution of the strategy are subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to competition from local providers of early years education.

S172 Statement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The directors continue to have regard to the interest of the Groups' employees and other stakeholders including customers, suppliers and shareholders, the impact of its activities on the community, the environment and the Group's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Group for its members in the long term.

27/2/2024

Approved by the Board on and signed on its behalf by:

Warwick Thresher

.....
W Thresher
Director

LGDN TOPCO LIMITED**DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The directors present their report and the consolidated financial statements for the year ended 30 September 2022.

Directors of the company

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

C D Grant (resigned 15 August 2023)

A T Morris (resigned 1 December 2022)

D T Lonsdale

W Thresher

G Walsh (resigned 20 June 2023)

O M Humphries (resigned 1 September 2023)

Appointed after the year end:

K R Y Chotai (appointed 1 December 2022)

Financial Instruments***Objectives and policies***

The directors constantly monitor the group's trading results and revised projections as appropriate to ensure that the group can meet its future obligations as they fall due.

Price risk, credit risk, liquidity risk and cash flow risk

The group is exposed to the usual credit and cash flow risks associated with selling on credit and manage this through credit control procedures. The group's loan financing is subject to price and liquidity risk as disclosed in note 18 to the financial statements.

The group has sufficient resources available and the directors have prepared forecasts for the next 12 months that indicate that this will continue to be the case and that these cashflows will be sufficient for the group to meet its financing commitments as they fall due. The directors therefore have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Employment of disabled persons

The group's policy is to recruit disabled workers for those vacancies they are able to full. All necessary assistance with initial training is given. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The group's policy is to consult and discuss with employees, through staff councils and at meetings, matters likely to affect employees' interest. Information on matters of concern to employees is given via information bulletins and reports. We strive to listen to our staff and continue to adapt and develop our working practices to best recognise the invaluable work our staff team undertake.

Streamlined energy and carbon reporting

The group is considered to be exempt from the requirements to present the information required under SECR disclosures, due to all of its subsidiary undertakings not needing to report at an individual level on the grounds of size and the parent entity being a low energy consumer during the period.

Future developments

The external commercial environment is expected to remain competitive going forward, however the directors are confident that the group will continue to improve the current level of performance in the future.

LGDN TOPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Disclosure of information to the auditor

Each director has taken the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Post balance sheet events

We have further purchased 6 companies comprised of 22 settings for a combined consideration of £32m.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

27/2/2024

Approved by the Board on and signed on its behalf by:

Warwick Thresher

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W Thresher
Director

LGDN TOPCO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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), including FRS102 - "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 Group and of the Company and of the profit or loss of the Group and 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LGDN TOPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGDN TOPCO LIMITED

Opinion

We have audited the financial statements of LGDN Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2022 and of the Group's loss for the year 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.

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 group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

LGDN TOPCO LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGDN TOPCO LIMITED (CONTINUED)****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 year 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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 Group's and the parent 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 Group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our

LGDN TOPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGDN TOPCO LIMITED (CONTINUED)

auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

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.

Martin Howard

.....
Martin Howard (Senior Statutory Auditor)
Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

27/2/2024
Date:.....

LGDN TOPCO LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £ 000	2021 £ 000
Turnover	3	41,722	11,856
Other income	4	-	115
Cost of sales		<u>(24,641)</u>	<u>(6,053)</u>
Gross profit		17,081	5,918
Administrative expenses		<u>(10,912)</u>	<u>(4,411)</u>
Operating profit before exceptional items, impairments, depreciation and amortisation		6,169	1,507
Exceptional items	6	(649)	(366)
Impairment of tangible fixed assets		(450)	-
Impairment of goodwill		(537)	-
Amortisation		(6,963)	(1,800)
Depreciation		<u>(1,459)</u>	<u>(463)</u>
Operating loss after exceptional items, impairments, depreciation and amortisation	5	(3,889)	(1,122)
Other interest receivable and similar income	7	-	1
Interest payable and similar charges	8	<u>(11,023)</u>	<u>(3,276)</u>
Loss on ordinary activities before taxation		(14,912)	(4,397)
Taxation	12	<u>(638)</u>	<u>(180)</u>
Loss for the financial period		<u><u>(15,550)</u></u>	<u><u>(4,577)</u></u>

The above results were derived from continuing operations.

The group has no other comprehensive income for the period.

LGDN TOPCO LIMITED
(Registration number: 11960895)

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Intangible fixed assets	13	88,874	25,095
Tangible fixed assets	14	12,097	3,696
		<u>100,971</u>	<u>28,791</u>
Current assets			
Debtors	16	4,065	1,353
Cash at bank and in hand		8,525	36,750
		12,590	38,103
Creditors: Amounts falling due within one year	17	(11,290)	(4,885)
Net current assets		1,300	33,218
Total assets less current liabilities		<u>102,271</u>	<u>62,009</u>
Creditors: Amounts falling due after more than one year	17	124,317	69,565
Deferred taxation	12	1,325	265
Capital and reserves			
Called up share capital	20	5	5
Share premium reserve		495	495
Profit and loss account		(23,871)	(8,321)
Total equity		<u>(22,371)</u>	<u>(7,821)</u>
Total capital, reserves and long term liabilities		<u>102,271</u>	<u>62,009</u>

