

My Family Care Limited

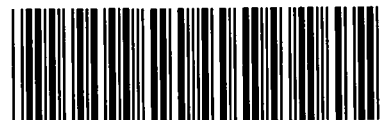
Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 05905564

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My Family Care Limited

Company Information

Directors	E Boland J Casagrande G Fee R Marshall
Company secretary	S Kramer
Registered number	05905564
Registered office	2 Crown Way Rushden Northamptonshire NN10 6BS
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

My Family Care Limited

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My Family Care Limited

Directors' Report For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal activity

The principal activity of the company is that of the provision of child and adult back up care services.

Results and dividends

The profit for the year, after taxation, amounted to £1,045,792 (2018 - £67,846).

The directors do not propose the payment of a final dividend (2018 - £Nil).

Directors

The directors who served during the year were:

E Boland (appointed 1 February 2019)
S Dreier (appointed 1 February 2019, resigned 13 April 2020)
J Tugendhat (appointed 1 February 2019, resigned 13 April 2020)
S Kramer (appointed 1 February 2019, resigned 20 February 2019)
J Casagrande (appointed 16 April 2020)
G Fee (appointed 16 April 2020)
R Marshall (appointed 16 April 2020)
O S Black (resigned 1 February 2019)
W Thomas (resigned 1 February 2019)
A C Coxen (resigned 1 February 2019)
B S Black (resigned 20 May 2019)

My Family Care Limited

Directors' Report (continued) For the Year Ended 31 December 2019

Post statement of financial position events

In March 2020, the Company began to experience the impact of the COVID-19 pandemic on its operations, as required business and school closures government mandates in response to the pandemic resulted in the temporary closure of a significant portion of the Company's child care centres. Throughout the lockdown, the Group continued to operate 35 critical health care client and "hub" centres to provide care and support services to the children and families of first responders, scientists, health care and medical professionals, and other essential workers, as well as the many support industries facilitating their work.

Following UK government announcement, a wider re-opening of centres commenced on 1 June 2020. These open centres are operating with special COVID-19 protocols in place in order to protect the health and safety of the children and staff, including social distancing procedures for pick-up and drop-off, daily health checks, the use of face masks by the Company's staff, limited capacity, and enhanced hygiene and cleaning practices. The Company's back-up care services remain operational and available to clients.

As of the signing date of the financial statements, the Company re-opened 299 child care and early education centres with the capacity to serve approximately 10,000 children and their families, and this is being reviewed on a regular basis as demand from parents is increasing.

Going concern

In the light of the coronavirus pandemic and the subsequent lock down in the UK, the directors have reviewed the current financial performance and the liquidity of the business.

Since the outbreak in March 2020, and the subsequent 'lock down', the Company has taken advantage of a number of Government initiatives aimed at minimising the impact of COVID-19 for businesses in the UK, including the business rates holiday in England, the Time To Pay Scheme and the Job Retention Scheme. Pulling these levers has been instrumental for keeping liquidity in the business during the lock down.

The UK group is 100% owned by Bright Horizons Family Solutions Inc., a Company incorporated in the USA and listed on New York Stock Exchange. The parent company has declared its ability and willingness to support the UK business as it continues its recovery from the COVID-19 pandemic, by providing liquidity where required. Whilst Bright Horizons Family Solutions Inc. has also been affected by the pandemic, its liquidity position remains stable and the latest public filing as of 30 June 2020 shows a consolidated cash position of \$270m and an undrawn multi-currency revolving credit facility of \$400m.

The directors, having reviewed current performance and forecasts, and the factors listed above, have a reasonable expectation that the Group has adequate resources to continue its operations for the foreseeable future. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

Auditor

The auditor, BDO LLP, were appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

My Family Care Limited

Directors' Report (continued) For the Year Ended 31 December 2019

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.

This report was approved by the board on Dec 2, 2020 and signed on its behalf.

Gary Fee
W. J. Fee & Co. Chartered Accountants

G Fee
Director

My Family Care Limited

Independent Auditor's Report to the Member of My Family Care Limited

Opinion

We have audited the financial statements of My Family Care Limited ("the company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

My Family Care Limited

Independent Auditor's Report to the Member of My Family Care Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, 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 this regard.

Other matters

The corresponding figures for the year ended 31 December 2018 are unaudited.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

My Family Care Limited

Independent Auditor's Report to the Member of My Family Care Limited (continued)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://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 member 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 member 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 member, for our audit work, for this report, or for the opinions we have formed.



