

**HAPPITOTS DAY NURSERIES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2007**



# **HAPPITOTS DAY NURSERIES LIMITED**

## **COMPANY INFORMATION**

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|                          |                                                                                               |                           |
|--------------------------|-----------------------------------------------------------------------------------------------|---------------------------|
| <b>Directors</b>         | Mr T P Lyons                                                                                  | (Appointed 23 March 2007) |
|                          | Mr G J Scott                                                                                  | (Appointed 23 March 2007) |
| <b>Secretary</b>         | Mr T P Lyons                                                                                  | (Appointed 23 March 2007) |
| <b>Company number</b>    | SC192599                                                                                      |                           |
| <b>Registered office</b> | 13 Minto Street<br>Edinburgh<br>EH9 1RG                                                       |                           |
| <b>Auditors</b>          | Baker Tilly UK Audit LLP<br>First Floor, Quay 2<br>139 Fountainbridge<br>EDINBURGH<br>EH3 9QG |                           |

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# **HAPPITOTS DAY NURSERIES LIMITED**

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# HAPPITOTS DAY NURSERIES LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 28 FEBRUARY 2007

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The directors present their report and financial statements for the period ended 28 February 2007

#### Principal activities

The principal activity of the company during the 5 month period was that of the operation of children's nurseries

The accounting period was shortened to 28 February following the acquisition of Happitots Day Nurseries Limited by Bertram Nursery Group Limited on 23rd March 2007

#### Directors

The following directors have held office since 1 October 2006

|                 |                           |
|-----------------|---------------------------|
| Mr T P Lyons    | (Appointed 23 March 2007) |
| Mr G J Scott    | (Appointed 23 March 2007) |
| Mrs H Gilchrist | (Resigned 23 March 2007)  |
| Mr I Gilchrist  | (Resigned 23 March 2007)  |

| Charitable donations                                      | 2007<br>£ | 2006<br>£ |
|-----------------------------------------------------------|-----------|-----------|
| During the period the company made the following payments |           |           |
| Charitable donations                                      | 3,000     | 8,475     |

#### Auditors

Springfords Chartered Accountants resigned as auditors on 23 March 2007 and Baker Tilly UK Audit LLP were appointed as auditors from this date. In accordance with section 385 of the Companies Act 1985, a resolution proposing that Baker Tilly UK Audit LLP be reappointed as auditors of the company will be put to the Annual General Meeting



# HAPPITOTS DAY NURSERIES LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 28 FEBRUARY 2007**

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### **Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 proper accounting records which 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 1985. 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.

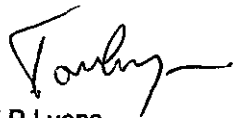
### **Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Mr T P Lyons

Secretary

4/4/07

# **HAPPITOTS DAY NURSERIES LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF HAPPITOTS DAY NURSERIES LIMITED**

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We have audited the financial statements of Happitots Day Nurseries Limited for the period ended 28 February 2007 set out on pages 5 to 12

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# HAPPITOTS DAY NURSERIES LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF HAPPITOTS DAY NURSERIES LIMITED

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#### Opinion

In our opinion

the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2007 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985, and the information given in the directors' report is consistent with the financial statements

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*g h m*

**Baker Tilly UK Audit LLP**

Chartered Accountants

**Registered Auditor**

First Floor, Quay 2  
139 Fountainbridge  
EDINBURGH  
EH3 9QG

# HAPPITOTS DAY NURSERIES LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 28 FEBRUARY 2007

|                                                      |           | Period<br>ended<br>28 February<br>2007<br>£ | Year<br>ended<br>30 September<br>2006<br>£ |
|------------------------------------------------------|-----------|---------------------------------------------|--------------------------------------------|
|                                                      | Notes     |                                             |                                            |
| Turnover                                             |           | 1,622,499                                   | 3,742,729                                  |
| Cost of sales                                        |           | (895,811)                                   | (2,118,870)                                |
| <b>Gross profit</b>                                  |           | <b>726,688</b>                              | <b>1,623,859</b>                           |
| Administrative expenses                              |           | (471,718)                                   | (1,207,723)                                |
| Other operating income                               |           | 2,225                                       | 8,006                                      |
| <b>Operating profit</b>                              | <b>2</b>  | <b>257,195</b>                              | <b>424,142</b>                             |
| Other interest receivable and similar income         | <b>3</b>  | 1,328                                       | 4,894                                      |
| Interest payable and similar charges                 |           | (28,908)                                    | (77,844)                                   |
| <b>Profit on ordinary activities before taxation</b> |           | <b>229,615</b>                              | <b>351,192</b>                             |
| Tax on profit on ordinary activities                 | <b>4</b>  | (72,788)                                    | (113,053)                                  |
| <b>Profit for the period</b>                         | <b>13</b> | <b>156,827</b>                              | <b>238,139</b>                             |