27/2/2024

Approved by the board and authorised for issue on and signed on its behalf by:

Warwick Thresher

W Thresher
 Director

LGDN TOPCO LIMITED
(Registration number: 11960895)

BALANCE SHEET AS AT 30 SEPTEMBER 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Investments	15	500	500
Current assets			
Debtors: Amounts falling due after more than one year	16	239	500
Cash at bank and in hand		1	-
Total assets less current liabilities		240	500
Creditors: amounts falling due after more than one year	17	(241)	(500)
Net assets		499	500
Capital and reserves			
Called up share capital	20	5	5
Share premium		495	495
Profit and loss account		(1)	-
Total equity		499	500

The loss for the financial year dealt with in the financial statements of the parent Company was £1,000 (2021 - £nil).
27/2/2024

Approved by the board and authorised for issue on and signed on its behalf by:

Warwick Thresher

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W Thresher
Director

LGDN TOPCO LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY**

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2021	5	495	(8,321)	(7,821)
Loss for the year	-	-	(15,550)	(15,550)
Balance at 30 September 2022	<u>5</u>	<u>495</u>	<u>(23,871)</u>	<u>(22,371)</u>
	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
Balance at 1 October 2020	5	495	(3,744)	(3,244)
Loss for the year	-	-	(4,577)	(4,577)
Balance at 30 September 2021	<u>5</u>	<u>495</u>	<u>(8,321)</u>	<u>(7,821)</u>

The notes on pages 15 to 48 form an integral part of these financial statements

LGDN TOPCO LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2021	5	495	-	500
Loss for the year	-	-	(1)	(1)
Balance at 30 September 2022	<u>5</u>	<u>495</u>	<u>(1)</u>	<u>499</u>
	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
Balance at 1 October 2020 and at 30 September 2021	<u>5</u>	<u>495</u>	<u>-</u>	<u>500</u>

LGDN TOPCO LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities:			
Loss for the year		(15,550)	(4,577)
Adjustments to cash flows for non-cash items:			
Impairments, depreciation and amortisation	5	9,409	2,263
Finance income	7	-	(1)
Finance costs	8	11,023	3,276
Income tax expense	12	638	180
		5,520	1,141
Working capital adjustments:			
Decrease/(increase) in trade debtors	16	2,166	(24)
Increase/(decrease) in trade creditors	17	80	(1,175)
Cash generated from operations		7,766	(58)
Income taxes paid		(535)	(29)
Net cash generated from operating activities		7,231	(87)
Cash flows from investing activities:			
Interest received		-	1
Acquisitions of tangible assets	14	(6,337)	(1,186)
Proceeds from disposal of tangible assets		3,145	-
Acquisition of subsidiaries (net of cash acquired)	26	(72,095)	(16,346)
Net cash flows from investing activities		(75,287)	(17,531)
Cash flows from financing activities:			
Interest paid		(5,856)	(541)
Proceeds from bank borrowing draw downs	18	40,000	49,050
Repayment of bank borrowing		(18)	(1)
Proceeds from other borrowing draw downs	18	9,844	11,050
Repayment of other borrowing		-	(2,698)
Debt costs paid		(149)	(3,579)
Repayment of loans on acquisition of subsidiaries	26	(3,990)	-
Net cash outflow from financing activities		49,831	53,281
Net increase in cash and cash equivalents		(28,225)	35,663
Cash and cash equivalents at 1 October		36,750	1,087
Cash and cash equivalents at 30 September		8,525	36,750

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****1 General Information**

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Suite 3 Wentworth Lodge
Great North Road
Welwyn Garden City
Hertfordshire
AL8 7SR

2 Accounting policies**Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below.

Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the Group and the Company operates. Monetary amounts in these financial statements are rounded to the nearest thousand.

Basis of consolidation

These financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 30 September 2022.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a loss after tax for the financial year of £1,000 (2021 – £Nil).

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

The results of the subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests on the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The Group and the Company therefore continues to adopt the going concern basis in preparing its financial statements.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****Critical accounting 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 amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over the period of the lease
Fixture and Fittings	10%-20% straight line
Computer equipment	20%-33% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probably and can be measured reliably.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022**

Goodwill

Goodwill is amortised over its useful life, which shall not exceed five years if a reliable estimate of the useful life cannot be made.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 10 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Group and the Company will not be able to collect all amounts due according to the original terms of the debtors.

Creditors

Trade creditors 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 the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments**Classification**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the Group is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

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 assets 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.

Impairment

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.

A non-financial 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.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment 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.

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.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****3 Revenue**

The analysis of the group's revenue for the year from continuing operations is as follows:

	2022 £ 000	2021 £ 000
Rendering of services	<u>41,722</u>	<u>11,856</u>

The total turnover of the company has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2022 £ 000	2021 £ 000
Government grants (above Gross Profit)	<u>-</u>	<u>115</u>

In the current year, the Group received £Nil (2021 - £115,000) relating to CJRS income, of which £Nil (2021-£115,000) is shown above Gross Profit.