Malcolm Thixton (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom

3 December 2020

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

My Family Care Limited

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	6,179,514	4,876,932
Cost of sales		(4,022,165)	(2,341,896)
Gross profit		2,157,349	2,535,036
Administrative expenses		(2,124,014)	(2,732,046)
Other operating income		1,012,457	260,000
Operating profit	5	1,045,792	62,990
Interest payable and expenses		-	(10,027)
Profit before tax		1,045,792	52,963
Tax on profit	8	-	14,883
Profit for the financial year		1,045,792	67,846

The notes on pages 10 to 23 form part of these financial statements.

My Family Care Limited

Registered number: 05905564

Statement of Financial Position As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	9		542,064		544,013
Tangible fixed assets	10		163,314		221,085
Investments	11		-		37,543
			<u>705,378</u>		<u>802,641</u>
Current assets					
Debtors: amounts falling due after more than one year	12	71,122		-	
Debtors: amounts falling due within one year	12	3,075,672		1,318,345	
Cash at bank and in hand		697,995		367,405	
		<u>3,844,789</u>		<u>1,685,750</u>	
Creditors: amounts falling due within one year	13	(3,015,161)		(2,258,010)	
Net current assets/(liabilities)			<u>829,628</u>		<u>(572,260)</u>
Total assets less current liabilities			<u>1,535,006</u>		<u>230,381</u>
Provisions for liabilities					
Other provisions	15	(8,833)		-	
			<u>(8,833)</u>		<u>-</u>
Net assets			<u><u>1,526,173</u></u>		<u><u>230,381</u></u>
Capital and reserves					
Called up share capital	16		1,060		1,040
Share premium account	17		1,049,830		799,850
Profit and loss account	17		475,283		(570,509)
			<u><u>1,526,173</u></u>		<u><u>230,381</u></u>

The company's 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 on Dec 2, 2020

Gary Fee

G Fee
Director

The notes on pages 10 to 23 form part of these financial statements.

My Family Care Limited

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2019	1,040	799,850	(570,509)	230,381
Comprehensive income for the year				
Profit for the year	-	-	1,045,792	1,045,792
Total comprehensive income for the year	-	-	1,045,792	1,045,792
Shares issued during the year	20	249,980	-	250,000
Total transactions with owners	20	249,980	-	250,000
At 31 December 2019	1,060	1,049,830	475,283	1,526,173

The notes on pages 10 to 23 form part of these financial statements.

Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2018	1,040	799,850	(638,355)	162,535
Comprehensive income for the year				
Profit for the year	-	-	67,846	67,846
Total comprehensive income for the year	-	-	67,846	67,846
At 31 December 2018	1,040	799,850	(570,509)	230,381

The notes on pages 10 to 23 form part of these financial statements.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General information

My Family Care Limited is a private company limited by shares and registered in England & Wales. The address of its registered office is 2 Crown Way, Rushden, Northamptonshire, England, NN10 6BS.

The Company's functional and presentational currency is pound sterling.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BHFS One Limited as at 31 December 2019 and these financial statements may be obtained from The Secretary, 2 Crown Way, Rushden, Northamptonshire, NN10 6BS.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.3 Going concern

In the light of the coronavirus pandemic and the subsequent lock down in the UK, the directors have reviewed the current financial performance and the liquidity of the business.

Since the outbreak in March 2020, and the subsequent 'lock down', the Company has taken advantage of a number of Government initiatives aimed at minimising the impact of COVID-19 for businesses in the UK, including the business rates holiday in England, the Time To Pay Scheme and the Job Retention Scheme. Pulling these levers has been instrumental for keeping liquidity in the business during the lock down.

The UK group is 100% owned by Bright Horizons Family Solutions Inc., a Company incorporated in the USA and listed on New York Stock Exchange. The parent company has declared its ability and willingness to support the UK business as it continues its recovery from the COVID-19 pandemic, by providing liquidity where required. Whilst Bright Horizons Family Solutions Inc. has also been affected by the pandemic, its liquidity position remains stable and the latest public filing as of 30 June 2020 shows a cash position of \$270m and an undrawn multi-currency revolving credit facility of \$400m.

The directors, having reviewed current performance and forecasts, and the factors listed above, have a reasonable expectation that the Group has adequate resources to continue its operations for the foreseeable future. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

2.4 Revenue

Revenue is recognised on an accruals basis, at the point at which the service is provided and delivered to the client. Revenue is measured as the fair value of the consideration received.

