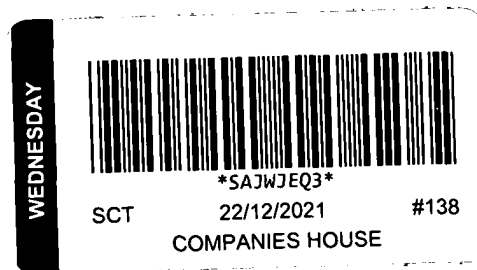


PAINT POTS NURSERY (SCOTLAND) LIMITED
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR



COMPANIES HOUSE
22 DEC 2021
EDINBURGH MAILBOX

PAINT POTS NURSERY (SCOTLAND) LIMITED

Company Registration No. SC238942

**BALANCE SHEET
AS AT 31 MARCH 2021**

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		521,110		509,063
Current assets					
Debtors	5	149,730		7,155	
Cash at bank and in hand		33,206		36,379	
		182,936		43,534	
Creditors: amounts falling due within one year	6	(620,945)		(518,350)	
Net current liabilities			(438,009)		(474,816)
Total assets less current liabilities			83,101		34,247
Net assets			83,101		34,247
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			83,001		34,147
Total equity			83,101		34,247

The Directors of the company have elected not to include a copy of the profit and loss account within the financial statements

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 22/12/21 and are signed on its behalf by:

W Newton

W Newton
Director

PAINT POTS NURSERY (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Paint Pots Nursery (Scotland) Limited is a private company limited by shares and is registered and incorporated in Scotland. The registered office is Newfield House, 1 New Street, Musselburgh, East Lothian, EH21 6HY.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

Going concern

In preparation of the financial statements, the directors have made an assessment of the company's ability to continue as a going concern. The company has net current liabilities of £438,009 (2020: £474,816) and from historic knowledge and a review of current and future trading the directors believe that the company is wholly reliant on the continued support of the group's bankers. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with the group.

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 a minimum of twelve months from the date of sign off based on detailed forecasts and cash flows prepared and the fact that existing banking arrangements have been extended to 30 September 2024. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Reporting Period

The prior period financial statements cover the 10 month period from 1 June 2019 to 31 March 2020. The comparative amounts presented in the financial statements, including the related notes, are therefore not entirely comparable.

Turnover

Turnover consists of fee income and local authority funding received for the provision of early years education and is recognised as the service is provided.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies (Continued)

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

Land and buildings Freehold	2% Straight Line
Fixtures, fittings and equipment	20-25% Straight Line

PAINT POTS NURSERY (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PAINT POTS NURSERY (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

PAINT POTS NURSERY (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

The company operates a defined contribution pension scheme for directors and employees. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Government grants

Income from government grants is presented within other operating income. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Government grants receivable as compensation for expenses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2020: 20).

Employees as furloughed or retained on paid leave of absence, notifying employees of these changes, Submitting information about these employees and their earnings to HMRC.

The company also received an insurance pay out in relation to Coronavirus business interruption of £55,067 (2020: £nil)

3 Tangible fixed assets

	Land and Buildings Freehold	Leasehold improvements	Fixtures, fittings and equipment	Total
Cost	£	£	£	£
At 1 April 2020	671,990	-	44,726	716,716
Additions	-	-	20,538	20,538
At 31 March 2021	<u>671,990</u>	<u>-</u>	<u>65,264</u>	<u>737,254</u>
Depreciation				
At 1 April 2020	170,485		37,168	207,653
Depreciation charged	-	-	8,491	8,491
At 31 March 2021	<u>170,485</u>	<u>-</u>	<u>45,659</u>	<u>216,144</u>
Carrying amount				
At 31 March 2021	<u>501,505</u>	<u>-</u>	<u>19,605</u>	<u>521,110</u>
At 31 March 2020	<u>501,505</u>	<u>-</u>	<u>7,558</u>	<u>509,063</u>

PAINT POTS NURSERY (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	-	3,883
Amounts owed to group undertakings	141,525	-
Other debtors	8,205	2,995
	149,730	6,878
Deferred tax asset	-	277
	<u>149,730</u>	<u>7,155</u>

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	65,146	15,889
Amounts owed to group undertakings	488,869	405,914
Taxation and social security	2,580	7,625
Other creditors	63,776	69,475
Corporation tax	574	19,447
	<u>620,945</u>	<u>518,350</u>

6 Called up share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

7 Consolidated accounts

Thrive Childcare and Education Topco Limited is the smallest and largest company for which consolidated accounts including Paint Pots Nursery (Scotland) Limited are prepared. The registered office of Thrive Childcare and Education Topco Limited is 6 Warwick Street, London, United Kingdom, W1B 5LX.

8 Mortgages and charges

The company has granted its bankers, Santander, a secured charge over the property with carrying value of £501,505 (2020: £501,505) at the balance sheet date, and a bond and floating charge over the whole assets of the company.

Each member of the Thrive Childcare and Education Group has a cross guarantee over the liabilities of the Thrive Childcare and Education Group. At the balance sheet date the total secured finance of the entities amounted to £10,924,725 (2020: £11,342,891).