

Bright Horizons Livingston Limited

Report and Financial Statements

Year Ended

31 December 2013

Company Number SC149828

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Bright Horizons Livingston Limited

Report and financial statements
for the year ended 31 December 2013

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Directors

E Boland
D Lissy
M A Tocio
S Dreier

Secretary and registered office

TM Company Services Limited, Edinburgh Quay, 133 Fountainbridge , Edinburgh, EH3 9AG

Company number

SC149828

Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

Bright Horizons Livingston Limited

Report of the directors for the year ended 31 December 2013

The directors present their report together with the audited financial statements for the year ended 31 December 2013.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

The directors do not recommend the payment of a dividend for the year under review.

Principal activities

The company's principal activity is that of providing nursery care services.

Directors

The directors of the company during the year were:

E Boland
D Lissy
M A Tocio
S Dreier

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 these financial statements, the directors are required to:

- select suitable accounting policies 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 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.

Bright Horizons Livingston Limited

Report of the directors
for the year ended 31 December 2013 (*continued*)

Auditors

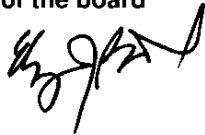
All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board

E Boland



Director

23/7/2014

Bright Horizons Livingston Limited

Independent auditor's report

To the member of Bright Horizons Livingston Limited

We have audited the financial statements of Bright Horizons Livingston Limited for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 31 December 2013 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.


Bright Horizons Livingston Limited

Independent auditor's report (*continued*)

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 and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



Malcolm Thixton (*senior statutory auditor*)
For and on behalf of BDO LLP, *statutory auditor*
Southampton
United Kingdom

28/7/2014

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

Bright Horizons Livingston Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	740,747	730,536
Cost of sales		390,987	417,460
Gross profit		349,760	313,076
Administrative expenses		209,824	171,994
Operating and Profit on ordinary activities before taxation	3	139,936	141,082
Taxation on operating and profit on ordinary activities	5	38,365	(39,903)
Profit on ordinary activities after taxation		178,301	101,179

The notes on pages 7 to 12 form part of these financial statements.

Bright Horizons Livingston Limited

Balance sheet at 31 December 2013

<i>Company number SC149828</i>	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	6		549,189		489,534
Current assets					
Debtors	7	382,881		679,879	
Cash at bank and in hand		68,975		130,516	
		<u>451,856</u>		<u>810,395</u>	
Creditors: amounts falling due within one year	8	<u>33,397</u>		<u>510,445</u>	
Net current assets			<u>418,459</u>		<u>299,950</u>
Total assets less current liabilities			<u>967,648</u>		<u>789,484</u>
Provisions for liabilities and charges	9		<u>1,482</u>		<u>1,619</u>
			<u>966,166</u>		<u>787,865</u>
Capital and reserves					
Called up share capital	10		1,000		1,000
Profit and loss account			965,166		786,865
Shareholder's funds			<u>966,166</u>		<u>787,865</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the board of directors and authorised for issue on 23/7/2014


E Boland
Director

The notes on pages 7 to 12 form part of these financial statements.

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

Cash flow statement

The Financial Reporting Standard for Smaller Entities (effective April 2008) does not require the preparation of a cash flow statement. Accordingly, the company has not prepared one.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised in line with performance of the underlying service based on attendance at the company's nursery.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation, such costs include costs directly attributable to making the asset capable of operations as intended.

Depreciation is provided at rates calculated to write off the cost of fixed assets, except for freehold land, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 2.5% Straight line
Freehold building improvements	- 10% or expected life of the asset which ever is the shortest
Fixtures and fittings	- 14% Straight line
Equipment	- 10% to 33% Straight line

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be fully recoverable.

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013 (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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

- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2 Turnover

Turnover arises solely within the United Kingdom.

3 Operating profit

	2013 £	2012 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	21,982	16,444

The audit fee for the current year totalling £2,899 (2012: £2,800) will be borne by Bright Horizons Family Solutions Limited.

