

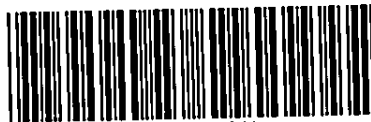
# **Acorn (Synergie) UK Limited**

Registered number 3358220

## **Consolidated Directors' Report and financial statements**

**For the year ended 31 December 2009**

TUESDAY



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COMPANIES HOUSE

# ACORN (SYNERGIE) UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M J Southall D Augereau Y Drouet
<b>Company secretary</b>	A N Scott
<b>Company number</b>	3358220
<b>Registered office</b>	Somerton House Hazell Drive Newport Gwent NP10 8FY
<b>Auditors</b>	Mazars LLP Chartered Accountants & Registered Auditors The Broadway Dudley DY1 4PY

# **ACORN (SYNERGIE) UK LIMITED**

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# **ACORN (SYNERGIE) UK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009**

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The directors present their report and the financial statements for the year ended 31 December 2009

### **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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Principal activities**

The principal activity of the group in the period under review was that of a recruitment agency, supplier of temporary labour and provision of training services.

### **Business review**

The group continues to operate within a highly competitive marketplace, which under normal circumstances puts pressure on gross margins, but this was increased in 2009 as a result of the challenging economic conditions. Revenues and profits remained difficult to maintain and whilst easing slightly, this is anticipated to continue throughout 2010.

Against this backdrop the group continued to develop its portfolio of services into niche sectors and concentrated on generally widening its client base. This has ensured that it is well positioned to take advantage of the opportunities from the upturn when it picks up momentum.

On 19 August 2009 the group successfully completed the acquisition of the trade of Oracle Global Resourcing Limited (now trading as 'Excell') out of administration, and two business divisions of Tracksafe Telecom Limited, which also went into administration were acquired on 9 September 2009.

During 2009, the group's training business, Acorn Learning Solutions Limited, continued to perform well, ensuring that its profits contributed a greater proportion of the overall group performance than ever before.

No material uncertainties that may cast significant doubt about the ability of the company and group to continue as a going concern have been identified by the directors.

# **ACORN (SYNERGIE) UK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **Results and dividends**

The loss for the year, after taxation and minority interests, amounted to £314,787 (2008 - profit £339,967)

The group paid a dividend to minority interests of £90,000 (2008 £574,500) during the year. No further dividend is proposed.

### **Directors**

The directors who served during the year were

M J Southall  
D Augereau  
Y Drouet

### **Financial instruments**

#### **Liquidity risk**

The group manages its cash and borrowing requirements centrally to maximise interest income and minimise interest expense, whilst ensuring that the group has sufficient liquid resources to meet the operating needs of its businesses.

#### **Interest rate borrowings**

The group is exposed to cash flow interest rate risk on floating rate deposits, bank overdrafts and loans.

#### **Credit risk**

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the group. All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

### **Employee involvement**

The group is committed to providing equality of opportunity for all existing and potential employees and aims to treat all of its employees fairly in every aspect of employment, in particular by providing clear and fair terms of employment.

The group ensures that employees have access to information that enables them to contribute and participate fully in the group's achievement of its objectives.

### **Disabled employees**

Applications for employment by disabled persons are fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure their employment with the group continues and appropriate training is arranged. It is the policy of the group that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Qualifying third party indemnity provisions**

The directors have no third party indemnity provisions in place.

# ACORN (SYNERGIE) UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

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### Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

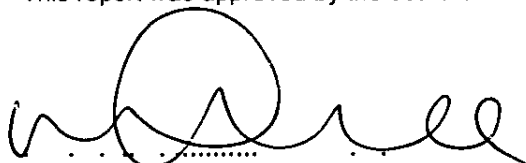
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information

### Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 15 - 6 - 10

and signed on its behalf



M J Southall  
Director

## **ACORN (SYNERGIE) UK LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACORN (SYNERGIE) UK LIMITED**

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We have audited the financial statements of Acorn (Synergie) UK Limited for the year ended 31 December 2009, which comprise the group Profit and Loss Account, the group and company Balance Sheets, the group Cash Flow Statement and the related notes. 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).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit 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. 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.

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

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2009 and of the group's loss 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 the 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.

