

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016
FOR
ACADEMY LEASING LIMITED**

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ACADEMY LEASING LIMITED

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FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

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ACADEMY LEASING LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

DIRECTORS:

M F Nolan
H Jacques
M Anderson
H M Walker

SECRETARY:

T R Case

REGISTERED OFFICE:

2nd Floor, St James House
The Square
Lower Bristol Road
Bath
BA2 3BH

REGISTERED NUMBER:

02112280 (England and Wales)

INDEPENDENT AUDITORS:

Moore Stephens
Chartered Accountants & Statutory Auditor
30 Gay Street
Bath
BA1 2PA

**STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

The following report is the onepm Group's Strategic Report to which the company's strategy is now aligned.

Goal and objectives

The stated goal of the Group's current strategic plan formulated in late 2014 is to achieve a market capitalisation of £100m. The objectives that will enable this goal to be achieved and that shape the strategic plan are:

- operating a model of distributed separate subsidiary entities
- having a multi-channel and multi-product offering for business lending to SMEs
- maintaining risk mitigation through having funding and broking capability
- being 'digitally capable'
- strictly adhering to underwriting policies and credit control procedures
- being geared appropriately with cost-effective funding facilities

The Board is pleased with strategic progress in the year to 31 May 2016 and reports on each of these objectives as follows:

Distributed model

Two key factors in acquiring both Academy and Bradgate were, firstly, their complementary activities to 1pm, but with important differences, namely the vehicles brokerage at Academy and the hard assets focus at Bradgate and, secondly, the quality of the management teams. This has facilitated successful continuity of operations at each of the businesses in the Group whilst creating opportunities to cross-sell products into each of the companies' customer bases. Management is now focussing on delivering further organic growth from cross-selling.

Multi-channel and multi-product

As a result of the acquisitions during the year, the Group's business generation is now both broker-introduced and vendor-introduced, comprising lease, loan and vehicles products covering a wide range of soft and hard asset categories for SMEs. Management will continue to identify 'adjacent' business lending products that are complementary to current activities to generate further growth.

Funding and broking model

Maintaining flexibility to both fund lease and loan deals on the Group's own-book and to broke-on to other funders is an essential risk and cash management capability. The Group is now well-placed to optimise profitable organic growth as a result of this flexibility introduced during the year.

Digital capability

This objective covers a broad range of operational activities from increasing the level of automation in the current proposals and underwriting processes through to establishing a true 'Fintech' platform for sourcing and deploying capital. A number of initiatives are being considered and this is a particular focus of the 'Junior Board', which comprises a group of future leaders formed during the year from within the management team.

Strict adherence to underwriting policies and credit control procedures

The Group's objective is to be a responsible lender and to follow strict policy guidelines with regard to treating customers fairly and assessing affordability. The Group adheres to strict lending criteria, thereby minimising the risk of defaults, whilst aiming to flexibly meet each individual customer's needs through a personalised underwriting process. Strict adherence to these policies and procedures will continue to take precedence over the Group's growth aspirations.

Funding facilities

The Group has further increased its block discount facilities during the year. Whilst such facilities will be maintained, in order to fund further growth the intention is to pursue complementary facilities that will reduce the overall cost of borrowing. The Group currently enjoys capacity to increase gearing in relation to its net assets base and intends to prudently use this capacity in relation to organic and strategic growth opportunities as they arise.

In summary, the Board is maintaining an unwavering commitment to support the SME sector, whilst pursuing ambitious, but risk-assessed growth plans to deliver increased shareholder value.

ACADEMY LEASING LIMITED

**STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

ON BEHALF OF THE BOARD:



.....
H M Walker - Director

Date: 07.12.16

ACADEMY LEASING LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

The directors present their report with the financial statements of the company for the period 1 April 2015 to 31 May 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of leasing.

DIVIDENDS

Interim dividends in the sum of £83,333 (£2015: £450,000) were payable to Speakertone Limited during the period. No final dividend will be proposed by the Directors.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

M F Nolan
H Jacques
M Anderson

Other changes in directors holding office are as follows:

H M Walker - appointed 26 August 2015

REVIEW OF BUSINESS

The Directors are satisfied with the performance for the period and position which are presented in the following pages. Since joining the onepm group the Directors are pursuing the strategic goals of the group which are being assisted through access to the group's resources.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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; 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ACADEMY LEASING LIMITED

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

AUDITORS

The auditors, Moore Stephens, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
H M Walker - Director

Date: 07.12.16.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACADEMY LEASING LIMITED

We have audited the financial statements of Academy Leasing Limited for the period ended 31 May 2016 on pages eight to twenty two. 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 Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 Ethical Standards for Auditors.

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 Strategic Report and the Report of the Directors 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 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 May 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

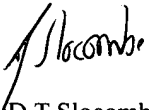
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ACADEMY LEASING LIMITED**

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.



