

Registration number 03216119

AMENDED

ACADEMY EDUCATION LIMITED

Directors' report and financial statements

for the year ended 31 July 2014

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ACADEMY EDUCATION LIMITED

Company information

Directors	D C G Wada A N Hemmings E I Hemmings	(resigned 22 August 2014)
Secretary	D C G Wada	(resigned 22 August 2014)
Company number	03216119	
Registered office	16 South End Croydon Surrey CR0 1DN	
Business address	4 West Smithfield London EC1A 9JX	
Bankers	HSBC Bank Plc 196 Oxford Street London W1D 1NT	

ACADEMY EDUCATION LIMITED

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ACADEMY EDUCATION LIMITED

Directors' report for the year ended 31 July 2014

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

Principal activity

The principal activity of the company is a school of hairdressing.

Directors

The directors who served during the year are as stated below:

D C G Wada (resigned 22 August 2014)

A N Hemmings

E I Hemmings

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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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.

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

ACADEMY EDUCATION LIMITED

**Directors' report
for the year ended 31 July 2014**

..... continued

This report was approved by the Board on 1st June 2015 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'E I Hemmings', written over the printed name and title.

**E I Hemmings
Director**

ACADEMY EDUCATION LIMITED

Profit and loss account for the year ended 31 July 2014

		2014	2013
	Notes	£	£
Turnover	2	740,322	773,964
Cost of sales		(445,541)	(345,555)
Gross profit		294,781	428,409
Administrative expenses		(178,010)	(340,975)
Other operating income		50,000	-
Operating profit		166,771	87,434
Interest payable and similar charges		(209)	(359)
Profit on ordinary activities before taxation		166,562	87,075
Tax on profit on ordinary activities		-	-
Profit for the year	8	166,562	87,075
Retained profit brought forward		2,169,375	2,082,300
Retained profit carried forward		2,335,937	2,169,375

The notes on pages 6 to 11 form an integral part of these financial statements.

ACADEMY EDUCATION LIMITED

Balance sheet as at 31 July 2014

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Investments	3		-		1
Current assets					
Stocks		-		11,000	
Debtors	4	2,810,658		2,651,337	
Cash at bank and in hand		-		2,568	
		<u>2,810,658</u>		<u>2,664,905</u>	
Creditors: amounts falling due within one year	5	<u>(474,621)</u>		<u>(397,431)</u>	
Net current assets			<u>2,336,037</u>		<u>2,267,474</u>
Total assets less current liabilities			<u>2,336,037</u>		<u>2,267,475</u>
Creditors: amounts falling due after more than one year	6		-		<u>(98,000)</u>
Net assets			<u><u>2,336,037</u></u>		<u><u>2,169,475</u></u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account	8		<u>2,335,937</u>		<u>2,169,375</u>
Shareholders' funds			<u><u>2,336,037</u></u>		<u><u>2,169,475</u></u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 11 form an integral part of these financial statements.

ACADEMY EDUCATION LIMITED

Balance sheet (continued)

**Directors' statements required by Sections 475(2) and (3)
for the year ended 31 July 2014**

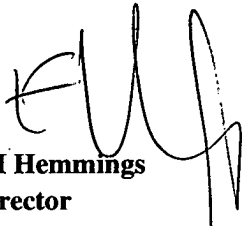
For the year ended 31 July 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These accounts were approved by the directors on 1st June 2015, and are signed on their behalf by:

A handwritten signature in black ink, appearing to be 'E I Hemmings', written over the printed name and title.

**E I Hemmings
Director**

Registration number 03216119

The notes on pages 6 to 11 form an integral part of these financial statements.

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 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. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Leasing

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

1.4. Investments

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

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 2014

..... continued

1.6. Deferred taxation

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:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

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.

1.7. Group accounts

The company is entitled to the exemption under Section 398 of the Companies Act 2006 from the obligation to prepare group accounts.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 2014

..... continued

3. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 August 2013	1	1
Disposals	(1)	(1)
	<hr/>	<hr/>
At 31 July 2014	-	-
	<hr/>	<hr/>
Net book values		
At 31 July 2014	-	-
	<hr/>	<hr/>
At 31 July 2013	1	1
	<hr/>	<hr/>

3.1. Holdings of 20% or more

The company held 20% or more of the share capital of the following company:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Academy Education (Ipswich) Limited	England	hairdressing school	ordinary	100%

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 £	Profit for the year £
Academy Education (Ipswich) Limited	(242,383)	(37,233)

The above subsidiary was transferred to Alan D Education Limited, a group undertaking, on 1st April 2014.