## ACORN (SYNERGIE) UK LIMITED


### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACORN (SYNERGIE) UK LIMITED

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#### 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Mazars LLP, Chartered Accountants (Statutory auditor)

Paul Lucas (Senior statutory auditor)

The Broadway  
Dudley  
West Midlands  
DY1 4PY

Date

23 Sep 2010



# ACORN (SYNERGIE) UK LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
<b>Turnover</b>	<b>1,2</b>		
Continuing operations		65,076,545	77,688,240
Acquisitions		3,697,286	-
		<u>68,773,831</u>	<u>77,688,240</u>
Cost of sales		<u>(58,021,034)</u>	<u>(63,859,842)</u>
<b>Gross profit</b>		10,752,797	13,828,398
Administrative expenses		(10,669,407)	(12,165,351)
Exceptional administrative expenses	5	(284,435)	-
Total administrative expenses		<u>(10,953,842)</u>	<u>(12,165,351)</u>
Other operating income	3,4	<u>345,917</u>	<u>292,800</u>
<b>Operating profit</b>	5		
Continuing operations		528,076	1,955,847
Acquisitions		(383,204)	-
		<u>144,872</u>	<u>1,955,847</u>
Interest receivable		1,488	92,437
Interest payable	9	<u>(348,969)</u>	<u>(1,247,866)</u>
<b>(Loss)/profit on ordinary activities before taxation</b>		(202,609)	800,418
Tax on (loss)/profit on ordinary activities	10	<u>(111,034)</u>	<u>(404,623)</u>
<b>(Loss)/profit on ordinary activities after taxation</b>		(313,643)	395,795
Minority interests		<u>(1,144)</u>	<u>(55,828)</u>
<b>Loss for the financial year</b>	20	<u><u>(314,787)</u></u>	<u><u>339,967</u></u>

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and Loss Account

The notes on pages 11 to 25 form part of these financial statements

**ACORN (SYNERGIE) UK LIMITED**

Registered number 3358220

**CONSOLIDATED BALANCE SHEET****AS AT 31 DECEMBER 2009**

	Note	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Intangible fixed assets	11		10,721,709		11,108,139
Tangible fixed assets	13		1,109,339		1,535,359
Fixed asset investments	14		31,000		31,000
			<u>11,862,048</u>		<u>12,674,498</u>
<b>Current assets</b>					
Debtors	15	16,923,758		14,282,652	
Cash at bank		366		5,251	
		<u>16,924,124</u>		<u>14,287,903</u>	
<b>Creditors</b> amounts falling due within one year	16	(12,398,437)		(9,436,266)	
<b>Net current assets</b>			<u>4,525,687</u>		<u>4,851,637</u>
<b>Total assets less current liabilities</b>			<u>16,387,735</u>		<u>17,526,135</u>
<b>Creditors</b> , amounts falling due after more than one year	17		(14,500,000)		(15,234,757)
<b>Provisions for liabilities</b>					
Deferred tax	18		(10,000)		(10,000)
<b>Net assets</b>			<u><u>1,877,735</u></u>		<u><u>2,281,378</u></u>
<b>Capital and reserves</b>					
Called up share capital	19		675		675
Share premium account	20		955,191		955,191
Capital redemption reserve	20		350		350
Profit and loss account	20		799,141		1,203,928
<b>Shareholders' funds</b>	21		<u>1,755,357</u>		<u>2,160,144</u>
<b>Minority interests</b>	23		<u>122,378</u>		<u>121,234</u>
			<u><u>1,877,735</u></u>		<u><u>2,281,378</u></u>

## **ACORN (SYNERGIE) UK LIMITED**

### **CONSOLIDATED BALANCE SHEET (continued) AS AT 31 DECEMBER 2009**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15.6.10

A handwritten signature in black ink, appearing to read 'M J Southall', written over a dotted line.

**M J Southall  
Director**

The notes on pages 11 to 25 form part of these financial statements

**ACORN (SYNERGIE) UK LIMITED**

Registered number 3358220

**COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2009**

	Note	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Fixed asset investments	14		14,986,687		15,655,968
<b>Current assets</b>					
Debtors	13	29,710		199,890	
<b>Creditor</b> amounts falling due within one year	16	(2,721,358)		(2,956,707)	
<b>Net current liabilities</b>			(2,691,648)		(2,756,817)
<b>Total assets less current liabilities</b>			12,295,039		12,899,151
<b>Creditors'</b> amounts falling due after more than one year	17		(11,000,000)		(11,734,757)
<b>Net assets</b>			1,295,039		1,164,394
<b>Capital and reserves</b>					
Called up share capital	19		675		675
Share premium account	20		955,191		955,191
Capital redemption reserve	20		350		350
Profit and loss account	20		338,823		208,178
<b>Shareholders' funds</b>	21		1,295,039		1,164,394