5 Operating profit

Arrived at after charging

	2022 £ 000	2021 £ 000
Impairment of tangible fixed assets	450	-
Impairment of goodwill	537	-
Depreciation expense	1,459	463
Amortisation expense	6,963	1,800
Operating lease expense – property	<u>2,691</u>	<u>963</u>

6 Exceptional items

	2022 £ 000	2021 £ 000
Exceptional items	<u>649</u>	<u>366</u>

Exceptional costs in the current year comprise covid costs, staff redundancy and restructuring costs, recruitment costs and other one off legal and consultancy costs.

Exceptional costs in the prior year comprise monitoring fees, covid costs, rebranding, recruitment costs, redundancy costs and other one off legal and consultancy costs for newly acquired companies.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****7 Other interest receivable and similar income**

	2022	2021
	£ 000	£ 000
Interest income on bank deposits	-	1

8 Interest payable and similar expenses

	2022	2021
	£ 000	£ 000
Interest on bank borrowings	5,856	246
Interest expense on other finance liabilities	3,880	2,500
Costs adjacent to interest	1,287	530
	11,023	3,276

9 Staff Costs**Group**

The aggregate payroll costs (including director's remuneration) were as follows:

	2022	2021
	£ 000	£ 000
Wages and salaries	21,931	6,170
Social security costs	1,530	470
Pension	411	101
	23,872	6,741

The average number of persons employed by the Group (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Nursery staff	1,163	290
Administration and support	38	21
	1,201	311

Company

The company incurred no staff costs and had no employees other than the directors.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****10 Directors' remuneration**

The director's remuneration for the year was as follows:

	2022	2021
	£ 000	£ 000
Remuneration	836	639
Contributions paid to money purchase schemes	23	7
	<u>859</u>	<u>646</u>

During the year the number of directors who were receiving benefits and share incentives were as follows:

	2022	2021
	No.	No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2022	2021
	£ 000	£ 000
Remuneration	254	245
Contributions paid to money purchase schemes	2	-
	<u>256</u>	<u>245</u>

11 Auditors' remuneration

	2022	2021
	£ 000	£ 000
Audit of these financial statements	<u>60</u>	<u>34</u>
Other fees to auditors		
All other non-audit services	<u>163</u>	<u>30</u>

12 Taxation

Tax charged/(credited) in the profit and loss account

	2022	2021
	£ 000	£ 000
Current taxation		
UK corporation tax	-	37
UK corporation tax adjustment to prior periods	-	(2)
	-	35
Deferred taxation		
Arising from origination and reversal of timing differences	638	146
Tax expense / (receipt) in the income statement	<u>638</u>	<u>(180)</u>

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****12 Taxation (continued)**

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 – higher than the standard rate of corporation tax in the UK) of 19% (2021 – 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Loss before tax	<u>(14,912)</u>	<u>(4,397)</u>
Corporation tax at standard rate	(2,833)	(835)
Effect of revenues exempt from taxation	-	(6)
Effect of expense not deductible in determining taxable profit (tax loss)	3,168	883
Deferred tax (credit)/expense from unrecognised temporary difference from a prior period	-	(2)
Increase in UK tax from tax losses carried forward	373	-
Tax increase from effect of capital allowances and depreciation	(70)	90
Tax increase from effect of unrelieved tax losses carried forward	<u>-</u>	<u>50</u>
	<u>638</u>	<u>180</u>

Deferred tax**Group**

Deferred tax assets and liabilities

	Liability £ 000
30 September 2022	
Fixed asset timing differences	1,332
Short-term timing differences	<u>(7)</u>
	<u>1,325</u>
30 September 2021	
Fixed asset timing differences	272
Short-term timing differences	<u>(7)</u>
	<u>265</u>

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****13 Intangible fixed assets****Group****Goodwill
£ 000****Cost**

At 1 October 2021	28,071
Acquired through business combinations	71,278
At 30 September 2022	<u>99,349</u>

Amortisation

At 1 October 2021	2,975
Amortisation charge	6,963
Impairment charge	537
At 30 September 2022	<u>10,475</u>

Carrying Amount

At 30 September 2022	<u>88,874</u>
At 30 September 2021	<u>25,096</u>

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****14 Tangible assets**

Group	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Motor vehicles £ 000	Total £ 000
Cost				
At 1 October 2021	2,285	2,101	6	4,392
Additions	1,646	4,691	-	6,337
Acquired through business combinations	5,593	1,496	-	7,089
Disposals	(3,116)	-	-	(3,116)
At 30 September 2022	<u>6,408</u>	<u>8,288</u>	<u>6</u>	<u>14,702</u>
Depreciation				
At 1 October 2021	159	537	-	696
Charge for the year	447	1,012	-	1,459
Impairment charge	450	-	-	450
At 30 September 2022	<u>1,056</u>	<u>1,549</u>	<u>-</u>	<u>2,605</u>
Carrying amount				
At 30 September 2022	<u>5,352</u>	<u>6,739</u>	<u>6</u>	<u>12,097</u>
At 30 September 2021	<u>2,126</u>	<u>1,564</u>	<u>6</u>	<u>3,696</u>

Included within the net book value of land and buildings above is £2,085,000 (2021 - £885,000) in respect of freehold land and buildings.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****15 Investments****Company**

	2022	2021
	£ 000	£ 000
Investment in subsidiaries	<u>500</u>	<u>500</u>
Subsidiaries		£ 000
Cost and carrying amount		
At 1 October 2021 and at 30 September 2022		<u>500</u>

Subsidiary undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the Company holds 20% or more of the nominal value of any class of share capital are shown in note 27.

