

COMPANY REGISTRATION NUMBER SC214161

KIDZCARE LIMITED
FINANCIAL STATEMENTS
30 JUNE 2012



CHARLES BURROWS & CO
Chartered Accountants & Statutory Auditor
7 Palmerston Place
Edinburgh
EH12 5AH

KIDZCARE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

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KIDZCARE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	F Quin A Dunn
Company secretary	A Dunn
Business address	Norwood House 9 Kilgraston Road Edinburgh EH9 2DX
Registered office	Norwood House 9 Kilgraston Road Edinburgh EH9 2DX
Auditor	Charles Burrows & Co Chartered Accountants & Statutory Auditor 7 Palmerston Place Edinburgh EH12 5AH

KIDZCARE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2012.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were running after school clubs and operating children's nurseries and baby crèche.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2012	At 1 July 2011
F Quin	500	500
A Dunn	<u>500</u>	<u>500</u>

DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and

KIDZCARE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2012

- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Charles Burrows & Co were appointed as auditor during the year. Charles Burrows & Co have been re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
Norwood House
9 Kilgraston Road
Edinburgh
EH9 2DX

Signed on behalf of the directors



F QUIN
Director

Approved by the directors on 20 December 2012

KIDZCARE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KIDZCARE LIMITED

YEAR ENDED 30 JUNE 2012

We have audited the financial statements of Kidzcare Limited for the year ended 30 June 2012 on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

KIDZCARE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KIDZCARE LIMITED *(continued)*

YEAR ENDED 30 JUNE 2012

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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, 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' exemption in preparing the directors' report.



WILLIAM A S GUNN CA (Senior Statutory Auditor)
For and on behalf of
CHARLES BURROWS & CO
Chartered Accountants & Statutory Auditor

7 Palmerston Place
Edinburgh
EH12 5AH

20 December 2012

KIDZCARE LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 JUNE 2012**

	Note	2012 £	2011 £
TURNOVER		2,264,189	2,197,282
Cost of sales		1,430,816	1,385,119
GROSS PROFIT		833,373	812,163
Administrative expenses		633,044	584,140
Other operating income		(1,126)	(1,160)
OPERATING PROFIT	2	201,455	229,183
Other interest receivable		50	36
Amounts written off investments	3	(1,874)	–
Interest payable and similar charges		(8,627)	(12,350)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		191,004	216,869
Tax on profit on ordinary activities	4	46,498	53,926
PROFIT FOR THE FINANCIAL YEAR		144,506	162,943

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

KIDZCARE LIMITED

BALANCE SHEET

30 JUNE 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	659,954	704,738
Tangible assets	7	12,767	14,631
Investments	8	—	1,874
		<u>672,721</u>	<u>721,243</u>
CURRENT ASSETS			
Debtors	9	92,780	94,799
Cash at bank and in hand		54,496	7,793
		<u>147,276</u>	<u>102,592</u>
CREDITORS: Amounts falling due within one year	10	<u>338,588</u>	<u>354,736</u>
NET CURRENT LIABILITIES		(191,312)	(252,144)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>481,409</u>	<u>469,099</u>
CREDITORS: Amounts falling due after more than one year	11	184,814	258,060
		<u>296,595</u>	<u>211,039</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	1,000	1,000
Profit and loss account	15	295,595	210,039
SHAREHOLDERS' FUNDS		<u>296,595</u>	<u>211,039</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 20 December 2012, and are signed on their behalf by:



F QUIN

Company Registration Number: SC214161

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

KIDZCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

Turnover shown in the profit and loss account represents amounts derived from the provision of childcare services during the year.

Revenue based local authority grants are included within deferred income in the balance sheet and are credited to other operating income in the profit and loss account in the period to which they relate.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	20 years
Lease premium	20 years

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	10% straight line
Plant and machinery	25% straight line for assets purchased since 1 July 2007
Motor vehicles	25% straight line
Plant and machinery	25% reducing balance for assets purchased prior to 30 June 2007

KIDZCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

1. ACCOUNTING POLICIES *(continued)*

Investments

Fixed asset investments are stated at cost less any provision required where there has been a permanent diminution in their value.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2012	2011
	£	£
Directors' remuneration	106,740	94,140
Amortisation of intangible assets	44,784	44,784
Depreciation of owned fixed assets	5,054	8,048
Loss on disposal of fixed assets	—	2,253
Auditor's fees	3,600	3,500

KIDZCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2012****3. AMOUNTS WRITTEN OFF INVESTMENTS**

	2012 £	2011 £
Amount written off investments	<u>1,874</u>	<u>—</u>

4. TAXATION ON ORDINARY ACTIVITIES**Analysis of charge in the year**

	2012 £	2011 £
Current tax:		
UK Corporation tax based on the results for the year at 20% (2011 - 20%)	<u>46,498</u>	<u>53,926</u>
Total current tax	<u>46,498</u>	<u>53,926</u>