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15-6-10


**M J Southall**  
**Director**

The notes on pages 11 to 25 form part of these financial statements

## ACORN (SYNERGIE) UK LIMITED

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
Net cash flow from operating activities	24	1,213,389	2,600,048
Returns on investments and servicing of finance	25	(347,481)	(1,155,429)
Taxation		(282,095)	(820,118)
Capital expenditure and financial investment	25	313,582	1,918,703
Acquisitions and disposals	25	(944,875)	-
Dividends paid to minority interests		(90,000)	(574,500)
<b>Cash (outflow)/inflow before financing</b>		<b>(137,480)</b>	<b>1,968,704</b>
Financing	25	-	(2,865,562)
<b>Decrease in cash in the year</b>		<b>(137,480)</b>	<b>(896,858)</b>

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 £	2008 £
Decrease in cash in the year	(137,480)	(896,858)
Cash outflow from decrease in debt and lease financing	-	2,865,562
<b>Movement in net debt in the year</b>	<b>(137,480)</b>	<b>1,968,704</b>
Net debt at 1 January 2009	(14,551,742)	(16,520,446)
<b>Net debt at 31 December 2009</b>	<b>(14,689,222)</b>	<b>(14,551,742)</b>

The notes on pages 11 to 25 form part of these financial statements

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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### 1 Accounting Policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

#### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Acorn (Synergie) UK Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the year are included from the effective date of acquisition

#### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

#### 1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2%	straight line
Motor vehicles	-	20%	straight line
Fixtures & fittings	-	20%	straight line

#### 1.6 Investments

##### (i) Subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment

##### (ii) Other investments

Investments held as fixed and current assets are shown at cost less provision for impairment

#### 1.7 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

# **ACORN (SYNERGIE) UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **1 Accounting Policies (continued)**

#### **1 8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

#### **1 9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

#### **1 10 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

### **2 Turnover**

All turnover arose within the United Kingdom

The whole of the turnover and profit before taxation from continuing activities and acquisitions is attributable to recruitment agency, supplier of temporary labour and provision of training services





# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 3 Other operating income

	2009 £	2008 £
Other operating income	283,128	218,583
Net rents receivable	62,789	74,217
	<u>345,917</u>	<u>292,800</u>

### 4. Analysis of expenses

The Profit and Loss Account for 2009 includes the following amounts relating to acquisitions cost of sales of £3,235,731, administrative expenses of £691,303, and exceptional administrative expenses of £124,920

### 5 Operating profit

The operating profit is stated after charging

	2009 £	2008 £
Amortisation - intangible fixed assets	631,946	646,765
Depreciation of tangible fixed assets		
- owned by the group	419,836	475,598
Operating lease rentals		
- plant and machinery	54,644	79,063
- other operating leases	720,180	505,912
Exceptional administrative expenses	<u>284,435</u>	<u>-</u>

The exceptional administrative expenses relate to provisions against balances included within receivables at the year end that are not considered recoverable as the customer was placed into administration after the year end

### 6. Auditors' remuneration

	2009 £	2008 £
Fees payable to the group's auditor for the audit of the group and subsidiaries annual accounts	40,000	30,000
Fees payable to the company's auditor and its associates in respect of		
All other services	<u>6,500</u>	<u>7,150</u>



## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### 7. Staff costs

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	6,079,011	7,341,961
Social security costs	619,625	724,288
Other pension costs	37,132	34,616
	<u>6,735,768</u>	<u>8,100,865</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009 No.	2008 No.
Sales and administration	<u>257</u>	<u>282</u>

#### 8 Directors' remuneration

	2009 £	2008 £
Emoluments	<u>200,552</u>	<u>177,168</u>
Company pension contributions to money purchase pension schemes	<u>9,350</u>	<u>7,650</u>

During the year retirement benefits were accruing to 1 director (2008 - 1) in respect of money purchase pension schemes

The highest paid director received remuneration of £200,552 (2008 - £177,168)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £9,350 (2008 - £7,650)

#### 9 Interest payable

	2009 £	2008 £
On bank loans and overdrafts	98	91,267
On finance leases and hire purchase contracts	-	2,287
Interest payable to ultimate parent	297,312	1,053,000
Other interest payable	51,559	101,312
	<u>348,969</u>	<u>1,247,866</u>

## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### 10. Taxation

	2009 £	2008 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on (loss)/profit for the year	138,480	404,623
Adjustments in respect of prior periods	(27,446)	-
	<u>111,034</u>	<u>404,623</u>
<b>Tax on (loss)/profit on ordinary activities</b>		

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2008 - higher than) the standard rate of corporation tax in the UK (28%). The differences are explained below

	2009 £	2008 £
(Loss)/profit on ordinary activities before tax	(202,609)	800,418
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28.5%)	(56,730)	228,119
<b>Effects of.</b>		
Expenses not deductible for tax purposes	15,008	30,800
Depreciation and amortisation for year in excess of capital allowances	205,529	44,204
Capital gain	50,227	153,276
Adjustments to tax charge in respect of prior periods	(27,446)	-
Other tax adjustments	(75,554)	(51,776)
	<u>111,034</u>	<u>404,623</u>
<b>Current tax charge for the year (see note above)</b>		