16 Debtors

	Group		Company	
	2022	2021	2022	2021
	£ 000	£ 000	£ 000	£ 000
Trade debtors	2,559	594	-	-
Amounts owed by group undertakings	-	-	239	500
Other debtors	207	302	-	-
Prepayments	<u>1,299</u>	<u>457</u>	<u>-</u>	<u>-</u>
	4,065	1,353	239	500
Less non-current portion	<u>-</u>	<u>-</u>	<u>(239)</u>	<u>(500)</u>
Total current trade and other debtors	<u>4,065</u>	<u>1,353</u>	<u>-</u>	<u>-</u>

Details of non-current trade and other debtors**Company**

£239,000 (2021 - £500,000) of amounts owed by group undertakings is classified as non-current.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****17 Creditors**

		Group		Company	
	Note	2022 £ 000	2021 £ 000	2022 £ 000	2021 £ 000
Due within one year					
Loans and borrowings	18	32	60	-	-
Trade creditors		1,392	807	-	-
Social security and other taxes		671	169	-	-
Outstanding defined contribution pension costs		151	37	-	-
Other creditors		1,400	742	-	-
Accrued expenses		2,219	1,135	241	-
Corporation tax liability		868	388	-	-
Deferred income		4,557	1,547	-	-
		<u>11,290</u>	<u>4,885</u>	<u>241</u>	<u>-</u>
Due after one year					
Loans and borrowings	18	124,317	69,565	-	-
Amounts owed to group undertakings		-	-	-	500
		<u>124,317</u>	<u>69,565</u>	<u>-</u>	<u>500</u>

Other creditors due within one year includes deferred consideration payable of £750,000 (2021 - £130,000), in respect of business combinations.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****18 Loans and borrowings**

	Note	Group		Company	
		2022 £ 000	2021 £ 000	2022 £ 000	2021 £ 000
Current loans and borrowings					
Bank borrowings		32	59	-	-
Other borrowings		-	1	-	-
		<u>32</u>	<u>60</u>	<u>-</u>	<u>-</u>
Non-current loans and borrowings					
Bank borrowings		86,692	45,779	-	-
Other borrowings		<u>37,625</u>	<u>23,786</u>	<u>-</u>	<u>-</u>
		<u>124,317</u>	<u>69,565</u>	<u>-</u>	<u>-</u>

During the year, the group was advanced loan notes with a principal amount of £9,844,000 (2021 - £11,050,000). The loan notes are payable in full in June 2027. There is no security on these loan notes.

Repayments were made in the year of £Nil (2021 - £3,000,000) of which £Nil (2021 - £2,698,000) related to principal.

The loan notes attract interest of 12.5% per annum. Interest of £3,880,000 (2021 - £2,507,000) has accrued on these notes in the year and has been capitalised.

The loan notes outstanding of £37,625,000 (2021 - £23,786,000) are stated after deducting £198,000 (2021 - £314,000) of costs associated with the raising of this finance, which are being released to the profit and loss account over the term of the loan notes in accordance with FRS102.

The Group was previously advanced £100,000 under the Government bounce back loan scheme. Interest is charged at 2.5% per annum. Monthly repayments started in September 2021.

During the year, the group was advanced a bank loan with a principal amount of £40,000,000 (2021 - £49,000,000). The loan is repayable in full in June 2026. The loan is secured on the assets of the nurseries. The loan attracts interest of 7% over SONIA per annum.

The loan is stated after deducting £2,358,000 (2021 - £3,260,000) of costs associated with the raising of this finance, which are being released to the profit or loss account over the term of the loan in accordance with FRS102.

19 Pension schemes**Defined contribution pension scheme**

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £411,000 (2021 - £101,000).

Contributions totalling £150,000 (£2021 - £37,000) were payable to the scheme at the end of the year and are included in creditors.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****20 Share capital****Allotted, called up and fully paid shares**

	2022		2021	
	No.	£	No.	£
A Ordinary shares of £0.01	394,525	3,945	394,525	3,945
B Ordinary shares of £0.01	10,475	105	10,475	105
C1 Ordinary of £0.01 each	25,000	250	25,000	250
C2 Ordinary of £0.01 each	70,000	700	70,000	700
	<u>500,000</u>	<u>5,000</u>	<u>500,000</u>	<u>5,000</u>

Rights, preferences and restrictions

The different classes of shares referred to above carry separate rights to dividends but, in all other significant respects, rank pari passu.

