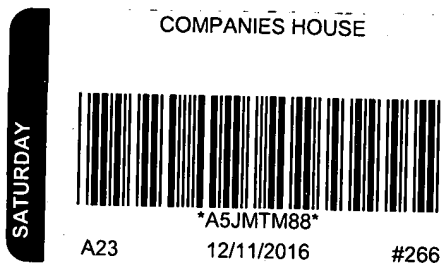


**Acacia Training and Development Limited**

**Annual Report and Financial Statements  
Year Ended 31 March 2016**

**Registration number: 04397729**



# **Acacia Training and Development Limited**

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# Acacia Training and Development Limited

## Company Information

**Directors** C Davies CBE, DL, BA (Hons), CQSW  
J Iles  
R Barnfield MA (Oxon), MSc, MBA  
Mrs S Baverstock BA (Hons), FCIPD  
Mrs H Strawbridge OBE, BSC (Hons)  
Dr J Townson MA (Oxon), MSc, PhD  
Mrs H N Lessiter  
R P Ring

**Company secretary** C J Wall BA (Hons), FCA C Dir

**Registered office** Acacia House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

**Solicitors** Burges Salmon LLP  
One Glass Wharf  
Bristol  
BS2 0ZX

**Bankers** Lloyds Banking Group plc  
First Floor  
Sedgemoor House  
Deane Gate Avenue  
Taunton  
Somerset  
TA1 2UF

**Auditors** PKF Francis Clark  
Statutory Auditor  
Ground Floor  
Blackbrook Gate 1  
Blackbrook Business Park  
Taunton  
Somerset  
TA1 2PX

# **Acacia Training and Development Limited**

## **Strategic Report**

**Year Ended 31 March 2016**

The Directors present their strategic report for the year ended 31 March 2016.

### **Principal activity**

The principal activity of the company is the provision of training, learning and support services to its client base in Southern England. The company operates distance and e-learning in addition to services provided from its three training centres in Plymouth, Exeter and Taunton. The business relocated from its former training centre at Heathfield, Newton Abbot to Exeter in March 2016 for commercial reasons.

### **Business review**

The results for the company for the financial year to 31 March 2016 are shown in the attached financial statements.

The business contracted slightly during the year with lower turnover reflecting the funding changes and pressures applied to our key contract with the Skills Funding Agency. The management team have continued to respond flexibly to these changes including a comprehensive review of the services leading to significant management restructure during the year as well as the training centre move from Heathfield to Exeter which we believe will benefit the business in the next financial year.

We retain a positive OFSTED inspection, rating our training services as good, and are also a "Centre of Excellence" recognised by Skills for Care for the second consecutive year in 2015. We have successfully retained our MATRIX accreditation confirming our high information and advisory standards. These provide external recognition of the quality of our services and the Board place on record their thanks to the management and training teams for their efforts leading to this outcome.

Training income reduced slightly in the year to £2,817,425 (2015: £3,125,217). This was offset by lower costs following a detailed internal review and as a result profit for the year, after taxation, amounted to £18,568 (2015: £49,581). The current year results include a non-cash flow charge of £41,115 (2015: £51,945) in respect of goodwill impairment on historic acquisition investment. See Note 5 to the accounts.

No dividend has been declared in either 2016 or 2015 recognising the decline in profitability and also a continuing focus on inward investment and business performance improvement in a period of training income reduction.

# **Acacia Training and Development Limited**

## **Strategic Report**

**Year Ended 31 March 2016**

### **Key performance indicators**

The Board considers the Key Performance Indicators of the business to include:

- a) The provision of high quality training measured by internal quality assessment and externally confirmed in the "Good" OFSTED accreditation;
- b) Quality staff recruitment and retention measured by internal reports, customer feedback and training;
- c) Trainee outcome achievement and qualification levels monitored regularly by the management team reported internally as required and linked to funding;
- d) Reasonable financial performance necessary to ensure high quality viable services and satisfactory reserves in the company and parent company's wider trading environment;

Results in terms of these indicators continue to be positive although the Board recognises the need to be pro-active in monitoring performance on all of these indicators, with individual issues reviewed in order to achieve on-going improvement and balance to the above objectives.

