

# **The Garden House Nursery School Limited**

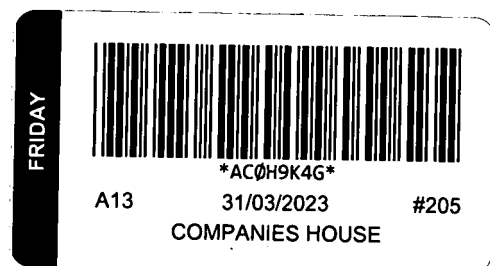
Directors' Report and Unaudited

Financial Statements

Year Ended

30 June 2022

Company Number 04932232



# **The Garden House Nursery School Limited**

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## **Company Information**

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<b>Directors</b>	S M Booty C E Wilson
<b>Registered number</b>	04932232
<b>Registered office</b>	1 Pride Point Drive Pride Park Derby England DE24 8BX
<b>Accountants</b>	BDO LLP Two Snowhill Birmingham B4 6GA

# **The Garden House Nursery School Limited**

## **Directors' Report For the Year Ended 30 June 2022**

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The Directors present their report and the unaudited financial statements for the year ended 30 June 2022.

### **Principal activity**

The Company has not traded during the current year and is therefore dormant. The principal activity of the Company during the prior period was providing childcare in day nurseries.

### **Directors**

The Directors who served during the year and up to the date of signing this report were:

S M Booty  
C E Wilson  
D Harrison (resigned 1 June 2022)

### **Going concern**

The Company is part of a group of children's day nursery businesses and provides security to the Group wide banking and debt facilities. Therefore, in assessing the going concern of the Company, the Directors have considered the Group position with reference to the Group debt facilities.

The Directors have carefully considered the anticipated future performance of the investee companies for a period of 12 months to 28 February 2024 and are satisfied the performance of the companies support the requirements of the debt arrangements and service the interest charges. The bank debt capital is not due to be repaid until June 2028. The forecasts take account of acquisitions that have completed at the date the financial statements have been approved.

The directors have considered the current economic climate when preparing the forecasts and have reflected the anticipated impact of wage and wider cost inflation on the business. The forecasts assume that cost increases are recovered through price increases in fee income. Based on sensitivity analysis, the directors are satisfied that given the level of cash within the business and trading headroom against ongoing debt covenants, scenarios that would result in the business not being a going concern are remote.

The Directors therefore consider that it is appropriate to prepare the financial statements on a going concern basis.

### **Qualifying third party indemnity provisions**

The Company held qualifying professional indemnity insurance during the period for the benefit of one or more Directors.

### **Exemption from audit by parent guarantee**

The ultimate parent company, Oakley Early Years Topco Limited (formerly Thunder UK Topco Limited), has agreed to guarantee the liabilities of the Company thereby allowing it to take exemption from audit under section 480 of the Companies Act 2006.

### **Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

# **The Garden House Nursery School Limited**

## **Directors' Report (continued) For the Year Ended 30 June 2022**

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This report was approved by the board and signed on its behalf by:



**C E Wilson**  
Director

Date: **22-03-2023**

# **The Garden House Nursery School Limited**

## **Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of The Garden House Nursery School Limited For the Year Ended 30 June 2022**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Garden House Nursery School Limited for the year ended 30 June 2022 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes from the Company's accounting records and from information and explanations you have given us.

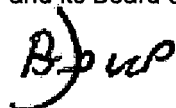
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at: <https://www.icaew.com/regulation/a-z>.

It is your duty to ensure that The Garden House Nursery School Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and result of The Garden House Nursery School Limited. You consider that The Garden House Nursery School Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Garden House Nursery School Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

### **Use of our report**

This report is made solely to the Board of Directors of The Garden House Nursery School Limited, as a body, in accordance with the terms of our engagement letter dated 1 May 2020. Our work has been undertaken solely to prepare for your approval the accounts of The Garden House Nursery School Limited and state those matters that we have agreed to state to the Board of Directors of The Garden House Nursery School Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Garden House Nursery School Limited and its Board of Directors as a body for our work or for this report.



**BDO LLP**  
Birmingham  
United Kingdom

Date: 23 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# The Garden House Nursery School Limited

## Statement of Income and Retained Earnings For the Year Ended 30 June 2022

	Year ended 30 June 2022 £	15 month period ended 30 June 2021 £
Turnover	-	885,354
Cost of sales	-	(479,355)
<b>Gross profit</b>	<b>-</b>	<b>405,999</b>
Administrative expenses	-	(136,885)
Other operating income	3 -	130,716
<b>Operating profit</b>	<b>-</b>	<b>399,830</b>
Interest payable and similar expenses	-	(21)
<b>Profit before tax</b>	<b>-</b>	<b>399,809</b>
Tax on profit	-	(67,252)
<b>Profit after tax</b>	<b>-</b>	<b>332,557</b>
Retained earnings at the beginning of the year	<b>1,003,322</b>	670,765
(Loss)/profit for the year	-	332,557
<b>Retained earnings at the end of the year</b>	<b>1,003,322</b>	<b>1,003,322</b>

The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

The notes on pages 6 to 10 form part of these financial statements.