21 Obligations under leases and hire purchase contracts**Group****Operating leases**

The total of future minimum lease payments is as follows:

	2022	2021
	£ 000	£ 000
Not later than one year	4,441	1,249
Later than one year and not later than five years	15,551	4,729
Later than five years	<u>41,473</u>	<u>7,828</u>
	<u>61,465</u>	<u>13,806</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £2,691,000 (2021 - £522,000).

22 Related party transactions**Summary of transactions with key management**

Key management personnel are considered to be the directors of the Company and key management personnel compensation is disclosed in note 10 to the financial statements.

Loans from related parties

During the year, the group's ultimate controlling party advanced the group £9,844,000 (2021 - £11,050,000) in the form of loan notes. Repayments of £Nil were made during the year (2021 - £3,000,000) of which £2,698,000 related to principal. At 30 September 2022, £37,039,000 remained outstanding (2021 - £23,413,000) which includes accrued interest of £7,507,000 (2021 - £3,725,000).

Also £784,000 (2021 - £686,000) of loan notes remained outstanding to key management at 30 September 2022, which includes accrued interest of £264,000 (2021 - £165,000).

Other related party transactions

During the year, the company's ultimate controlling party charged the group £120,000 of monitoring fees (2021 - £120,000). At 30 September 2022, £240,000 was included within accrued expenses (2021 - £120,000).

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****23 Parent and ultimate parent undertaking**

Up to 1 December 2022, the ultimate controlling party was August Equity Partners IV General Partners LLP.

Since 1 December 2022, the immediate parent company is Family First Bidco Limited, incorporated in England and Wales.

The ultimate parent is Family First Topco Limited, incorporated in England and Wales.

The ultimate controlling party is August Equity Partners V General Partners LLP.

24 Non adjusting events after the financial period

We have further purchased 6 companies comprised of 22 settings for a combined consideration of £32m.

25 Analysis of changes in net debt**Group**

	At 1 October 2021 £ 000	Cash flow £ 000	Acquisition Of subsidiaries £ 000	Non-cash Changes £ 000	At 30 September 2022 £ 000
Cash and cash equivalents					
Cash	36,750	(33,883)	5,658	-	8,525
Borrowings					
Bank borrowings	(45,838)	(39,833)	-	(1,053)	(86,724)
Other borrowings	(23,787)	(9,844)	-	(3,994)	(37,625)
Total borrowings	<u>(69,625)</u>	<u>(49,677)</u>	<u>-</u>	<u>(5,047)</u>	<u>(124,349)</u>
Net debt	<u>(32,875)</u>	<u>(83,560)</u>	<u>5,658</u>	<u>(5,047)</u>	<u>(115,824)</u>

The non-cash movements comprise of capitalised interest of £3,879,000 and amortised debt costs of £1,168,000.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations**

On 1 November 2021, LGDN Bidco Limited acquired 100% of the issued share capital of Footsteps Day Nurseries Holdings Limited and its subsidiaries, obtaining control.

Footsteps Day Nurseries Holdings Limited and its subsidiaries contributed £9,531,000 revenue and profit of £2,979,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	728
Tangible assets	810
Financial liabilities	(1,105)
Total identifiable assets	<u>433</u>
Goodwill	<u>25,988</u>
Total consideration	<u>26,421</u>
Satisfied by:	
Cash	25,794
Transaction costs	627
Total consideration transferred	<u>26,421</u>
Cash flow analysis:	
Cash consideration	26,421
Less: cash and cash equivalent balances acquired	(628)
Net cash outflow arising on acquisition	<u>25,793</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 22 October 2021, LGDN Bidco Limited acquired 100% of the issued share capital of FountNursery Ltd and Westgate Arches Limited, obtaining control.

FountNursery Limited and Westgate Arches Limited contributed £714,000 revenue and profit of £238,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	106
Tangible assets	66
Financial liabilities	(198)
Total identifiable assets	(26)
Goodwill	1,542
Total consideration	1,516
Satisfied by:	
Cash	1,349
Transaction costs	167
Total consideration transferred	1,516
Cash flow analysis:	
Cash consideration	1,516
Less: cash and cash equivalent balances acquired	(29)
Net cash outflow arising on acquisition	1,487

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 18 October 2021, LGDN Bidco Limited acquired 100% of the issued share capital of Just Imagine Day Nursery Limited and Ability 2 Create Limited and its subsidiaries, obtaining control.

Just Imagine Day Nursery Limited and Ability 2 Create Limited and its subsidiaries contributed £1,668,000 revenue and profit of £437,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	153
Tangible assets	31
Financial liabilities	(208)
Total identifiable assets	(24)
Goodwill	2,102
Total consideration	2,078
Satisfied by:	
Cash	1,878
Transaction costs	200
Total consideration transferred	2,078
Cash flow analysis:	
Cash consideration	2,078
Less: cash and cash equivalent balances acquired	(94)
Net cash outflow arising on acquisition	1,984

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 26 November 2021, LGDN Bidco Limited acquired 100% of the issued share capital of Freshfields Nursery Schools Limited, obtaining control.