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 2014

..... continued

4. Debtors	2014	2013
	£	£
Amount owed by group undertaking (see note 9)	-	-
- Hair Holdings Limited	2,766,317	2,586,942
Other debtors	44,341	48,636
Prepayments and accrued income	-	15,759
	<u>2,810,658</u>	<u>2,651,337</u>
5. Creditors: amounts falling due within one year	2014	2013
	£	£
Bank overdraft	9,992	-
Trade creditors	14,865	38,184
Amounts owed to group undertaking (see note 9)		
- Academy Education (Ipswich) Limited	-	1
Amounts owed to parent undertaking (see note 10)	-	-
- Alan D Hairdressing Limited	162,224	-
Other taxes and social security costs	263,040	227,543
Other creditors	22,500	89,314
Accruals and deferred income	2,000	42,389
	<u>474,621</u>	<u>397,431</u>

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 2014

..... continued

6. Creditors: amounts falling due after more than one year	2014 £	2013 £
L'Oreal listing and signing on fee (unsecured)	-	48,000
Other loans (see note below)	-	50,000
	<u>-</u>	<u>98,000</u>
Loans		
Repayable in five years or more	-	50,000
	<u>-</u>	<u>50,000</u>

The other loans last year relates to a loan from an individual investor in the company and is unsecured, although director, A N Hemmings gave a personal guarantee to the investor.

The loan from the individual investor, and the loan from L'Oreal were transferred to Alan D Education Limited when Academy Education (Ipswich) Limited, a wholly owned subsidiary, was transferred to Alan D Education Limited on 01 April 2014.

7. Share capital	2014 £	2013 £
Authorised		
500 Ordinary 'A' shares of £1 each	500	500
500 Ordinary 'B' shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
50 Ordinary 'A' shares of £1 each	50	50
50 Ordinary 'B' shares of £1 each	50	50
	<u>100</u>	<u>100</u>
Equity Shares		
50 Ordinary 'A' shares of £1 each	50	50
50 Ordinary 'B' shares of £1 each	50	50
	<u>100</u>	<u>100</u>

ACADEMY EDUCATION LIMITED

Notes to the financial statements for the year ended 31 July 2014

..... continued

8. Reserves	Profit and loss account	Total
	£	£
At 1 August 2013	2,169,375	2,169,375
Profit for the year	166,562	166,562
At 31 July 2014	<u>2,335,937</u>	<u>2,335,937</u>

9. Related party transactions

The company is charged management fees for recovery of central administration costs and recharged for central purchases on a commercial basis by Hair Holdings Limited, a group undertaking incorporated in England.

During the year, management charges amounted to £29,650 (2013 - £40,000) and central purchases £6,420 (2013 - £9,022).

The company subcontracts some of its work to group undertakings. During the year, the company was charged £151,258 by Alan D Education Limited (2013 - £nil), and £129,377 by Academy Education (Ipswich) Limited (2013 - £68,285).

The directors, E I Hemmings, A N Hemmings and D C G Wada are also directors of Academy Education (Ipswich) Limited, Alan D Education Limited, and the ultimate parent undertaking, Alan D Hairdressing Limited. A N Hemmings and D C G Wada are also directors of Hair Holdings Limited.

D C G Wada resigned as director from Academy Education (Ipswich) Limited, Alan D Education Limited and Hair Holdings Limited in August 2014.

10. Ultimate parent undertaking

The ultimate parent undertaking is Alan D Hairdressing Limited, a company incorporated in England.

11. Controlling interest

The ultimate controlling party is Mr A N Hemmings, director.

ACADEMY EDUCATION LIMITED

Detailed trading profit and loss account for the year ended 31 July 2014

	2014		2013	
	£	£	£	£
Sales				
Sales		740,322		773,964
		<u>740,322</u>		<u>773,964</u>
Cost of sales				
Opening stock	11,000		7,170	
Purchases	16,860		53,207	
Wages and salaries	122,624		208,406	
Employer's NI contributions	14,422		19,487	
Subcontract labour	280,635		68,285	
	<u>445,541</u>		<u>356,555</u>	
Closing stock	-		(11,000)	
		<u>(445,541)</u>		<u>(345,555)</u>
Gross profit		294,781		428,409
Administrative expenses	178,010		340,975	
		<u>(178,010)</u>		<u>(340,975)</u>
		116,771		87,434
Other operating income				
Sundry income	50,000		-	
	<u>50,000</u>		<u>-</u>	
		50,000		-
Operating profit		166,771		87,434
Interest payable				
Bank interest	209		8	
Interest on loans repayable in less than 5 years	-		351	
		<u>(209)</u>		<u>(359)</u>
Net profit for the year		<u>166,562</u>		<u>87,075</u>

ACADEMY EDUCATION LIMITED

Administrative expenses for the year ended 31 July 2014

	2014	2013
	£	£
Administrative expenses		
Staff training	75	1,055
Management expenses	29,650	40,000
General premises costs	3,418	-
Rent and rates	16,290	153,487
Insurance	1,153	2,090
Leasing of office equipment	39,999	-
Light and heat	5,767	11,014
Cleaning and laundry	12,296	23,643
Repairs and maintenance	108	3,319
Printing, postage and stationery	9,845	13,247
Advertising	31,952	27,368
Telephone	2,915	2,150
Computer costs	2,505	1,543
Hire of equipment	-	5,928
Motor expenses	9,530	13,924
Travelling and subsistence	4,117	5,261
Entertaining	1,034	1,771
Legal and professional	3,950	30,748
Accountancy	2,026	3,026
Bank charges	603	105
Sundries	777	1,296
	<u>178,010</u>	<u>340,975</u>