### **Principal risks and uncertainties**

The company and wider Somerset Care Group are exposed to a variety of financial, operational, reputational and regulatory risks and uncertainties. The Group has risk management processes in place which are designed to identify and evaluate these risks and uncertainties based on the probability of them occurring and the impact they may have on the business. The Directors are aware that these risks and uncertainties may, either singularly or, collectively, affect the Group's revenue, costs, asset value, reputation or ability to meet its business objectives. These risks are monitored through a Corporate Risk Register reported to the Somerset Care Group Board.

The Board of Directors also utilise the Group Finance, Audit and Systems Committee for monitoring and managing any additional financial risk, as required.

Approved by the Board on 14 October 2016 and signed on its behalf by:



C J Wall BA (Hons), FCA C Dir  
Company secretary

# **Acacia Training and Development Limited**

## **Directors' Report**

### **Year Ended 31 March 2016**

The Directors present their report and the financial statements for the year ended 31 March 2016.

#### **Directors of the Company**

The directors who held office during the year were as follows:

C Davies CBE, DL, BA (Hons), CQSW

J Iles

R Barnfield MA (Oxon), MSc, MBA

Mrs S Baverstock BA (Hons), FCIPD

Mrs H Strawbridge OBE, BSc (Hons)

Dr J Townson MA (Oxon), MSc, PhD

Mrs H N Lessiter (appointed 24 July 2015)

The following director was appointed after the year end:

R P Ring (appointed 1 July 2016)

#### **Financial instruments**

##### ***Objectives and policies***

The company's activities expose it to a number of financial risks including price risk, credit risk, liquidity risk and cash flow risk. The use and nature of financial instruments are determined by the directors in the context of trading terms made available to the company by customers and suppliers, with the objective of securing the liquidity and profitability of the company.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors.

Due to the nature of the financial instruments used by the company, there is a limited exposure to price risk.

The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the availability of overdraft facilities and group inter-company accounts.

Trade debtors are managed in respect of credit and cash flow risk policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. Trade creditors are paid in line with agreed credit terms and conditions, subject to correct invoicing.

# **Acacia Training and Development Limited**

## **Directors' Report**

**Year Ended 31 March 2016**

### **Employment of disabled persons**

The company offers equal opportunities to all applicants for employment. Disabled people are offered employment, training, staff development and promotion on the basis of their aptitude and abilities, in common with all employees.

### **Employee involvement**

The Group successfully holds Investor in People accreditation and there continues to be investment in training, aimed at enhancing the number of staff holding nationally accredited qualifications in care and other subjects. Staff continue to be encouraged to attain professional qualifications through the Qualification Credit Framework (QCF), including Certificates and Diplomas in Health and Social Care, and other subjects. There remains a genuine and real commitment to staff training and personal development across the group. The directors wish to place on record their sincere thanks to the staff group for their extremely high standard of care and support they provide for our customers. Their commitment and dedication continues to be outstanding.

The Group encourages and develops employee involvement, consultation and information through representation at Board level, team meetings at all levels, specific consultation processes such as feedback prior to the annual pay review, and a regular group wide employee newsletter distributed to all employees. The level of involvement is reflected in the Investors in People award held.

### **Future developments**

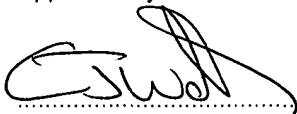
The company operates in a dynamic environment and key future developments focus on ensuring services offered continue to meet and optimise the funding offered within key customer contracts, in particular the Skills Funding Agency. This is monitored routinely with key changes advised in advance of the September academic year.

