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Company Registration No. 02112280 (England and Wales)

ACADEMY LEASING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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ACADEMY LEASING LIMITED

COMPANY INFORMATION

Directors

Ms H Jacques
Mr M F Nolan
Mr M Anderson

Secretary

Mr M F Nolan

Company number

02112280

Registered office

3 Stone Cross Court
Yew Tree Way
Golborne
Warrington
WA3 3JD

Auditors

Cowgill Holloway LLP
Regency House
45-51 Chorley New Road
Bolton
Lancs
BL1 4QR

ACADEMY LEASING LIMITED

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ACADEMY LEASING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities

The principal activity of the company during the year was that of a finance company, providing or arranging finance facilities for the acquisition or rental of equipment to SME's.

Directors

The following directors have held office since 1 April 2013:

Ms H Jacques

Mr M F Nolan

Mr M Anderson

Auditors

The auditors, Cowgill Holloway LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

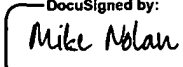
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

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27 February 2015 | 12:20 PM GMT

Mr M F Nolan

Director

ACADEMY LEASING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ACADEMY LEASING LIMITED

We have audited the financial statements of Academy Leasing Limited for the year ended 31 March 2014 set out on pages 4 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1, 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 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 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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


ACADEMY LEASING LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.

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Ian Johnson (Senior Statutory Auditor)
for and on behalf of Cowgill Holloway LLP

27 February 2015 | 12:58 PM GMT

Chartered Accountants
Statutory Auditor

Regency House
45-51 Chorley New Road
Bolton
Lancs
BL1 4QR

ACADEMY LEASING LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
Turnover		4,448,873	3,428,173
Cost of sales		(643,467)	(592,055)
Gross profit		3,805,406	2,836,118
Administrative expenses		(2,363,744)	(2,165,874)
Other operating income		-	13,360
Operating profit	2	1,441,662	683,604
Investment income	3	1,586,827	-
Other interest receivable and similar income	3	-	1,793
Amounts written off investments	4	(1,384,660)	(27,149)
Interest payable and similar charges		(17,321)	(1,920)
Profit on ordinary activities before taxation		1,626,508	656,328
Tax on profit on ordinary activities	5	(596,309)	(192,045)
Profit for the year	16	1,030,199	464,283

Included in the tax charge is £243,779 relating to an Employee Benefit Trust which is an exceptional item.

ACADEMY LEASING LIMITED**BALANCE SHEET****AS AT 31 MARCH 2014**

	Notes	2014 £	£	2013 £	£
Fixed assets					
Intangible assets	7	405,488		-	
Tangible assets	8	697,670		310,063	
Investments	9	44,462		63,346	
		<u>1,147,620</u>		<u>373,409</u>	
Current assets					
Debtors: amounts falling due within one year	10	6,708,652	5,432,822		
Debtors: amounts falling due after more than one year	10	7,656,750	7,564,198		
Cash at bank and in hand		482,691	87,400		
		<u>14,848,093</u>	<u>13,084,420</u>		
Creditors: amounts falling due within one year	11	<u>(7,410,944)</u>	<u>(5,699,553)</u>		
Net current assets		<u>7,437,149</u>		<u>7,384,867</u>	
Total assets less current liabilities		<u>8,584,769</u>		<u>7,758,276</u>	
Creditors: amounts falling due after more than one year	12	<u>(5,362,585)</u>	<u>(5,283,958)</u>		
		<u>3,222,184</u>	<u>2,474,318</u>		
Capital and reserves					
Called up share capital	15	585,100	585,100		
Profit and loss account	16	2,637,084	1,889,218		
Shareholders' funds		<u>3,222,184</u>	<u>2,474,318</u>		

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

27 February 2015 | 12:20 PM GMT

Approved by the Board for issue on

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Mr M F Nolan

Director

Company Registration No. 02112280

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover includes total rentals receivable in respect of operating leases net of value added tax. Operating lease income is accounted for on a straight line basis.

Income from finance charges on finance leases and similar hire purchase agreements is calculated on the sum of digits basis whereby this income is allocated over the duration of each agreement in proportion to the capital balance as reduced by each monthly payment required by the agreement.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Land and buildings Leasehold	12% Straight Line
Computer equipment	25% Straight Line
Fixtures, fittings & equipment	33% Straight Line
Assets held for rental	Over the period of the lease

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies (Continued)

1.9 Deferred taxation

Deferred taxation is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised for tax purposes.

A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued asset and the resulting gain or loss has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

1.11 Equipment leased to customers

Equipment leased to customers under operating leases is recorded as a fixed asset and depreciated over its useful life.

2 Operating profit	2014	2013
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	62,383	-
Depreciation of tangible assets	181,804	75,242
Auditors' remuneration	13,506	27,620
Directors' remuneration	285,360	320,821
Operating leases	86,332	64,626
	<u> </u>	<u> </u>
3 Investment income	2014	2013
	£	£
Income from shares in group undertakings	1,586,827	-
Bank interest	-	1,793
	<u> </u>	<u> </u>
	<u>1,586,827</u>	<u>1,793</u>

ACADEMY LEASING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2014

4	Amounts written off investments	2014	2013
		£	£
	Amounts written off fixed asset investments:		
	- permanent diminution in value	1,384,660	27,149
5	Taxation	2014	2013
		£	£
	Domestic current year tax		
	U.K. corporation tax	410,707	202,383
	Adjustment for prior years in relation to EBT settlement	243,779	-
	Total current tax	654,486	202,383
	Deferred tax		
	Origination and reversal of timing differences	(58,177)	(10,338)
		596,309	192,045

The adjustment for prior years in relation to the Employee Benefit Trust settlement is an exceptional taxation item.