# HAPPITOTS DAY NURSERIES LIMITED

## BALANCE SHEET

AS AT 28 FEBRUARY 2007

|                                                               | Notes | 2007<br>£ | £ | 2006<br>£ | £ |
|---------------------------------------------------------------|-------|-----------|---|-----------|---|
| <b>Fixed assets</b>                                           |       |           |   |           |   |
| Intangible assets                                             | 5     | 842,010   |   | 894,130   |   |
| Tangible assets                                               | 6     | 1,362,273 |   | 1,370,642 |   |
| Investments                                                   | 7     | 2         |   | 2         |   |
|                                                               |       |           |   |           |   |
|                                                               |       | 2,204,285 |   | 2,264,774 |   |
| <b>Current assets</b>                                         |       |           |   |           |   |
| Debtors                                                       | 8     | 65,923    |   | 1,800     |   |
| Cash at bank and in hand                                      |       | 292,279   |   | 97,658    |   |
|                                                               |       |           |   |           |   |
|                                                               |       | 358,202   |   | 99,458    |   |
| <b>Creditors: amounts falling due within one year</b>         | 9     | (508,138) |   | (378,410) |   |
| <b>Net current liabilities</b>                                |       | (149,936) |   | (278,952) |   |
| <b>Total assets less current liabilities</b>                  |       | 2,054,349 |   | 1,985,822 |   |
| <b>Creditors amounts falling due after more than one year</b> | 10    | (881,985) |   | (970,285) |   |
|                                                               |       |           |   |           |   |
|                                                               |       | 1,172,364 |   | 1,015,537 |   |
| <b>Capital and reserves</b>                                   |       |           |   |           |   |
| Called up share capital                                       | 12    | 50,000    |   | 50,000    |   |
| Profit and loss account                                       | 13    | 1,122,364 |   | 965,537   |   |
| <b>Shareholders' funds</b>                                    |       | 1,172,364 |   | 1,015,537 |   |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved by the Board for issue on

4/4/08



Director



# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 FEBRUARY 2007

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Turnover

Turnover consists of the sales value (excluding VAT) of all work done in the period under contracts to supply goods and services to third parties. It includes the relevant proportion of contract values where work is partially performed in the period

#### 1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life deemed to be 10 years

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

|                     |                   |
|---------------------|-------------------|
| Freehold buildings  | 2% straight line  |
| Plant and machinery | 25% straight line |
| Motor vehicles      | 25% straight line |

#### 1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

#### 1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable

#### 1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts

# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

|          |                                           |                   |                   |
|----------|-------------------------------------------|-------------------|-------------------|
| <b>2</b> | <b>Operating profit</b>                   | <b>2007</b>       | <b>2006</b>       |
|          |                                           | <b>£</b>          | <b>£</b>          |
|          | Operating profit is stated after charging |                   |                   |
|          | Amortisation of intangible assets         | 52,120            | 125,088           |
|          | Depreciation of tangible assets           | 18,550            | 57,124            |
|          | Auditors' remuneration                    | 8,625             | 3,575             |
|          | Directors' emoluments                     | 20,880            | 304,415           |
|          |                                           | <u>          </u> | <u>          </u> |
| <b>3</b> | <b>Investment income</b>                  | <b>2007</b>       | <b>2006</b>       |
|          |                                           | <b>£</b>          | <b>£</b>          |
|          | Bank interest                             | 1,328             | 4,894             |
|          |                                           | <u>          </u> | <u>          </u> |
| <b>4</b> | <b>Taxation</b>                           | <b>2007</b>       | <b>2006</b>       |
|          |                                           | <b>£</b>          | <b>£</b>          |
|          | <b>Domestic current year tax</b>          |                   |                   |
|          | U K corporation tax                       | 72,788            | 113,150           |
|          | Adjustment for prior years                |                   | (97)              |
|          |                                           | <u>          </u> | <u>          </u> |
|          | <b>Current tax charge</b>                 | <b>72,788</b>     | <b>113,053</b>    |
|          |                                           | <u>          </u> | <u>          </u> |
| <b>5</b> | <b>Intangible fixed assets</b>            |                   | <b>Goodwill</b>   |
|          |                                           |                   | <b>£</b>          |
|          | <b>Cost</b>                               |                   |                   |
|          | At 1 October 2006 & at 28 February 2007   |                   | 1,290,851         |
|          |                                           |                   | <u>          </u> |
|          | <b>Amortisation</b>                       |                   |                   |
|          | At 1 October 2006                         |                   | 396,721           |
|          | Charge for the period                     |                   | 52,120            |
|          |                                           |                   | <u>          </u> |
|          | At 28 February 2007                       |                   | 448,841           |
|          |                                           |                   | <u>          </u> |
|          | <b>Net book value</b>                     |                   |                   |
|          | At 28 February 2007                       |                   | 842,010           |
|          |                                           |                   | <u>          </u> |
|          | At 30 September 2006                      |                   | 894,130           |
|          |                                           |                   | <u>          </u> |

# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

### 6 Tangible fixed assets

|                       | Land and<br>buildings<br>Freehold | Plant and<br>machinery | Motor<br>vehicles | Total     |
|-----------------------|-----------------------------------|------------------------|-------------------|-----------|
|                       | £                                 | £                      | £                 | £         |
| <b>Cost</b>           |                                   |                        |                   |           |
| At 1 October 2006     | 1,462,629                         | 210,750                | 25,766            | 1,699,145 |
| Additions             |                                   | 10,181                 |                   | 10,181    |
|                       |                                   |                        |                   |           |
| At 28 February 2007   | 1,462,629                         | 220,931                | 25,766            | 1,709,326 |
|                       |                                   |                        |                   |           |
| <b>Depreciation</b>   |                                   |                        |                   |           |
| At 1 October 2006     | 112,432                           | 190,305                | 25,766            | 328,503   |
| Charge for the period | 12,190                            | 6,360                  |                   | 18,550    |
|                       |                                   |                        |                   |           |
| At 28 February 2007   | 124,622                           | 196,665                | 25,766            | 347,053   |
|                       |                                   |                        |                   |           |
| <b>Net book value</b> |                                   |                        |                   |           |
| At 28 February 2007   | 1,338,007                         | 24,266                 |                   | 1,362,273 |
|                       |                                   |                        |                   |           |
| At 30 September 2006  | 1,350,197                         | 20,445                 |                   | 1,370,642 |



# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

### 7 Fixed asset investments

|                                         | Shares in<br>group<br>undertakings<br>and<br>participating<br>interests<br>£ |
|-----------------------------------------|------------------------------------------------------------------------------|
| <b>Cost</b>                             |                                                                              |
| At 1 October 2006 & at 28 February 2007 | 2                                                                            |
| <b>Net book value</b>                   |                                                                              |
| At 28 February 2007                     | 2                                                                            |
|                                         | <u>2</u>                                                                     |
| At 30 September 2006                    | <u>2</u>                                                                     |

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

| Company                        | Country of registration or<br>incorporation | Shares held<br>Class | %      |
|--------------------------------|---------------------------------------------|----------------------|--------|
| <b>Subsidiary undertakings</b> |                                             |                      |        |
| Bright Beginnings Limited      | UK                                          | Ordinary Shares      | 100.00 |

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

|                           | Principal activity | Capital and<br>reserves<br>2007<br>£ | Profit for the<br>year<br>2007<br>£ |
|---------------------------|--------------------|--------------------------------------|-------------------------------------|
| Bright Beginnings Limited | Dormant Company    | <u>2</u>                             | <u></u>                             |

| 8 Debtors     | 2007<br>£     | 2006<br>£    |
|---------------|---------------|--------------|
| Other debtors | <u>65,923</u> | <u>1,800</u> |



# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

| 9 Creditors: amounts falling due within one year | 2007<br>£      | 2006<br>£      |
|--------------------------------------------------|----------------|----------------|
| Bank loans and overdrafts                        | 83,298         | 89,100         |
| Taxation and social security                     | 214,500        | 231,467        |
| Other creditors                                  | 210,340        | 57,843         |
|                                                  | <u>508,138</u> | <u>378,410</u> |