Agency revenue:

The company arranges various welfare and professional care services, certain types of which are state regulated. The company is not the state regulated provider in these cases and acts as agent, connecting its clients with a suitable provider, and administering the financial transaction for the supply. The company receives an agent's commission from the providers for arranging the bookings and this represents the agency element of the company's turnover for the year.

2.5 Operating leases: the company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.6 Finance costs

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

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.8 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 Comprehensive 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.

2.9 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.10 Intangible assets

Development costs

Where the company's software platforms are expected to generate future revenues in excess of the costs of developing those platforms and all other capitalisation criteria are met, expenditure on the functionality of these platforms is capitalised and treated as an intangible fixed asset. Expenditure incurred in maintaining the platforms is written off as incurred. Development costs that are capitalised in accordance with the requirements of FRS 102 are not treated, for dividend purposes, as a realised loss.

Software platform costs are amortised on a straight line basis over 3 years and charged to the Statement of Comprehensive Income, under administrative expenses, from the date the asset is available for its intended use.

The useful lives of the intangible fixed assets have been chosen at the above rate as this reflects the period in which the assets will stop receiving economic benefits.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life of 20 years.

2.11 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold buildings	- Over the shorter of 15 years or the remaining term of the lease
Fixtures and fittings	- 14% straight line
Equipment	- 10 - 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 Comprehensive Income.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.13 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.

2.14 Cash and cash equivalents

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

2.15 Creditors

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

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.17 Financial instruments

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

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the current credit rating of the debtor, the ageing profile and historical experience.
- The company makes an estimate of prepayments at the year end based on invoices paid in advance and expenditure incurred for which invoices have not been received.
- The company makes an estimate of accruals at the year end based on invoices received after the year end, work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.
- Determine the length of the non-cancellable period for which the Company has entered into the lease. These decisions are based on a number of options within the lease and whether or not the Company at the inception of the lease is reasonably certain that it intends to exercise these options.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company and arises solely within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	63,151	93,456
Amortisation of intangible assets	282,841	208,706
Defined contribution pension scheme	58,704	38,267

6. Auditor's remuneration

The audit fee for the year was borne by Bright Horizons Family Solutions Limited.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

7. Employees

The average monthly number of employees, including the directors, during the year was 39 (2018 - 41).

8. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	(14,883)
	-	(14,883)
Total current tax	-	(14,883)
Taxation on profit/(loss) on ordinary activities	-	(14,883)

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>1,045,792</u>	<u>52,963</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	198,700	10,063
Effects of:		
Non deductible depreciation and amortisation	3,818	-
Expenses not deductible for tax purposes	54,918	-
Non-taxable income	(192,367)	-
Adjust opening and closing deferred tax to average rate	1,273	-
Deferred tax not recognised	45,620	-
Other permanent differences	(164,357)	-
Other differences	(2,546)	(24,946)
Group relief	54,941	-
Total tax charge/(credit) for the year	<u>-</u>	<u>(14,883)</u>

Factors that may affect future tax charges

The UK corporation tax rate was 19% in the year to 31 December 2019 and this rate has been used for the purposes of preparing the tax disclosures. The tax rate was due to reduce to 17% on 1 April 2020, however, the Government announced in the March 2020 Budget that the rate would remain at 19% and not reduce to 17% as previously expected. As the 19% rate was not substantively enacted until 17 March 2020, the deferred tax balances have been calculated at 17%, this being the rate substantively enacted at the date of the Statement of Financial Position. The impact of the change in rate on deferred tax assets and liabilities will therefore be reflected in the 2020 financial statements.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

9. Intangible assets

	Website development £	Brands £	Goodwill £	Total £
Cost				
At 1 January 2019	622,953	65,718	438,448	1,127,119
Additions	244,626	-	-	244,626
Intra-group transfers	199,075	(65,718)	-	133,357
At 31 December 2019	1,066,654	-	438,448	1,505,102
Amortisation				
At 1 January 2019	303,955	38,009	241,142	583,106
Charge for the year	262,745	-	20,096	282,841
Intra-group transfers	135,100	(38,009)	-	97,091
At 31 December 2019	701,800	-	261,238	963,038
Net book value				
At 31 December 2019	364,854	-	177,210	542,064
At 31 December 2018	318,998	27,709	197,306	544,013