Indications of Skills Funding Agency allocation for the 2016/17 confirm similar funding levels compared to the 2015/16 academic year which is considered by the management team to be positive given sector funding changes. This ensures business sustainability and continuity going forward.

### **Disclosure of information to the auditors**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 14 October 2016 and signed on its behalf by:



C J Wall BA (Hons), FCA C Dir  
Company secretary

## **Acacia Training and Development Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.



# **Acacia Training and Development Limited**

## **Independent Auditor's Report**

We have audited the financial statements of Acacia Training and Development Limited for the year ended 31 March 2016, set out on pages 9 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's members, as a body, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the 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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Acacia Training and Development Limited

### Independent Auditor's Report

#### 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

*PKF Francis Clark*

.....  
Christopher Bush FCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Ground Floor  
Blackbrook Gate 1  
Blackbrook Business Park  
Taunton  
Somerset  
TA1 2PX

Date: *24.10.2016*

## Acacia Training and Development Limited

### Profit and Loss Account

Year Ended 31 March 2016

	Note	2016 £	2015 £
Turnover	3	2,817,425	3,125,217
Cost of sales		<u>(2,146,625)</u>	<u>(2,260,383)</u>
Gross profit		670,800	864,834
Administrative expenses		(704,002)	(878,611)
Other operating income	4	<u>58,169</u>	<u>75,555</u>
Operating profit	5	<u>24,967</u>	<u>61,778</u>
Profit before tax		24,967	61,778
Taxation	8	<u>(6,399)</u>	<u>(12,197)</u>
Profit for the financial year		<u><u>18,568</u></u>	<u><u>49,581</u></u>

The above results were derived from continuing operations.

The company has no recognised income or expenses for the year other than the results above.

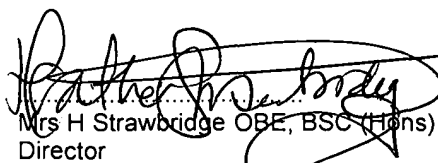
# Acacia Training and Development Limited

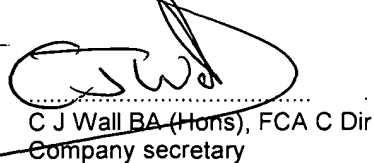
## Balance Sheet

31 March 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	9	73,054	137,393
Tangible assets	10	<u>281,466</u>	<u>303,156</u>
		<u>354,520</u>	<u>440,549</u>
<b>Current assets</b>			
Stocks	11	8,417	8,008
Debtors	12	988,773	947,386
Cash at bank and in hand		<u>2,386</u>	<u>1,725</u>
		999,576	957,119
<b>Creditors: Amounts falling due within one year</b>	14	<u>(237,720)</u>	<u>(299,860)</u>
<b>Net current assets</b>		<u>761,856</u>	<u>657,259</u>
<b>Total assets less current liabilities</b>		1,116,376	1,097,808
<b>Creditors: Amounts falling due after more than one year</b>	14	<u>(800,000)</u>	<u>(800,000)</u>
<b>Net assets</b>		<u>316,376</u>	<u>297,808</u>
<b>Capital and reserves</b>			
Called up share capital	17	1	1
Profit and loss account		<u>316,375</u>	<u>297,807</u>
<b>Total equity</b>		<u>316,376</u>	<u>297,808</u>

Approved and authorised by the Board on 14 October 2016 and signed on its behalf by:

  
 Mrs H Strawbridge OBE, BSC (Hons)  
 Director

  
 C J Wall BA (Hons), FCA C Dir  
 Company secretary

Company Registration Number: 04397729

## Acacia Training and Development Limited

### Statement of Changes in Equity

Year Ended 31 March 2016

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	1	297,807	297,808
Profit for the year	-	18,568	18,568
Total comprehensive income	-	18,568	18,568
At 31 March 2016	1	316,375	316,376