Freshfields Nursery Schools Limited contributed £1,020,000 revenue and profit of £406,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	375
Tangible assets	48
Financial liabilities	(241)
Total identifiable assets	<u>182</u>
Goodwill	<u>1,661</u>
Total consideration	<u>1,843</u>
Satisfied by:	
Cash	1,411
Deferred consideration	250
Transaction costs	182
Total consideration transferred	<u>1,843</u>
Cash flow analysis:	
Cash consideration	1,593
Less: cash and cash equivalent balances acquired	<u>(305)</u>
Net cash outflow arising on acquisition	<u>1,288</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 23 December 2021, LGDN Bidco Limited acquired 100% of the issued share capital of Play Away Day Nurseries Limited, obtaining control.

Play Away Day Nurseries Limited contributed £2,290,000 revenue and profit of £976,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	1,910
Tangible assets	209
Financial liabilities	(640)
Total identifiable assets	<u>1,479</u>
Goodwill	<u>3,677</u>
Total consideration	<u>5,156</u>
Satisfied by:	
Cash	4,963
Transaction costs	193
Total consideration transferred	<u>5,156</u>
Cash flow analysis:	
Cash consideration	5,156
Less: cash and cash equivalent balances acquired	<u>(1,254)</u>
Net cash outflow arising on acquisition	<u>3,902</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 23 December 2021, LGDN Bidco Limited acquired 100% of the issued share capital of Scribbles Nursery Limited, obtaining control.

Scribbles Nursery Limited contributed £638,000 revenue and profit of £300,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	260
Tangible assets	12
Financial liabilities	(193)
Total identifiable assets	79
Goodwill	1,172
Total consideration	1,251
Satisfied by:	
Cash	1,115
Transaction costs	136
Total consideration transferred	1,251
Cash flow analysis:	
Cash consideration	1,251
Less: cash and cash equivalent balances acquired	(260)
Net cash outflow arising on acquisition	991

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 31 March 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Ellingham House Day Nursery Limited, obtaining control.

Ellingham House Day Nursery Limited contributed £550,000 revenue and profit of £240,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Book Value 30 September 2022 £ 000	Fair value adjustments £ 000	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired			
Financial assets	56	-	56
Tangible assets	480	715	1,195
Financial liabilities	(180)	(179)	(359)
Total identifiable assets	356	536	892
Goodwill	1,817	(536)	1,281
Total consideration	2,173	-	2,173
Satisfied by:			
Cash			2,058
Transaction costs			115
Total consideration transferred			2,173
Cash flow analysis:			
Cash consideration			2,173
Less: cash and cash equivalent balances acquired			(56)
Net cash outflow arising on acquisition			2,117

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 31 March 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Lakehouse Nurseries Limited, obtaining control.

Lakehouse Nurseries Limited contributed £1,019,000 revenue and profit of £401,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Book Value 30 September 2022 £ 000	Fair value adjustments £ 000	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired			
Financial assets	231	-	231
Tangible assets	1,691	261	1,952
Financial liabilities	(1,336)	(65)	(1,401)
Total identifiable assets	586	196	782
Goodwill	2,682	(196)	2,486
Total consideration	3,268	-	3,268

Satisfied by:

Cash	3,135
Transaction costs	133
Total consideration transferred	3,268

Cash flow analysis:

Cash consideration	3,268
Less: cash and cash equivalent balances acquired	(202)
Net cash outflow arising on acquisition	3,066

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 29 July 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Chestnut House Kindergarten Limited, Brimpton House Nursery Limited, Holly Corner Kindergarten Limited, Pelican Place Nursery Limited and The Old Schoolhouse Kindergarten Limited, obtaining control.

Chestnut House Kindergarten Limited, Brimpton House Nursery Limited, Holly Corner Kindergarten Limited, Pelican Place Nursery Limited and The Old Schoolhouse Kindergarten Limited contributed £530,000 revenue and profit of £134,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	862
Tangible assets	1,722
Financial liabilities	(1,407)
Total identifiable assets	1,231
Goodwill	3,897
Total consideration	5,128
Satisfied by:	
Cash	4,727
Transaction costs	401
Total consideration transferred	5,128
Cash flow analysis:	
Cash consideration	5,128
Less: cash and cash equivalent balances acquired	(862)
Net cash outflow arising on acquisition	4,266

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 5 July 2022, LGDN Bidco Limited acquired 100% of the issued share capital of DR Journey Limited and its subsidiaries, obtaining control.

DR Journey Limited and its subsidiaries contributed £1,240,000 revenue and profit of £257,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	5,632
Tangible assets	84
Financial liabilities	(1,144)
Total identifiable assets	<u>4,572</u>
Goodwill	<u>8,829</u>
Total consideration	<u>13,401</u>
Satisfied by:	
Cash	12,434
Deferred consideration	500
Transaction costs	467
Total consideration transferred	<u>13,401</u>
Cash flow analysis:	
Cash consideration	12,901
Less: cash and cash equivalent balances acquired	<u>(162)</u>
Net cash outflow arising on acquisition	<u>12,739</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 1 July 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Woodlands Day Care Limited, obtaining control.