D T Slocombe (Senior Statutory Auditor)
for and on behalf of Moore Stephens
Chartered Accountants & Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Date: 7th December 2016

ACADEMY LEASING LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**


	Notes	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
TURNOVER		6,458,941	5,142,831
Cost of sales		<u>1,333,718</u>	<u>811,727</u>
GROSS PROFIT		5,125,223	4,331,104
Administrative expenses		<u>3,112,359</u>	<u>2,849,888</u>
OPERATING PROFIT		2,012,864	1,481,216
Interest receivable and similar income		<u>3,752</u>	<u>-</u>
		2,016,616	1,481,216
Interest payable and similar expenses	6	<u>12,742</u>	<u>15,959</u>
PROFIT BEFORE TAXATION	7	2,003,874	1,465,257
Tax on profit	8	<u>154,786</u>	<u>170,861</u>
PROFIT FOR THE FINANCIAL PERIOD		1,849,088	1,294,396
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>1,849,088</u>	<u>1,294,396</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MAY 2016

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		1,014,125		797,319
Investments	12		-		31,091
			<u>1,014,125</u>		<u>828,410</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	13	8,875,607		7,353,477	
Debtors: amounts falling due after more than one year	13	10,278,487		7,782,174	
Cash at bank and in hand		<u>510,939</u>		<u>476,041</u>	
		19,665,033		15,611,692	
CREDITORS					
Amounts falling due within one year	14	<u>6,843,561</u>		<u>5,987,911</u>	
NET CURRENT ASSETS			<u>12,821,472</u>		<u>9,623,781</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,835,597		10,452,191
CREDITORS					
Amounts falling due after more than one year	15		<u>8,003,262</u>		<u>6,385,611</u>
NET ASSETS			<u>5,832,335</u>		<u>4,066,580</u>
CAPITAL AND RESERVES					
Called up share capital	17		585,100		585,100
Retained earnings	18		<u>5,247,235</u>		<u>3,481,480</u>
SHAREHOLDERS' FUNDS			<u>5,832,335</u>		<u>4,066,580</u>

The financial statements were approved by the Board of Directors on 07.12.16 and were signed on its behalf by:



H M Walker - Director

ACADEMY LEASING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	585,100	2,637,084	3,222,184
Changes in equity			
Dividends	-	(450,000)	(450,000)
Total comprehensive income	-	<u>1,294,396</u>	<u>1,294,396</u>
Balance at 31 March 2015	<u>585,100</u>	<u>3,481,480</u>	<u>4,066,580</u>
Changes in equity			
Dividends	-	(83,333)	(83,333)
Total comprehensive income	-	<u>1,849,088</u>	<u>1,849,088</u>
Balance at 31 May 2016	<u>585,100</u>	<u>5,247,235</u>	<u>5,832,335</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

1. STATUTORY INFORMATION

Academy Leasing Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional currency is British pounds. These are stand alone financial statements.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1; and
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Principal activity and nature of operations

The principal activity in the year under review was that of providing financial services to UK businesses.

Revenue recognition and leased assets

Assets leased to customers on finance leases are recognised in the Statement of Financial Position at the amount of the group's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases. Document fees and secondary rentals are accounted for when receivable.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Assets held for rental	- at varying rates on cost
Fixtures and fittings	- 33% on cost
Computer equipment	- 25% on cost

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the Statement of financial position date.

Deferred income tax is recognised on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of goodwill; deferred income tax is not accounted for it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associated and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Funding payables and cost of sales

Finance received from funding providers is classified as payables in the Statement of Financial Position. Payments to the funding providers contain a capital element which reduces the payable and an interest charge is debited to the cost of sales using the sum of digits method. Due to the relatively short term of the funding payables the directors are satisfied that this method of apportioning interest is not materially different to the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

2. ACCOUNTING POLICIES - continued

Impairment of financial assets

Assets carried at amortised cost. The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets and impaired losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivable category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

Provision for specific debts

Provision is made for contract in arrears after taking into account expected recovery proceeds. All outstanding amounts on contracts passed to collection agents are written off in full, less expected subsequent recovery proceeds.

3. SEGMENTAL REPORTING

The company has one business segment to which all revenue, expenditure, assets and liabilities relate.

4. EMPLOYEES AND DIRECTORS

	Period	
	1.4.15	Year Ended
	to	31.3.15
	31.5.16	£
	£	£
Wages and salaries	1,945,421	1,247,441
Social security costs	70,987	136,254
Other pension costs	10,000	24,000
	<u>2,026,408</u>	<u>1,407,695</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

4. EMPLOYEES AND DIRECTORS - continued

The average monthly number of employees during the period was as follows:

	Period 1.4.15 to 31.5.16	Year Ended 31.3.15
Management	9	8
Operational	<u>34</u>	<u>26</u>
	<u>43</u>	<u>34</u>

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Directors' remuneration	479,846	265,851
Directors' pension contributions to money purchase schemes	<u>10,000</u>	<u>24,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows:

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Emoluments etc	<u>184,947</u>	<u>135,768</u>

5. EXCEPTIONAL ITEMS

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Exceptional items	<u>(31,091)</u>	<u>(13,371)</u>

The exceptional item £31,091 (2015: £13,371) relates to the diminution in value of an unlisted investment.