6	Dividends	2014	2013
		£	£
	Ordinary interim paid	282,333	-

The dividend per share for 2014 is £0.48 (2013: Nil).

ACADEMY LEASING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2014****7 Intangible fixed assets**

	Goodwill £
Cost	
At 1 April 2013	-
Additions	467,871
At 31 March 2014	467,871
Amortisation	
At 1 April 2013	-
Charge for the year	62,383
At 31 March 2014	62,383
Net book value	
At 31 March 2014	405,488
At 31 March 2013	-

8 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Assets held for rental £	Total £
Cost					
At 1 April 2013	17,590	147,033	61,199	321,416	547,238
Additions	-	55,985	921	512,505	569,411
At 31 March 2014	17,590	203,018	62,120	833,921	1,116,649
Depreciation					
At 1 April 2013	6,814	131,687	49,170	49,504	237,175
Charge for the year	2,111	19,497	11,605	148,591	181,804
At 31 March 2014	8,925	151,184	60,775	198,095	418,979
Net book value					
At 31 March 2014	8,665	51,834	1,345	635,826	697,670
At 31 March 2013	10,776	15,346	12,029	271,912	310,063

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

9 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2013	63,346
Additions	1,365,776
At 31 March 2014	1,429,122
Provisions for diminution in value	
At 1 April 2013	-
Charge for the year	1,384,660
At 31 March 2014	1,384,660
Net book value	
At 31 March 2014	44,462
At 31 March 2013	63,346

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Harrogate Leasing Limited	UK	Ordinary A, Ordinary C	100.00
One Capital Limited	UK	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
	Principal activity		
Harrogate Leasing Limited	Leasing activities	6	634,814
One Capital Limited	Leasing activities	-	

ACADEMY LEASING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2014**

10 Debtors	2014	2013
	£	£
Trade debtors	302,996	152,155
Amounts receivable in respect of finance leases*	11,535,062	11,103,403
Amounts receivable in respect of personal loans*	11,562	19,472
Amounts receivable in respect of hire purchase contracts*	940,920	610,576
Amounts owed by parent and fellow subsidiary undertakings	1,068,964	749,030
VAT recoverable	-	54,831
Directors' current accounts	4,002	46,223
Other debtors	75,000	5,420
Prepayments and accrued income	358,381	245,572
Deferred tax asset (see note 13)	68,515	10,338
	<u>14,365,402</u>	<u>12,997,020</u>

Amounts falling due after more than one year and included in the debtors above are:

	2014	2013
	£	£
Amounts receivable*	7,505,894	7,413,340
Amounts owed by group undertakings	150,856	150,858
	<u>7,656,750</u>	<u>7,564,198</u>

In the year the company acquired assets to lease at a cost of £6,437,422 (2013: £5,933,363).

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

11 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	5,465,681	4,862,029
Trade creditors	552,042	308,237
Amounts owed to parent and fellow subsidiary undertakings	-	100
Corporation tax	875,708	239,204
Other taxes and social security costs	288,617	34,449
Directors' current accounts	49,660	-
Other creditors	32,454	24,385
Accruals and deferred income	146,782	231,149
	<u>7,410,944</u>	<u>5,699,553</u>

The bank loans disclosed under creditors falling due within one year are secured by the company.

Included within accruals is £nil (2013: £18,000) of accrued pension contributions.

Included within corporation tax is £243,779 (2013: £Nil) relating to the corporation tax due in relation to the Employee Benefit Trust settlement. The amount has been fully paid post year end.

12 Creditors: amounts falling due after more than one year	2014	2013
	£	£
Bank loans	<u>5,362,585</u>	<u>5,283,958</u>
Analysis of loans		
Wholly repayable within five years	10,828,266	10,145,987
Included in current liabilities	(5,465,681)	(4,862,029)
	<u>5,362,585</u>	<u>5,283,958</u>

The bank loans disclosed under creditors falling due after more than one year are secured by the company.

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

13 Provisions for liabilities

The deferred tax asset (included in debtors, note 10) is made up as follows:

	2014 £
Balance at 1 April 2013	(10,338)
Profit and loss account	(58,177)
Balance at 31 March 2014	<u>(68,515)</u>

	2014 £	2013 £
Decelerated capital allowances	<u>(68,515)</u>	<u>(10,338)</u>

14 Pension costs

Defined contribution

	2014 £	2013 £
Contributions payable by the company for the year	<u>12,000</u>	<u>12,000</u>

15 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
585,100 Ordinary of £1 each	<u>585,100</u>	<u>585,100</u>

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2013	1,889,218
Profit for the year	1,030,199
Dividends paid	(282,333)
Balance at 31 March 2014	<u>2,637,084</u>

17 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	2014 £	2013 £
Operating leases which expire:		
Within one year	58,027	22,033
Between two and five years	176,709	78,455
In over five years	-	41,512
	<u>234,736</u>	<u>142,000</u>

18 Control

The company's ultimate parent company is M H Holdings (UK) Limited, a company registered in England and Wales. This company is controlled by Mr M Nolan by virtue of his interest in the majority of the shares.

ACADEMY LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

19 Related party relationships and transactions

At the balance sheet date the company was owed the sum of £916,590 (2013: £598,162) from its ultimate parent company, M H Holdings (UK) Limited.

At the balance sheet date a loan from the direct parent company, Speakertone Limited, was outstanding for £150,856 (2013: £150,858).

At the balance sheet date the company was owed the sum of £1,518 (2013: £10) from a company included in investments, Ingenious Media Investments Limited,

On 31 March 2014, the assets and liabilities of One Capital Limited and Harrogate Leasing Limited were purchased by Academy Leasing Limited. A debtor balance relating to the intercompany of One Capital Limited was written off to the profit and loss account upon hive up.