Woodlands Day Care Limited contributed £258,000 revenue and profit of £140,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	492
Tangible assets	318
Financial liabilities	(216)
Total identifiable assets	<u>594</u>
Goodwill	<u>1,491</u>
Total consideration	<u>2,085</u>
Satisfied by:	
Cash	1,856
Transaction costs	229
Total consideration transferred	<u>2,085</u>
Cash flow analysis:	
Cash consideration	2,085
Less: cash and cash equivalent balances acquired	(492)
Net cash outflow arising on acquisition	<u>1,593</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 31 August 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Child's Time Holdings Limited and its subsidiary, obtaining control.

Child's Time Holdings Limited and its subsidiary contributed £210,000 revenue and profit of £39,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	398
Tangible assets	260
Financial liabilities	(759)
Total identifiable assets	(101)
Goodwill	6,128
Total consideration	6,027
Satisfied by:	
Cash	5,838
Transaction costs	189
Total consideration transferred	6,027
Cash flow analysis:	
Cash consideration	6,027
Less: cash and cash equivalent balances acquired	(223)
Net cash outflow arising on acquisition	5,804

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 7 September 2022, LGDN Bidco Limited acquired 100% of the issued share capital of The Little School Daycare Limited obtaining control.

The Little School Daycare Limited contributed £77,000 revenue and profit of £22,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	827
Tangible assets	105
Financial liabilities	(281)
Total identifiable assets	<u>651</u>
Goodwill	<u>2,279</u>
Total consideration	<u>2,930</u>
Satisfied by:	
Cash	2,781
Transaction costs	149
Total consideration transferred	<u>2,930</u>
Cash flow analysis:	
Cash consideration	2,930
Less: cash and cash equivalent balances acquired	(227)
Net cash outflow arising on acquisition	<u>2,703</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 8 September 2022, LGDN Bidco Limited acquired 100% of the issued share capital of The Coach House Day Nursery Limited, obtaining control.

The Coach House Day Nursery Limited contributed £76,000 revenue and profit of £32,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	139
Tangible assets	24
Financial liabilities	(744)
Total identifiable assets	(581)
Goodwill	1,736
Total consideration	1,155
Satisfied by:	
Cash	1,081
Transaction costs	74
Total consideration transferred	1,155
Cash flow analysis:	
Cash consideration	1,155
Less: cash and cash equivalent balances acquired	(136)
Net cash outflow arising on acquisition	1,019

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)**

On 9 September 2022, LGDN Bidco Limited acquired 100% of the issued share capital of Little Munchkins Montessori Limited, obtaining control.

Little Munchkins Montessori Limited contributed £31,000 revenue and profit of £18,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	695
Tangible assets	99
Financial liabilities	(146)
Total identifiable assets	<u>648</u>
Goodwill	<u>974</u>
Total consideration	<u>1,622</u>
Satisfied by:	
Cash	1,571
Transaction costs	51
Total consideration transferred	<u>1,622</u>
Cash flow analysis:	
Cash consideration	1,622
Less: cash and cash equivalent balances acquired	<u>(119)</u>
Net cash outflow arising on acquisition	<u>1,503</u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)****Other acquisitions**

The Group acquired 100% of the shares in 3 other subsidiaries, obtaining control. None of these acquisitions are considered, by the directors, to be individually material to the Group.

These subsidiaries contributed £1,069,000 revenue and profit of £373,000 for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	569
Tangible assets	41
Financial liabilities	(324)
Total identifiable assets	<u>286</u>
Goodwill	<u>1,838</u>
Total consideration	<u><u>2,124</u></u>
Satisfied by:	
Cash	1,937
Transaction costs	187
Total consideration transferred	<u><u>2,124</u></u>
Cash flow analysis:	
Cash consideration	2,124
Less: cash and cash equivalent balances acquired	<u>(187)</u>
Net cash outflow arising on acquisition	<u><u>1,937</u></u>

The useful life of goodwill is 10 years.

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****26 Business combinations (continued)****Trade and asset acquisitions**

The Group acquired the trade and net assets of 7 settings.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value 30 September 2022 £ 000
Assets and liabilities acquired	
Financial assets	246
Tangible assets	113
Financial liabilities	(240)
Total identifiable assets	119
Goodwill	4,197
Total consideration	4,316
Satisfied by:	
Cash	3,816
Transaction costs	500
Total consideration transferred	4,316

The useful life of goodwill is 10 years.