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

10. Tangible fixed assets

	Leasehold property £	Equipment £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2019	-	178,552	230,906	409,458
Additions	-	33,480	-	33,480
Transfers intra group	-	(133,357)	-	(133,357)
Transfers between classes	202,957	-	(202,957)	-
At 31 December 2019	202,957	78,675	27,949	309,581
Depreciation				
At 1 January 2019	-	127,004	61,369	188,373
Charge for the year on owned assets	37,632	21,533	3,986	63,151
Transfers intra group	-	(105,257)	-	(105,257)
Transfers between classes	52,431	-	(52,431)	-
At 31 December 2019	90,063	43,280	12,924	146,267
Net book value				
At 31 December 2019	112,894	35,395	15,025	163,314
At 31 December 2018	-	51,548	169,537	221,085

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

11. Fixed asset investments

	Investments in subsidiary companies £
At 1 January 2019	37,543
Disposals	(37,543)
At 31 December 2019	-
At 31 December 2019	-
At 31 December 2018	37,543

12. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	71,122	-
	<u>71,122</u>	<u>-</u>
Due within one year		
Trade debtors	1,531,762	1,054,807
Amounts owed by group undertakings	1,237,246	89,436
Other debtors	198,829	70,149
Prepayments and accrued income	107,835	103,953
	<u>3,075,672</u>	<u>1,318,345</u>

All amounts owed by group undertakings are unsecured and not subject to any fixed repayment date. The debt is repayable on demand and therefore classified as due within one year.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

13. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	-	500,000
Trade creditors	277,916	251,882
Amounts owed to group undertakings	1,257,137	-
Other taxation and social security	62,887	334,327
Other creditors	51,611	58,929
Accruals and deferred income	1,365,610	1,112,872
	<u>3,015,161</u>	<u>2,258,010</u>

All amounts owed to group undertakings are unsecured and not subject to any fixed repayment date. The debt is repayable on demand and therefore classified as due within one year.

14. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Other loans	-	500,000
	<u>-</u>	<u>500,000</u>

15. Provisions

	Dilapidation provision £
Charged to profit or loss	8,833
At 31 December 2019	<u>8,833</u>

Dilapidation provision

As part of the company's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to profit or loss as the obligation arises. The provision is expected to be utilised as the lease terminates.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

16. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,060 (2018 - 1,040) Ordinary shares shares of £1.00 each	<u>1,060</u>	<u>1,040</u>

17. Reserves

The company's reserves are as follows:

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of any dividends paid and other adjustments.

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £58,704 (2018 - £38,267). Contributions totalling £Nil (2018 - £4,986) were payable to the funds at the reporting date.

19. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	171,000	109,852
Later than 1 year and not later than 5 years	247,950	275,449
	<u>418,950</u>	<u>385,301</u>

20. Related party transactions

The company has taken advantage of the exemption conferred by section 33.1A of FRS102 not to disclose transactions with other wholly owned subsidiaries within the group as consolidated accounts, including the subsidiary undertakings, are publicly available.

My Family Care Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

21. Post statement of financial position events

In March 2020, the Company began to experience the impact of the COVID-19 pandemic on its operations, as required business and school closures government mandates in response to the pandemic resulted in the temporary closure of a significant portion of the Company's child care centres. Throughout the lockdown, the Group continued to operate 35 critical health care client and "hub" centres to provide care and support services to the children and families of first responders, scientists, health care and medical professionals, and other essential workers, as well as the many support industries facilitating their work.

Following UK government announcement, a wider re-opening of centres commenced on 1 June 2020. These open centres are operating with special COVID-19 protocols in place in order to protect the health and safety of the children and staff, including social distancing procedures for pick-up and drop-off, daily health checks, the use of face masks by the Company's staff, limited capacity, and enhanced hygiene and cleaning practices. The Company's back-up care services remain operational and available to clients.

As of the signing date, the Company re-opened 299 child care and early education centres with the capacity to serve approximately 10,000 children and their families, and this is being reviewed on a regular basis as demand from parents is increasing.

22. Controlling party

From the 1 February 2019, the company's immediate parent undertaking is BHFS Two Limited, a company registered in England and Wales. The company's ultimate controlling party is Bright Horizons Family Solutions Inc., which is the ultimate parent company incorporated in the United States of America.

The largest group in which the results of the company are consolidated is that headed by Bright Horizons Family Solutions Inc., incorporated in the United States of America. The smallest group in which they are consolidated is that headed by BHFS One Limited, incorporated in England and Wales. The consolidated accounts are available to the public and may be obtained from The Secretary, BHFS One Limited, 2 Crown Way, Rushden, Northamptonshire, NN10 6B5.