

KIDZCARE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

KIDZCARE LIMITED

COMPANY INFORMATION

Directors	A Dunn (resigned 26 January 2023) J Mackenzie (appointed 26 January 2023)
Registered number	SC214161
Registered office	Norwood House 9 Kilgraston Road Edinburgh EH9 2DX
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

		2023 £	2022 £
Fixed assets			
Intangible assets	4	144,226	192,310
Tangible assets	5	659,543	659,580
		<u>803,769</u>	<u>851,890</u>
Current assets			
Debtors: amounts falling due within one year	6	32,118	35,696
Cash at bank and in hand		674,625	548,493
		<u>706,743</u>	<u>584,189</u>
Creditors: amounts falling due within one year	7	(350,729)	(319,857)
Net current assets		<u>356,014</u>	<u>264,332</u>
Total assets less current liabilities		<u>1,159,783</u>	<u>1,116,222</u>
Provisions for liabilities			
Deferred tax		(43,253)	(46,680)
		<u>(43,253)</u>	<u>(46,680)</u>
Net assets		<u><u>1,116,530</u></u>	<u><u>1,069,542</u></u>
Capital and reserves			
Called up share capital	8	500	500
Revaluation reserve		185,145	185,145
Capital redemption reserve		500	500
Profit and loss account		930,385	883,397
		<u><u>1,116,530</u></u>	<u><u>1,069,542</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

J Mackenzie
Director

Date: 18 December 2023

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. General information

Kidzcare Limited is a private company limited by shares, incorporated in Scotland, with registration number SC214161. The registered office is Norwood House, 9 Kilgraston Road, Edinburgh, EH9 2DX.

The financial statements are presented in Sterling, which is the functional currency of the Company, and rounded to the nearest £.

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 following principal accounting policies have been applied:

2.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have considered a period of 12 months from the date of approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss 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 profit or loss 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 comprehensive income in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

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 profit or loss 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.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.8 Intangible assets

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.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives range as follows:

Lease premium	-	5% straight line
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2.9 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, as follows.

Depreciation is provided on the following basis:

Freehold property	- Not depreciated
Plant and machinery	- 25% straight line
Motor vehicles	- 25% 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 profit or loss.

No depreciation is provided on freehold land and buildings as it is the company's policy to maintain them to such a standard as to extend their useful life. Costs of general repairs and renewals are charged against revenue in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.10 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.11 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.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 151 (2022 - 143).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

4. Intangible assets

	Lease £	Goodwill £	Total £
Cost			
At 1 July 2022	233,255	662,307	895,562
At 30 June 2023	233,255	662,307	895,562
Amortisation			
At 1 July 2022	186,658	516,594	703,252
Charge for the year	11,664	36,420	48,084
At 30 June 2023	198,322	553,014	751,336
Net book value			
At 30 June 2023	34,933	109,293	144,226
At 30 June 2022	46,597	145,713	192,310

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

5. Tangible fixed assets

	Freehold property	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 July 2022	651,500	26,765	16,200	694,465
Additions	-	5,235	-	5,235
Disposals	-	(3,486)	-	(3,486)
At 30 June 2023	<u>651,500</u>	<u>28,514</u>	<u>16,200</u>	<u>696,214</u>
Depreciation				
At 1 July 2022	-	18,685	16,200	34,885
Charge for the year	-	4,500	-	4,500
Disposals	-	(2,714)	-	(2,714)
At 30 June 2023	<u>-</u>	<u>20,471</u>	<u>16,200</u>	<u>36,671</u>
Net book value				
At 30 June 2023	<u>651,500</u>	<u>8,043</u>	<u>-</u>	<u>659,543</u>
At 30 June 2022	<u>651,500</u>	<u>8,080</u>	<u>-</u>	<u>659,580</u>

Cost or valuation at 30 June 2023 is as follows:

	Land and buildings
	£
At cost	420,750
At valuation:	
Revaluations as at 30 June 2023	<u>230,750</u>
	<u>651,500</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023	2022
	£	£
Cost	<u>420,750</u>	<u>420,750</u>
Net book value	<u>420,750</u>	<u>420,750</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

6. Debtors

	2023	2022
	£	£
Trade debtors	10,880	15,830
Other debtors	50	2,113
Prepayments and accrued income	21,188	17,753
	<u>32,118</u>	<u>35,696</u>

7. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	38,367	24,873
Other taxation and social security	112,009	141,596
Other creditors	19,339	106
Accruals and deferred income	181,014	153,282
	<u>350,729</u>	<u>319,857</u>

8. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
500 (2022 - 500) Ordinary shares of £1.00 each	<u>500</u>	<u>500</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

9. Commitments under operating leases

At 30 June 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	174,566	159,611
Later than 1 year and not later than 5 years	90,195	239,570
	<u>264,761</u>	<u>399,181</u>

10. Related party transactions

On 27 January 2022 the entire issued share capital of the company was acquired by the Kidzcare Employee Ownership Trust. During the year the company made gifts totalling £150,000 (2022 : £612,500) to Kidzcare Employee Ownership Trust.

11. Security and guarantees

The company has granted a standard security over its property in respect of certain obligations arising within Kidzcare Employee Ownership Trust.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.