5. DIVIDENDS**Equity dividends**

	2012 £	2011 £
Paid during the year:		
Dividends on equity shares	<u>58,950</u>	<u>54,250</u>

6. INTANGIBLE FIXED ASSETS

	Goodwill £	Lease premium £	Total £
COST			
At 1 July 2011 and 30 June 2012	<u>662,307</u>	<u>233,255</u>	<u>895,562</u>
AMORTISATION			
At 1 July 2011	132,470	58,354	190,824
Charge for the year	<u>33,120</u>	<u>11,664</u>	<u>44,784</u>
At 30 June 2012	<u>165,590</u>	<u>70,018</u>	<u>235,608</u>
NET BOOK VALUE			
At 30 June 2012	<u>496,717</u>	<u>163,237</u>	<u>659,954</u>
At 30 June 2011	<u>529,837</u>	<u>174,901</u>	<u>704,738</u>

KIDZCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2012****7. TANGIBLE FIXED ASSETS**

	Leasehold improve- ments £	Plant & Machinery £	Motor Vehicles £	Total £
COST				
At 1 July 2011	22,674	179,770	7,871	210,315
Additions	—	3,190	—	3,190
At 30 June 2012	<u>22,674</u>	<u>182,960</u>	<u>7,871</u>	<u>213,505</u>
DEPRECIATION				
At 1 July 2011	22,674	165,139	7,871	195,684
Charge for the year	—	5,054	—	5,054
At 30 June 2012	<u>22,674</u>	<u>170,193</u>	<u>7,871</u>	<u>200,738</u>
NET BOOK VALUE				
At 30 June 2012	<u>—</u>	<u>12,767</u>	<u>—</u>	<u>12,767</u>
At 30 June 2011	<u>—</u>	<u>14,631</u>	<u>—</u>	<u>14,631</u>

8. INVESTMENTS

	Group company £
COST	
At 1 July 2011 and 30 June 2012	<u>1,874</u>
AMOUNTS WRITTEN OFF	
Written off in year	<u>1,874</u>
At 30 June 2012	<u>1,874</u>
NET BOOK VALUE	
At 30 June 2012	<u>—</u>
At 30 June 2011	<u>1,874</u>

KIDZCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

8. INVESTMENTS *(continued)*

Subsidiary undertaking

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
All held by the company:				
Astley Grange Limited	Scotland	Ordinary	100%	Dormant

The net assets of Astley Grange Limited at 30 June 2012 was £nil (2011 - £nil). The profit for the year was £nil (2011 £nil).

Under the provision of section 384 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

9. DEBTORS

	2012 £	2011 £
Trade debtors	39,294	53,741
Other debtors	—	1,903
Prepayments and accrued income	53,486	39,155
	<u>92,780</u>	<u>94,799</u>

10. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	75,986	98,779
Trade creditors	42,833	38,226
Other creditors including taxation and social security:		
Corporation tax	46,498	53,926
PAYE and social security	24,442	16,217
Other creditors	33,588	24,112
Accruals and deferred income	115,241	123,476
	<u>219,769</u>	<u>217,731</u>
	<u>338,588</u>	<u>354,736</u>

The bank loans are secured by a bond and floating charge over the company's assets.

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2012 £	2011 £
Bank loans and overdrafts	<u>75,986</u>	<u>98,779</u>

KIDZCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

11. CREDITORS: Amounts falling due after more than one year

	2012	2011
	£	£
Bank loans and overdrafts	<u>184,814</u>	<u>258,060</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2012	2011
	£	£
Bank loans and overdrafts	<u>184,814</u>	<u>258,060</u>

Included within creditors falling due after more than one year is an amount of £Nil (2011 - £14,298) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

12. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2012 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2012	2011
	£	£
Operating leases which expire:		
Within 1 year	32,100	32,100
Within 2 to 5 years	18,487	18,487
After more than 5 years	75,000	75,000
	<u>125,587</u>	<u>125,587</u>

13. RELATED PARTY TRANSACTIONS

The company was under the control of F Quin and A Dunn throughout the current and previous year. F Quin and A Dunn are the sole directors and shareholders.

At 30 June 2012, the company was due £nil (30 June 2011 - £625) from A Dunn.

At 30 June 2012, the company was due £nil (30 June 2011 - £1,278) from F Quin.

During the year to 30 June 2012, the company purchased catering services of £29,526 (2011 - £26,481) from Westwood Catering on normal commercial terms. At 30 June 2012, the company was due £2,576 (30 June 2011 - £nil) to Westwood Catering. Westwood Catering is a sole trader operated by L Quin, the spouse of F Quin.

14. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

KIDZCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

14. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

15. PROFIT AND LOSS ACCOUNT

	2012	2011
	£	£
Balance brought forward	210,039	101,346
Profit for the financial year	144,506	162,943
Equity dividends	<u>(58,950)</u>	<u>(54,250)</u>
Balance carried forward	<u>295,595</u>	<u>210,039</u>