The aggregate amount of creditors for which security has been given amounted to £83,298 (2006 £88,955)

| 10 Creditors: amounts falling due after more than one year | 2007<br>£      | 2006<br>£      |
|------------------------------------------------------------|----------------|----------------|
| Bank loans                                                 | <u>881,985</u> | <u>970,285</u> |
| <b>Analysis of loans</b>                                   |                |                |
| Wholly repayable within five years                         | 965,283        | 1,059,240      |
| Included in current liabilities                            | (83,298)       | (88,955)       |
|                                                            | <u>881,985</u> | <u>970,285</u> |

The aggregate amount of creditors for which security has been given amounted to £881,985 (2006 £970,285)

### 11 Pension costs

#### Defined contribution

|                                                     | 2007<br>£  | 2006<br>£    |
|-----------------------------------------------------|------------|--------------|
| Contributions payable by the company for the period | <u>880</u> | <u>1,872</u> |



# HAPPITOTS DAY NURSERIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

| 12 Share capital                                     | 2007   | 2006                                         |
|------------------------------------------------------|--------|----------------------------------------------|
|                                                      | £      | £                                            |
| <b>Authorised</b>                                    |        |                                              |
| 50,000 Ordinary shares of £1 each                    | 50,000 | 50,000                                       |
|                                                      |        |                                              |
| <b>Allotted, called up and fully paid</b>            |        |                                              |
| 50,000 Ordinary shares of £1 each                    | 50,000 | 50,000                                       |
|                                                      |        |                                              |
| 13 Statement of movements on profit and loss account |        | <b>Profit and<br/>loss<br/>account<br/>£</b> |
|                                                      |        |                                              |
| Balance at 1 October 2006                            |        | 965,537                                      |
| Profit for the period                                |        | 156,827                                      |
|                                                      |        |                                              |
| Balance at 28 February 2007                          |        | 1,122,364                                    |

## 14 Post balance sheet events

On 23 March 2007 Bertram Nursery Group Limited acquired the entire share capital of Happitots Day Nurseries Limited for £6,300,000, including £500,000 as a loan from the owner, Heather Gilchrist. Heather Gilchrist became a director of Bertram Nursery Group Limited on this date. Also in March, Bertram Nursery Group Limited received a £4,000,000 dividend from Happitots Day Nurseries Limited.

# HAPPITOTS DAY NURSERIES LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 28 FEBRUARY 2007

|                                                     | Period ended<br>28 February<br>2007 |                  | Year ended<br>30 September<br>2006 |                    |
|-----------------------------------------------------|-------------------------------------|------------------|------------------------------------|--------------------|
|                                                     | £                                   | £                | £                                  | £                  |
| <b>Turnover</b>                                     |                                     |                  |                                    |                    |
| Fees                                                |                                     | 1,407,931        |                                    | 3,332,283          |
| Grants and funding received                         |                                     | 214,568          |                                    | 410,446            |
|                                                     |                                     | <u>1,622,499</u> |                                    | <u>3,742,729</u>   |
| <b>Cost of sales</b>                                |                                     |                  |                                    |                    |
| Wages and salaries (excl NI)                        | 764,577                             |                  | 1,790,058                          |                    |
| Employer' NI contributions                          | 44,778                              |                  | 107,110                            |                    |
| Agency and casual staff                             | 15,067                              |                  | 41,817                             |                    |
| Food and milk                                       | 48,500                              |                  | 101,539                            |                    |
| Advertising for staff                               |                                     |                  | 6,588                              |                    |
| Staff uniforms                                      |                                     |                  | 7,011                              |                    |
| Staff training                                      |                                     |                  | 10,413                             |                    |
| Toys and equipment                                  | 22,889                              |                  | 54,334                             |                    |
|                                                     |                                     | <u>(895,811)</u> |                                    | <u>(2,118,870)</u> |
| <b>Gross profit</b>                                 | 44 79%                              | 726,688          | 43 39%                             | 1,623,859          |
| <b>Administrative expenses</b>                      |                                     | <u>(471,718)</u> |                                    | <u>(1,207,723)</u> |
|                                                     |                                     | 254,970          |                                    | 416,136            |
| <b>Other operating income</b>                       |                                     |                  |                                    |                    |
| Rent receivable                                     | 2,128                               |                  | 6,256                              |                    |
| Sundry income                                       | 97                                  |                  | 1,750                              |                    |
|                                                     |                                     | <u>2,225</u>     |                                    | <u>8,006</u>       |
| <b>Operating profit</b>                             |                                     | 257,195          |                                    | 424,142            |
| <b>Other interest receivable and similar income</b> |                                     |                  |                                    |                    |
| Bank interest received                              |                                     | 1,328            |                                    | 4,894              |
| <b>Interest payable</b>                             |                                     |                  |                                    |                    |
| Bank interest on loans > 5 yrs paid                 | 28,581                              |                  | 74,864                             |                    |
| Bank overdraft interest paid                        | 327                                 |                  | 2,980                              |                    |
|                                                     |                                     | <u>(28,908)</u>  |                                    | <u>(77,844)</u>    |