4 Directors' remuneration

No director received any emoluments during the current year (2012 - £Nil).

There were no directors in the company's defined contribution pension scheme during the year (2012: nil).

All directors costs are borne by Bright Horizons Family Solutions Inc.

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013 (*continued*)

5 Taxation on profit on ordinary activities

	2013 £	2012 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	-	37,886
Adjustment in respect of previous periods	(38,228)	1,845
	<hr/>	<hr/>
Total current tax	(38,228)	39,731
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	104	(368)
Adjustment in respect of previous periods	-	645
Effect of rate change	(241)	(105)
	<hr/>	<hr/>
Movement in deferred tax provision	(137)	172
	<hr/>	<hr/>
Taxation on profit on ordinary activities	(38,365)	39,903
	<hr/>	<hr/>

The tax charge for the year has been reduced by the utilisation of tax losses from other group companies.

In addition to the changes in rates of corporation tax disclosed above a number of changes to the UK Corporation tax system were announced in the March 2013 UK Budget Statements.

The reduction to 23% took effect from 1 April 2013. The previous rate was 24% and, therefore, we have used a blended rate of 23.25% for the purposes of preparing the tax disclosures.

The Finance Act 2013 reduced the main rate of Corporation Tax by a further 2% to 21% from 1 April 2014 and, in addition, the Government has announced that, from 1 April 2015, the CT main rate will be further reduced and unified with the small profits rate at 20%.

Accordingly, deferred tax balances recognised in the accounts as at the year-end have been calculated using the 20% rate.

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013 (*continued*)

6 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Equipment £	Total £
<i>Cost or valuation</i>				
At 1 January 2013	605,712	46,709	16,113	668,534
Additions	78,555	-	3,582	82,137
Disposals	(3,000)	-	(650)	(3,650)
	<u>681,267</u>	<u>46,709</u>	<u>19,045</u>	<u>747,021</u>
<i>Depreciation</i>				
At 1 January 2013	133,849	39,036	6,115	179,000
Provided for the year	18,064	1,710	2,208	21,982
Disposals	(2,500)	-	(650)	(3,150)
	<u>149,413</u>	<u>40,746</u>	<u>7,673</u>	<u>197,832</u>
<i>Net book value</i>				
At 31 December 2013	<u>531,854</u>	<u>5,963</u>	<u>11,372</u>	<u>549,189</u>
At 31 December 2012	<u>471,863</u>	<u>7,673</u>	<u>9,998</u>	<u>489,534</u>

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013 (continued)

7 Debtors

	2013 £	2012 £
Amounts receivable within one year		
Trade debtors	343	3,746
Amounts owed by group undertakings	-	674,319
Other debtors	1,141	1,206
Prepayments and accrued income	465	608
	<u>1,949</u>	<u>679,879</u>
Amounts receivable after more than one year		
Amounts owed by group undertakings	380,932	-
	<u>382,881</u>	<u>679,879</u>

Amounts due by group undertakings are unsecured and not subject to any fixed repayment date. Undertakings have been given that the amounts will not be claimed in the next 12 months and accordingly the amounts due have been classified as due after one year.

8 Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	-	434,700
Corporation tax	-	38,228
Other taxation and social security	6,126	3,580
Accruals and deferred income	27,271	33,937
	<u>33,397</u>	<u>510,445</u>

Bright Horizons Livingston Limited

Notes forming part of the financial statements
for the year ended 31 December 2013 (continued)

9 Provisions for liabilities and charges

	Deferred taxation £	
At 1 January 2013		1,619
Utilised in year		(137)
		<hr/>
At 31 December 2013		1,482
		<hr/>
<i>Deferred taxation</i>		
	2013 £	2012 £
Accelerated capital allowances	1,482	1,619
	<hr/>	<hr/>

10 Share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1,000 each	1,000	1,000
	<hr/>	<hr/>

11 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with members of the group headed by BHFS One Limited on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

12 Ultimate parent company and parent undertaking of larger group

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 Court, Rushden, Northamptonshire, NN10 6BS.