	Share capital £	Profit and loss account £	Total £
At 1 April 2014	1	248,226	248,227
Profit for the year	-	49,581	49,581
Total comprehensive income	-	49,581	49,581
At 31 March 2015	1	297,807	297,808

# Acacia Training and Development Limited

## Statement of Cash Flows

Year Ended 31 March 2016

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Profit for the year		18,568	49,581
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	51,910	77,476
Impairment of intangible goodwill		41,115	51,945
Loss on disposal of tangible assets		3,053	-
Corporation tax expense	8	6,399	12,197
		<u>121,045</u>	<u>191,199</u>
Working capital adjustments			
Increase in stocks	11	(409)	(4,581)
Increase in debtors	12	(39,387)	(123,411)
Decrease in creditors	14	(57,207)	(8,625)
Cash generated from operations		24,042	54,582
Corporation tax paid	8	(14,399)	(33,197)
Net cash flow from operating activities		<u>9,643</u>	<u>21,385</u>
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(11,199)	(18,344)
Proceeds from sale of tangible assets		5,950	-
Acquisition of intangible assets	9	(4,800)	-
Net cash flows from investing activities		<u>(10,049)</u>	<u>(18,344)</u>
Net (decrease)/increase in cash and cash equivalents		(406)	3,041
Cash and cash equivalents at 1 April		<u>(922)</u>	<u>(3,963)</u>
Cash and cash equivalents at 31 March		<u>(1,328)</u>	<u>(922)</u>

The notes on pages 13 to 23 form an integral part of these financial statements.

# **Acacia Training and Development Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2016**

### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Acacia House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Change in basis of accounting and basis statement of compliance**

The company's financial statements have been prepared in accordance with FRS102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland. The company has transferred from previously extant UK GAAP to FRS102 as at 1 April 2014. There is no material impact on the reported financial position and financial performance.

There are no material departures from FRS102.

#### **Summary of disclosure exemptions**

The company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to intra-group transactions.

#### **Name of parent of group**

These financial statements are consolidated in the financial statements of Somerset Care Limited.

The financial statements of Somerset Care Limited may be obtained from Companies House Limited.

# **Acacia Training and Development Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 March 2016**

#### **Revenue recognition**

Turnover represents the fair value of consideration receivable, excluding Value Added Tax, in the ordinary course of business for goods and services provided.

Revenue from training provision is recognised in the period for which it is received net of discounts, and includes all fees payable by students or their sponsors. SFA recurrent grants are recognised in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under or over achievement for the SFA adult learner responsive funding element is adjusted for and reflected in the level of recurrent grant recognised in the profit and loss account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the SFA at the end of November following the year end. Employer responsive grant income is recognised based on a year end reconciliation of income claimed and actual delivery with the SFA. 16-18 learner-responsive funding is not normally subject to a reconciliation and is therefore not subject to contract adjustments.

Income from contracts is apportioned on the basis of usage, and accrued or deferred as appropriate.

#### **Government grants**

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

#### **Tax**

Tax is recognised in profit or loss, except in respect of a change attributable to an item of income or expense recognised as other comprehensive income where the tax is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land, over their estimated useful lives, as follows:



# Acacia Training and Development Limited

## Notes to the Financial Statements

### Year Ended 31 March 2016

Asset class	Depreciation method and rate
Freehold Property	2% on cost
Leasehold Improvements	straight line over the period of the lease
Fixtures and Fittings	20% on cost
Equipment	20% on cost
Land	not depreciated

#### Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its useful economic life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years. Useful economic lives are reviewed at the end of each reporting period and revised if necessary, subject to the constraint that the revised life shall not exceed 10 years from the date of acquisition. The carrying amount at the date of revision is depreciated over the revised estimate of remaining useful economic life.

#### Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets are software costs which are capitalised when the service is received and include all directly attributable costs.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% on cost
Computer software	25% on cost

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost comprises the actual cost of purchase and an appropriate proportion of labour work in case of work in progress. Net realisable value is based on the estimated selling price less all further costs to completion and disposal.

#### Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Defined contribution pension obligation

The group operates a defined contribution scheme for some eligible employees. The assets of the scheme are held separately from those of the group. The annual contributions are charged to the profit and loss account.

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

The company holds the following financial instruments, all of which meet the conditions to be classified as basic instruments:

#### Short term trade and intra group balances

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

#### Loans to / from related parties

Loans to or from related parties are initially recorded at transaction price, including transaction costs. Interest-bearing loans where the returns are a combination of positive fixed and variable rates over the life of the instrument are subsequently measured at amortised cost using the effective interest method. Non-interest bearing loans repayable on demand are measured at transaction price.

### 3 Turnover

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016 £	2015 £
Rendering of services	<u>2,817,425</u>	<u>3,125,217</u>

### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2016 £	2015 £
Government grants	7,610	10,022
Rental income	6,228	12,464
Other operating income	<u>44,331</u>	<u>53,069</u>
	<u>58,169</u>	<u>75,555</u>

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 5 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	23,886	39,607
Amortisation expense	28,024	37,867
Impairment of goodwill	41,115	51,945
Operating lease expense - property	32,046	31,476
Operating lease expense - other	8,436	-
Loss on disposal of property, plant and equipment	<u>3,053</u>	<u>-</u>

### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	1,688,113	1,761,265
Social security costs	80,790	84,376
Pension costs, defined contribution scheme	22,219	24,229
Redundancy costs	<u>22,374</u>	<u>-</u>
	<u>1,813,496</u>	<u>1,869,870</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Provision of service staff	<u>132</u>	<u>143</u>

### 7 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>6,000</u>	<u>8,000</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>1,980</u>	<u>-</u>

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 8 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
<b>Current taxation</b>		
UK corporation tax	6,000	12,000
UK corporation tax adjustment to prior periods	<u>2,399</u>	<u>(803)</u>
	8,399	11,197
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(2,000)</u>	<u>1,000</u>
Tax expense in the income statement	<u><u>6,399</u></u>	<u><u>12,197</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>24,967</u>	<u>61,778</u>
Corporation tax at standard rate	4,993	12,356
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	197	(803)
Tax increase (decrease) from effect of capital allowances and depreciation	1,038	(852)
Tax increase (decrease) from other short-term timing differences	171	496
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>1,000</u>
Total tax charge	<u><u>6,399</u></u>	<u><u>12,197</u></u>

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### Deferred tax

Deferred tax assets and liabilities

	Asset £
<b>2016</b>	
Fixed asset timing differences	<u>11,000</u>
<b>2015</b>	Asset £
Fixed asset timing differences	<u>9,000</u>

### 9 Intangible assets

	Goodwill £	Computer software £	Total £
<b>Cost or valuation</b>			
At 1 April 2015	1,744,063	-	1,744,063
Additions acquired separately	<u>-</u>	<u>4,800</u>	<u>4,800</u>
At 31 March 2016	<u>1,744,063</u>	<u>4,800</u>	<u>1,748,863</u>
<b>Amortisation</b>			
At 1 April 2015	1,606,670	-	1,606,670
Amortisation charge	27,474	550	28,024
Impairment	<u>41,115</u>	<u>-</u>	<u>41,115</u>
At 31 March 2016	<u>1,675,259</u>	<u>550</u>	<u>1,675,809</u>
<b>Carrying amount</b>			
At 31 March 2016	<u>68,804</u>	<u>4,250</u>	<u>73,054</u>
At 31 March 2015	<u>137,393</u>	<u>-</u>	<u>137,393</u>