## **HAPPITOTS DAY NURSERIES LIMITED**

### **ANALYSIS OF OTHER DEBTORS AND OTHER CREDITORS FOR THE PERIOD ENDED 28 FEBRUARY 2007**

|                                     | <b>Period<br/>ended<br/>28 February<br/>2007<br/>£</b> | <b>Year<br/>ended<br/>30 September<br/>2006<br/>£</b> |
|-------------------------------------|--------------------------------------------------------|-------------------------------------------------------|
| <b>Other debtors (note 8)</b>       |                                                        |                                                       |
| Other debtors                       | 53,820                                                 | 1,800                                                 |
| Prepayments                         | 12,103                                                 |                                                       |
|                                     | <u>65,923</u>                                          | <u>1,800</u>                                          |
| <br><b>Other creditors (note 9)</b> |                                                        |                                                       |
| Other Creditors                     | 7,269                                                  |                                                       |
| Accruals and deferred income        | 203,071                                                | 57,843                                                |
|                                     | <u>210,340</u>                                         | <u>57,843</u>                                         |

# HAPPITOTS DAY NURSERIES LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE PERIOD ENDED 28 FEBRUARY 2007

|                                  | Period<br>ended<br>28 February<br>2007<br>£ | Year<br>ended<br>30 September<br>2006<br>£ |
|----------------------------------|---------------------------------------------|--------------------------------------------|
| <b>Administrative expenses</b>   |                                             |                                            |
| Wages and salaries (excl NI)     | 32,364                                      | 46,941                                     |
| Directors' remuneration          | 20,000                                      | 302,543                                    |
| Employer's NI contributions      | 4,866                                       | 42,029                                     |
| Directors' pension costs         | 880                                         | 1,872                                      |
| Recruitment expenses             | 2,897                                       |                                            |
| Staff training                   | 5,525                                       |                                            |
| Rent re operating leases         | 58,273                                      | 121,790                                    |
| Rates                            | 40,699                                      | 94,266                                     |
| Insurance                        | 6,805                                       | 19,068                                     |
| Light and heat                   | 37,311                                      | 60,928                                     |
| Repairs and maintenance          | 36,715                                      | 69,703                                     |
| Cleaning                         | 39,509                                      | 77,389                                     |
| Printing, postage and stationery | 6,365                                       | 25,685                                     |
| Advertising                      | 6,198                                       | 18,198                                     |
| Computer costs                   | 4,384                                       | 3,561                                      |
| Telephone                        | 12,456                                      | 16,556                                     |
| Hire of equipment                | 1,738                                       | 2,765                                      |
| Motor expenses                   | 16,099                                      | 14,912                                     |
| Travel and subsistence           | 7,013                                       | 33,093                                     |
| Entertaining allowable           | 6,265                                       | 5,542                                      |
| Legal and prof fees allowable    | 9,334                                       | 19,870                                     |
| Accountancy                      | 24,613                                      | 29,848                                     |
| Audit fees                       | 5,125                                       |                                            |
| Bank charges                     | 3,686                                       | 8,290                                      |
| Credit card charges              | 112                                         |                                            |
| Charitable donations covenanted  | 3,000                                       | 8,475                                      |
| Sundry expenses allowable        | 708                                         | 409                                        |
| Subscriptions allowable          |                                             | 1,778                                      |
| Amortisation                     | 52,120                                      | 125,088                                    |
| Depreciation                     | 18,550                                      | 57,124                                     |
| Payroll costs                    | 8,108                                       |                                            |
|                                  | <u>471,718</u>                              | <u>1,207,723</u>                           |

# HAPPITOTS DAY NURSERIES LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2007

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|                        |        | Period<br>ended<br>28 February<br>2007 |       | Year<br>ended<br>30 September<br>2006 |
|------------------------|--------|----------------------------------------|-------|---------------------------------------|
|                        | £      | £                                      | £     | £                                     |
| Profit before taxation | 14 15% | 229,615                                | 9 38% | 351,192                               |
|                        |        | <u>          </u>                      |       | <u>          </u>                     |

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