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Bank interest	130	274
Bank loan interest	12,612	13,994
Other interest	-	1,691
	<u>12,742</u>	<u>15,959</u>

7. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Depreciation - owned assets	345,187	245,762
Loss on disposal of fixed assets	-	7,785
Goodwill amortisation	-	405,488
Auditors' remuneration	<u>36,604</u>	<u>23,672</u>

8. TAXATION

Analysis of tax expense

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Current tax: Tax	274,265	346,176
Deferred tax	<u>(119,479)</u>	<u>(175,315)</u>
Total tax expense in statement of comprehensive income	<u>154,786</u>	<u>170,861</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

8. TAXATION - continued**Factors affecting the tax expense**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Profit before income tax	<u>2,003,874</u>	<u>1,465,257</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	400,775	307,704
Effects of:		
Temporary tax differences relating to capital allowances	(241,812)	(209,294)
Other temporary tax differences	16,676	(24,622)
Permanent tax differences	<u>(20,853)</u>	<u>97,073</u>
Tax expense	<u>154,786</u>	<u>170,861</u>

Corporation tax is calculated at 13.687% (2015: 23.626%) of the estimated assessable profit for the year.

9. DIVIDENDS

	Period 1.4.15 to 31.5.16 £	Year Ended 31.3.15 £
Ordinary shares of £1 each		
Final	<u>83,333</u>	<u>450,000</u>

Dividends are payable to Speakertone Limited.

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2015 and 31 May 2016	<u>467,871</u>
AMORTISATION	
At 1 April 2015 and 31 May 2016	<u>467,871</u>
NET BOOK VALUE	
At 31 May 2016	<u>-</u>
At 31 March 2015	<u>-</u>

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Assets held for rental £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2015	41,323	1,021,416	42,835	219,652	1,325,226
Additions	17,092	489,329	20,790	124,328	651,539
Disposals	-	(209,141)	(13,250)	-	(222,391)
At 31 May 2016	<u>58,415</u>	<u>1,301,604</u>	<u>50,375</u>	<u>343,980</u>	<u>1,754,374</u>
DEPRECIATION					
At 1 April 2015	-	359,358	-	168,549	527,907
Charge for period	6,734	283,730	17,931	36,792	345,187
Eliminated on disposal	-	(132,845)	-	-	(132,845)
At 31 May 2016	<u>6,734</u>	<u>510,243</u>	<u>17,931</u>	<u>205,341</u>	<u>740,249</u>
NET BOOK VALUE					
At 31 May 2016	<u>51,681</u>	<u>791,361</u>	<u>32,444</u>	<u>138,639</u>	<u>1,014,125</u>
At 31 March 2015	<u>41,323</u>	<u>662,058</u>	<u>42,835</u>	<u>51,103</u>	<u>797,319</u>
COST					£
At 1 April 2014					1,116,649
Additions					394,209
Disposals					(185,632)
At 31 March 2015					<u>1,325,226</u>
DEPRECIATION					
At 1 April 2014					418,979
Charge for year					245,762
Disposals					(136,834)
At 31 March 2015					<u>527,907</u>
NET BOOK VALUE					
At 31 March 2015					<u>797,319</u>
At 31 March 2014					<u>697,670</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

12. INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2015	1,429,122
Disposals	<u>(1,429,122)</u>
At 31 May 2016	-
PROVISIONS	
At 1 April 2015	1,398,031
Provision for period	31,091
Eliminated on disposal	<u>(1,429,122)</u>
At 31 May 2016	-
NET BOOK VALUE	
At 31 May 2016	-
At 31 March 2015	<u>31,091</u>

13. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Trade receivables	6,255,915	5,518,346
Amounts owed by group undertakings	1,496,273	1,354,564
Other receivables	203,809	46,122
Directors' current accounts	-	2,699
Deferred tax asset	363,309	243,830
Prepayments and accrued income	<u>556,301</u>	<u>187,916</u>
	<u>8,875,607</u>	<u>7,353,477</u>
Amounts falling due after more than one year:		
Trade receivables	<u>10,278,487</u>	<u>7,782,174</u>
Aggregate amounts	<u>19,154,094</u>	<u>15,135,651</u>

ACADEMY LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016**

13. DEBTORS - continued

Trade receivables wholly represent finance lease, hire purchase contracts and loan receivables.