27 List of subsidiaries

Company			Proportion of voting rights and shares held	
Subsidiary undertaking	Registered office	Holding	2022	2021
LGDN Midco Limited*	England and Wales	Ordinary	100%	100%
LGDN Finco Limited	England and Wales	Ordinary	100%	100%
LGDN Bidco Limited	England and Wales	Ordinary	100%	100%
LGDN Propco1 Limited	England and Wales	Ordinary	100%	-
Little Garden Day Nurseries Limited	England and Wales	Ordinary	100%	100%
Prima Montessori Limited	England and Wales	Ordinary	100%	100%
Bizzy Bees Nursery Limited	England and Wales	Ordinary	100%	100%
Acorn Montessori School Limited	England and Wales	Ordinary	100%	100%
Poppies Day Nurseries Limited	England and Wales	Ordinary	100%	100%
Family First Holdings Limited	England and Wales	Ordinary	100%	100%
Buckinghamshire Nursery Schools Ltd	England and Wales	Ordinary	100%	100%
Head Start (Enfield) Limited	England and Wales	Ordinary	100%	100%
Head Start Day Nurseries Limited	England and Wales	Ordinary	100%	100%
Oaklands Management Services Limited	England and Wales	Ordinary	100%	100%
Oaklands Employment Services Ltd	England and Wales	Ordinary	100%	100%
Nursery on the Hill (Enfield) Limited	England and Wales	Ordinary	100%	100%

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****27 List of subsidiaries (continued)**

Company	Subsidiary undertaking	Registered office	Holding	Proportion of voting rights and shares held	
				2022	2021
	Nursery on the Green Limited	England and Wales	Ordinary	100%	100%
	Nurturing Childcare Ltd	England and Wales	Ordinary	100%	100%
	Rosewood Montessori Nursery Limited	England and Wales	Ordinary	100%	100%
	Family First Pre School Limited	England and Wales	Ordinary	100%	100%
	DR Journey Limited	England and Wales	Ordinary	100%	-
	Davidson-Roberts Holdings Ltd	England and Wales	Ordinary	100%	-
	Davidson-Roberts Limited	England and Wales	Ordinary	100%	-
	Acre Wood Day Nursery (Arlesey) Ltd	England and Wales	Ordinary	100%	-
	LGDN Cross Stream Limited	England and Wales	Ordinary	100%	-
	Footsteps Day Nurseries Holdings Limited	England and Wales	Ordinary	100%	-
	Footsteps Day Nurseries Limited	England and Wales	Ordinary	100%	-
	Footsteps Stafford Limited	England and Wales	Ordinary	100%	-
	Child's Time Holdings Limited	England and Wales	Ordinary	100%	-
	Child's Time Ltd	England and Wales	Ordinary	100%	-
	Freshfields Nursery Schools Limited	England and Wales	Ordinary	100%	-
	Westgate Arches Ltd	England and Wales	Ordinary	100%	-
	FountNursery Ltd	England and Wales	Ordinary	100%	-
	Scribbles Nursery Limited	England and Wales	Ordinary	100%	-
	Play Away Day Nurseries Limited	England and Wales	Ordinary	100%	-
	Little Explorers Day Nursery Ltd	England and Wales	Ordinary	100%	-
	Just Imagine Day Nursery Limited	England and Wales	Ordinary	100%	-
	Ability 2 Create Ltd	England and Wales	Ordinary	100%	-
	Just Imagine Nurseries – Vange Ltd	England and Wales	Ordinary	100%	-
	Just Imagine Nurseries – Colchester Academy Ltd	England and Wales	Ordinary	100%	-
	Just Imagine Nurseries – All Saints Ltd	England and Wales	Ordinary	100%	-
	Just Imagine Nurseries – Wickford Ltd	England and Wales	Ordinary	100%	-
	Ellingham House Day Nursery Limited	England and Wales	Ordinary	100%	-
	Chestnut House Kindergarten Limited	England and Wales	Ordinary	100%	-
	Brimpton House Nursery Limited	England and Wales	Ordinary	100%	-
	Holly Corner Kindergarten Limited	England and Wales	Ordinary	100%	-
	Pelican Place Nursery Limited	England and Wales	Ordinary	100%	-
	The Old Schoolhouse Kindergarten Limited	England and Wales	Ordinary	100%	-
	The Coach House Day Nursery Limited	England and Wales	Ordinary	100%	-
	The Little School Daycare Limited	England and Wales	Ordinary	100%	-
	Lakehouse Nurseries Ltd	England and Wales	Ordinary	100%	-
	Greenfields Nursery School Ltd	England and Wales	Ordinary	100%	-

LGDN TOPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2022****27 List of subsidiaries (continued)**

Company	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertaking				
Rainbow Nursery (Kentish Town) Ltd	England and Wales	Ordinary	100%	-
Woodlands Day Care Limited	England and Wales	Ordinary	100%	-
Little Munchkins Montessori Ltd.	England and Wales	Ordinary	100%	-

* Directly Held.

The principal activity of LGDN Bidco Limited, LGDN Finco Limited, LGDN Midco Limited, Family First Holdings Limited, Oaklands Employment Services Limited, Ability 2 Create Ltd, Westgate Arches Ltd, Davidson-Roberts Holdings Ltd, DR Journey Limited and LGDN Propco1 Limited is as a holding company. The principal activity of Family First Pre School Limited is that of a dormant company. The principal activity of all other subsidiaries is the provision of nursery services.

The registered address of all subsidiaries is the same as the Company.

For the year ending 30 September 2022, the Company agrees to guarantee the liabilities of all its subsidiary undertakings, thereby allowing these companies to take exemption from an audit under Section 479A of the Companies Act 2006.