# The Garden House Nursery School Limited

Registered number:04932232

## Statement of Financial Position As at 30 June 2022

	Note	2022 £	2022 £	2021 £	2021 £
<b>Current assets</b>					
Debtors: amounts falling due within one year	5		1,003,522		1,003,522
<b>Net assets</b>			<u>1,003,522</u>		<u>1,003,522</u>
<b>Capital and reserves</b>					
Called up share capital			200		200
Profit and loss account			1,003,322		1,003,322
			<u>1,003,522</u>		<u>1,003,522</u>

The Directors consider that the Company is entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

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

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



**C E Wilson**  
Director

Date: 22-03-2023

The notes on pages 6 to 10 form part of these financial statements.

# **The Garden House Nursery School Limited**

## **Notes to the Financial Statements For the Year Ended 30 June 2022**

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### **1. General information**

The Garden House Nursery School Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the Company Information page and the nature of the Company's operations and its principal activity is set out in the Directors' Report.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

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

The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been consistently applied:

#### **2.2 Going concern**

The Company is part of a group of children's day nursery businesses and provides security to the Group wide banking and debt facilities. Therefore, in assessing the going concern of the Company, the Directors have considered the Group position with reference to the Group debt facilities.

The Directors have carefully considered the anticipated future performance of the investee companies for a period of 12 months to 28 February 2024 and are satisfied the performance of the companies support the requirements of the debt arrangements and service the interest charges. The bank debt capital is not due to be repaid until June 2028. The forecasts take account of acquisitions that have completed at the date the financial statements have been approved.

The directors have considered the current economic climate when preparing the forecasts and have reflected the anticipated impact of wage and wider cost inflation on the business. The forecasts assume that cost increases are recovered through price increases in fee income. Based on sensitivity analysis, the directors are satisfied that given the level of cash within the business and trading headroom against ongoing debt covenants, scenarios that would result in the business not being a going concern are remote.

The Directors therefore consider that it is appropriate to prepare the financial statements on a going concern basis.



# **The Garden House Nursery School Limited**

## **Notes to the Financial Statements For the Year Ended 30 June 2022**

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### **2. Accounting policies (continued)**

#### **2.3 Turnover**

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

##### **Rendering of services**

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

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

#### **2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight-line basis over the lease term.

#### **2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

#### **2.6 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

# **The Garden House Nursery School Limited**

## **Notes to the Financial Statements For the Year Ended 30 June 2022**

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### **2. Accounting policies (continued)**

#### **2.7 Taxation**

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### **2.8 Tangible fixed assets**

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

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

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Toys and equipment	- 20% - 33% straight line
Fixtures and fittings	- 20% - 33% straight line
Office equipment	- 20% - 33% straight line

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

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

# The Garden House Nursery School Limited

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 2. Accounting policies (continued)

#### 2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.10 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

### 3. Other operating income

	Year ended 30 June 2022 £	15 month period ended 30 June 2021 £
Government grants receivable	-	76,553
Insurance claims receivable	-	54,163
	<u>-</u>	<u>130,716</u>

### 4. Employees

The average monthly number of employees, including Directors, during the year was 3 (2021 - 29).

### 5. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	<u>1,003,522</u>	<u>1,003,522</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

# The Garden House Nursery School Limited

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 6. Contingent liabilities

During the year the Company was party to cross guarantees in respect of the Group banking and debt facilities. Full details of the debt arrangements are disclosed in the parent company's financial statements.

### 7. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £Nil for the period (2021 - £12,940). Contributions totalling £Nil (2021 - £Nil) were payable to the fund at the reporting date and are included in creditors.

### 8. Commitments under operating leases

At 30 June 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	-	845
Later than 1 year and not later than 5 years	-	1,122
	<u>-</u>	<u>1,967</u>

### 9. Related party transactions

The Company has taken advantage of the exemption available in Section 1AC.35 of FRS 102, whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the Group.

### 10. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the Company is Bright Stars Nurseries UK Limited (formerly Cresswell Nurseries Limited), a company registered in England and Wales at 1 Pride Point Drive, Pride Park, Derby, DE24 8BX.

The Company's ultimate parent undertaking is Oakley Early Years Topco Limited (formerly Thunder UK Topco Limited), a company incorporated in England and Wales at 1 Pride Point Drive, Pride Park, Derby, DE24 8BX.

The parent undertaking of the smallest and largest group for which consolidated accounts are prepared is Oakley Early Years Topco Limited (formerly Thunder UK Topco Limited). Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.