	2016	2015
	£	£
Gross receivables from finance leases, hire purchase contracts and loans:		
No later than 1 year	8,213,769	6,724,977
Later than 1 year and no later than 5 years	11,514,792	9,234,024
Later than 5 years	374,471	1,854
Unearned future finance income on finance leases, hire purchase contracts and loans	<u>(3,568,630)</u>	<u>(2,908,636)</u>
Net investment in finance leases and loans	<u>16,534,402</u>	<u>13,052,219</u>

The net investment in finance leases, hire purchase contracts and loans are receivable as follows:

	2016	2015
	£	£
No later than 1 year	6,255,915	5,284,646
Later than 1 year and no later than 5 years	9,904,212	7,505,894
Later than 5 years	<u>374,275</u>	<u>-</u>
Total	<u>16,534,402</u>	<u>12,790,540</u>

The cost of assets acquired for the purpose of leasing under finance leases was £11,898,785 (2015: £7,317,549).

Included within Trade receivables are the following receivables that are past due but not impaired as they are considered recoverable:

	2016	2015
	£	£
Less than 3 months old	413,918	-
More than 3 months old	-	-

All amounts are secured on the asset to which they relate. No other assets are past due or impaired.

Included within Cost of Sales are impairment losses in the sum of £228,673 (2015: £334,455).

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade payables	5,534,809	4,676,171
Amounts owed to group undertakings	25,233	106
Tax	19,748	346,176
Social security and other taxes	60,578	32,369
VAT	96,103	187,179
Other payables	<u>1,107,090</u>	<u>745,910</u>
	<u>6,843,561</u>	<u>5,987,911</u>

Trade payables are secured over the leased assets to which it relates.

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Trade payables	<u>8,003,262</u>	<u>6,385,611</u>

Trade payables are secured over the leased assets to which it relates.

16. DEFERRED TAX

	£
Balance at 1 April 2015	(243,830)
Credit to Statement of Comprehensive Income during period	<u>(119,479)</u>
Balance at 31 May 2016	<u>(363,309)</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
585,100	Ordinary	£1	<u>585,100</u>	<u>585,100</u>

Each share carries the entitlement to one vote.

As at 31 May 2016 the company had 585,100 allotted, issued and fully paid Ordinary £1 shares, amounting to £585,100 share capital.

18. RESERVES

The movements in share capital and reserves are shown in the Statement of Changes in Equity.

19. ULTIMATE PARENT COMPANY

The company's ultimate parent company is 1 PM Plc. The consolidated group financial statements can be obtained from St James House, The Square, Lower Bristol Road, Bath, BA2 3BH.

20. FINANCIAL INSTRUMENTS

The company's financial instruments comprise cash and liquid resources, including receivables and payables that are also financial instruments that arise directly from operations. The main purpose of the financial instruments is to fund the company's operations. As a matter of policy the company does not trade in financial instruments, nor does it enter into any derivative transactions.

The operations of the company have principally been financed to date through block funding payables. The company has an overdraft facility in place with the company's bank of £350,000 (2015: £350,000).

The company's main objectives for the management of capital are; to ensure there is sufficient cash available to be able to provide finance to customers, and to be able to pay debts as they fall due. The forms of capital managed by the group are the block funding and bank overdraft facilities. The company is not subject to any externally imposed capital requirements from these finance providers.

Working capital requirements are constantly monitored including the interest rates from the key providers of block funding finance.

The main risks to the company, and the policies adopted by the directors to minimise the effects on the are company as follows:

Credit Risk - The directors believe that credit risk is limited due to debts being spread over a large number of receivables. No individual receivable poses a significant risk. Individual receivables and group debt collection procedures are continually assessed.

Interest rate and liquidity risk - All of the group's cash balances and short term deposits are held in such a way that the correct balance of access to working capital and a competitive rate of interest is achieved. If market interest rates had been higher/lower with all other variables held constant, post-tax profits would not be materially affected.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 31 MAY 2016

21. OPERATING LEASE ARRANGEMENTS

The company as lessee

	2016 £	2015 £
Lease payments under operating leases recognised as an expense in the year	<u>54,500</u>	<u>54,500</u>

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

	2016 £	2015 £
Within 1 year	54,500	54,500
In the second to fifth years inclusive	218,000	272,500
After 5 years	<u>-</u>	<u>-</u>
	<u>272,500</u>	<u>327,000</u>

Operating lease payments represent rentals payable by the group for office properties. Leases are negotiated for an average term of 5 years and rentals are fixed for an average of 5 years with an offer to extend thereafter at the prevailing market rate.

22. COMPARATIVE FIGURES

The company joined the onepm group during the period and has therefore presented its current and comparative financial results in the same format as the group. This has resulted in the reclassifications of some expenditure, assets and liabilities.