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 10 Tangible assets

	Freehold land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2015	307,241	486,370	793,611
Additions	-	11,199	11,199
Disposals	-	(16,925)	(16,925)
At 31 March 2016	<u>307,241</u>	<u>480,644</u>	<u>787,885</u>
<b>Depreciation</b>			
At 1 April 2015	56,305	434,150	490,455
Charge for the year	5,189	18,697	23,886
Eliminated on disposal	-	(7,922)	(7,922)
At 31 March 2016	<u>61,494</u>	<u>444,925</u>	<u>506,419</u>
<b>Carrying amount</b>			
At 31 March 2016	<u>245,747</u>	<u>35,719</u>	<u>281,466</u>
At 31 March 2015	<u>250,936</u>	<u>52,220</u>	<u>303,156</u>

### 11 Stocks

	2016 £	2015 £
Stock	<u>8,417</u>	<u>8,008</u>

The cost of stocks recognised as an expense in the year amounted to £23,056 (2015 - £28,154).

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 12 Debtors

	Note	2016 £	2015 £
Trade debtors		181,042	280,450
Amounts owed by group undertakings		763,726	606,542
Other debtors		1,221	11,110
Prepayments and accrued income		31,784	40,284
Deferred tax assets	8	11,000	9,000
Total current trade and other debtors		<u>988,773</u>	<u>947,386</u>

### 13 Cash and cash equivalents

	2016 £	2015 £
Cash at bank	2,386	1,725
Bank overdrafts	<u>(3,714)</u>	<u>(2,647)</u>
Cash and cash equivalents in statement of cash flows	<u>(1,328)</u>	<u>(922)</u>

### 14 Creditors

	Note	2016 £	2015 £
<b>Due within one year</b>			
Loans and borrowings	15	3,714	2,647
Trade creditors		58,697	94,411
Corporation tax	8	6,000	12,000
Social security and other taxes		27,354	24,768
Other creditors		1,443	26,436
Accruals and deferred income		<u>140,512</u>	<u>139,598</u>
		<u>237,720</u>	<u>299,860</u>
<b>Due after one year</b>			
Loans and borrowings	15	<u>800,000</u>	<u>800,000</u>

# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 15 Loans and borrowings

	2016 £	2015 £
<b>Current loans and borrowings</b>		
Bank overdrafts	<u>3,714</u>	<u>2,647</u>
<b>Non-current loans and borrowings</b>		
Amounts owed to group undertakings	<u>800,000</u>	<u>800,000</u>

#### Other borrowings

Amounts owed to group undertakings with a carrying amount of £800,000 (2015 - £800,000) is denominated in Sterling with a nominal interest rate of 0%.

The balance comprises a loan from the parent company is due for repayment 12 months and one day after it is called in. The parent company will not call the loan in unless trading conditions allow the company to repay.

### 16 Obligations under leases and hire purchase contracts

#### Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	8,255	27,000
Later than one year and not later than five years	<u>16,511</u>	<u>81,000</u>
	<u>24,766</u>	<u>108,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £36,566 (2015 - £27,458).



# Acacia Training and Development Limited

## Notes to the Financial Statements

Year Ended 31 March 2016

### 17 Share capital

#### Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary shares of £1 each of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

Each ordinary share is entitled to one vote, is entitled pari passu to dividend payments or any other distribution and is entitled pari passu to participate in a distribution arising from a winding up of the company

### 18 Contingent liabilities

The company has an omnibus guarantee between itself and its parent, Somerset Care Limited, and its fellow subsidiary, Somerset Care Support Services Limited. At the year end, the group companies included in the omnibus guarantee had net balance due to the bank of £17,832,951 (2015 - £19,698,816), substantially due to bank loans within the parent company. There is a debenture dated 10 December 2003. There is a legal charge over the freehold property in regards to the loan liability, totalling £21,850,000 (2015: £17,750,000), included in the financial statements of Somerset Care Limited, the company's parent.

### 19 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is Somerset Care Limited, incorporated in England & Wales.

The parent of the smallest and largest group in which these financial statements are consolidated is Somerset Care Limited, incorporated in England & Wales.

Copies of these accounts are available from the following address:

Acacia House, Blackbrook Park Avenue, Taunton, Somerset, TA1 2PX