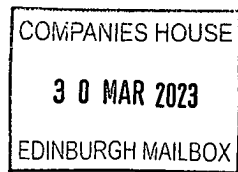


Company Registration No. SC289081 (Scotland)



**ENCHANTED FOREST NURSERY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2022**  
**PAGES FOR FILING WITH REGISTRAR**



**ENCHANTED FOREST NURSERY LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	3		70,785		8,897
<b>Current assets</b>					
Debtors	4	47,573		177,740	
Cash at bank and in hand		35,913		26,466	
		83,486		204,206	
<b>Creditors: amounts falling due within one year</b>	5	(110,935)		(206,688)	
<b>Net current liabilities</b>			(27,449)		(2,482)
<b>Total assets less current liabilities</b>			43,336		6,415
<b>Provisions for liabilities</b>	6		(5,846)		(1,275)
<b>Net assets</b>			37,490		5,140
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			37,390		5,040
<b>Total equity</b>			37,490		5,140

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2022 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 and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

30/03/23

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

*William Newton*

W Newton  
Director

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

#### Company information

Enchanted Forest Nursery 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. The principal accounting policies adopted are set out below.

The company is an indirectly owned subsidiary of Thrive Childcare and Education Topco Limited and the results of the company are included in the consolidated financial statements of Thrive Childcare and Education Topco Limited which are available from 3 Central Park, Ohio Avenue, Salford, United Kingdom, M50 2GT.

#### 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 £27,449 (2021: £2,482) and from historic knowledge and a review of current and future trading the directors believe that the company is 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 its subsidiaries and parent.

The current economic conditions continue to create uncertainty over the delivery of the group's services and the availability of bank finance over the longer term. At the time of approving the financial statements the directors have a reasonable expectation that the group 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 the group forecast to operate within the revised banking facility covenants on banking arrangements that extend to 30 September 2024. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 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.

#### Investment income

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

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#### Tangible fixed assets

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

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

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:

Leasehold improvements	25% straight line
Fixtures and fittings	25% straight line

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.

#### **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.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

#### **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.

#### **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.

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors and amounts owed to fellow 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 transaction 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.

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.

#### **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 scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies (Continued)

#### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 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:

	2022 Number	2021 Number
Total	20	18

### 3 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2021	41,613	70,908	112,521
Additions	60,398	8,684	69,082
At 31 March 2022	102,011	79,592	181,603
<b>Depreciation and impairment</b>			
At 1 April 2021	37,820	65,804	103,624
Depreciation charged in the year	3,716	3,478	7,194
At 31 March 2022	41,536	69,282	110,818
<b>Carrying amount</b>			
At 31 March 2022	60,475	10,310	70,785
At 31 March 2021	3,793	5,104	8,897

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,769	-
Amounts owed by group undertakings	43,279	174,932
Other debtors	2,525	2,808
	<u>47,573</u>	<u>177,740</u>

Amounts owed by group undertakings are interest-free, unsecured and repayable on demand.

### 5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	6,780	67,813
Amounts owed to group undertakings	26,133	101,455
Taxation and social security	2,989	4,832
Other creditors	75,033	32,588
	<u>110,935</u>	<u>206,688</u>

Amounts owed to group undertakings are interest-free, unsecured and repayable on demand.

### 6 Provisions for liabilities

	2022	2021
	£	£
Deferred tax liabilities	<u>5,846</u>	<u>1,275</u>

### 7 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	30,000	30,000
Between one and five years	120,000	120,000
In over five years	90,000	115,000
	<u>240,000</u>	<u>265,000</u>

# ENCHANTED FOREST NURSERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 8 Mortgages and charges

The company has granted its bankers, Santander, 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 £17,700,375 (2021: £10,819,317).

### 9 Parent company

The entire share capital of Enchanted Forest Nursery Limited is owned by The Devlin Group Limited

The company's ultimate parent is Apiary Capital Partners I LP.

The Devlin Group Limited is the immediate parent. Thrive Childcare and Education Topco Limited is the smallest and largest group for which consolidated accounts including Thrive Childcare and Education Limited are prepared. The consolidated accounts of Thrive Childcare and Education Topco Limited are available from their registered office, 3 Central Park, Ohio Avenue, Salford, United Kingdom, M50 2GT.