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges

## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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#### 11. Intangible fixed assets

	<b>Goodwill £</b>
<b>Group</b>	
<b>Cost</b>	
At 1 January 2009	14,041,339
Additions	914,875
Adjustment to deferred consideration in respect of previous acquisitions	(669,359)
At 31 December 2009	<u>14,286,855</u>
<b>Amortisation</b>	
At 1 January 2009	2,933,200
Charge for the year	631,946
At 31 December 2009	<u>3,565,146</u>
<b>Net book value</b>	
At 31 December 2009	<u>10,721,709</u>
At 31 December 2008	<u>11,108,139</u>

For details of acquisitions during the year, see Note 11

Goodwill arising on acquisitions during the year is being amortised over 10 years. In the opinion of the directors, this represents a prudent estimate of the period over which the group will derive economic benefit from the trade and assets acquired.

## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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#### 12. Acquisitions

On 9 September 2009 the group purchased the Rail Safety Solutions Division and the Signalling and Telecoms Labour Divisions and certain other assets from Track Safe Telecom Limited for a total cash consideration of £30,000 which comprised £20,000 for equipment and £10,000 for goodwill

	Vendors' book value £	Fair value to the group £
<b>Assets and liabilities acquired</b>		
Tangible fixed assets	20,000	20,000
<b>Satisfied by</b>		
Consideration		
Cash		30,000
Goodwill arising on consolidation (see note 11)		10,000

On 19 August 2009 the group purchased the assets of Oracle Global Resourcing Limited for a total cash consideration of £800,000 all of which related to goodwill

	Fair value to the group £
<b>Satisfied by</b>	
Consideration	
Cash	800,000
Acquisition costs	104,875
	904,875
Goodwill arising on consolidation (see note 11)	904,875

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 13 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Furniture, fittings and equipment £	Total £
<b>Group</b>				
<b>Cost</b>				
At 1 January 2009	319,402	1,345,880	568,070	2,233,352
Additions	-	92,840	71,392	164,232
Disposals	(220,000)	(116,151)	(180,366)	(516,517)
On acquisition	-	20,000	10,000	30,000
At 31 December 2009	99,402	1,342,569	469,096	1,911,067
<b>Depreciation</b>				
At 1 January 2009	47,893	474,445	175,655	697,993
Charge for the year	9,241	274,986	135,609	419,836
On disposals	(32,567)	(103,168)	(180,366)	(316,101)
At 31 December 2009	24,567	646,263	130,898	801,728
<b>Net book value</b>				
At 31 December 2009	74,835	696,306	338,198	1,109,339
At 31 December 2008	271,509	871,435	392,415	1,535,359

The cost of land included in land and buildings is estimated by the directors to be £Nil (2008 - £Nil)

### 14 Fixed asset investments

	Unlisted investments £
<b>Group</b>	
<b>Cost</b>	
At 1 January 2009 and 31 December 2009	31,000
<b>Company</b>	
<b>Cost</b>	
At 1 January 2009	15,655,968
Additions	80
Adjustment of deferred consideration	(669,359)
Amounts written off	(2)
At 31 December 2009	14,986,687

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 14. Fixed asset investments (continued)

Details of the principal subsidiaries can be found under note number 31

On 24 July 2009 100 ordinary shares of £0.01 were issued to Acorn (Synergie) UK Limited by Exsell Limited

### 15 Debtors

	<u>Group</u>		<u>Company</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	£	£	£	£
Trade debtors	14,731,409	13,411,205	-	-
Other debtors	182,608	118,634	29,710	199,890
Prepayments and accrued income	2,009,741	752,813	-	-
	<u>16,923,758</u>	<u>14,282,652</u>	<u>29,710</u>	<u>199,890</u>

### 16 Creditors

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	£	£	£	£
Bank loans and overdrafts	189,588	56,993	-	-
Trade creditors	558,501	558,152	-	-
Amounts owed to group undertakings	-	-	1,708,214	1,062,469
Corporation tax	-	158,440	-	-
Social security and other taxes	2,979,125	3,631,650	-	-
Other creditors	7,215,925	2,165,623	-	-
Accruals and deferred income	1,455,298	2,865,408	1,013,144	1,894,238
	<u>12,398,437</u>	<u>9,436,266</u>	<u>2,721,358</u>	<u>2,956,707</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company

Other creditors includes an invoice discounting loan amounting to £6,377,148 which is secured on the debts to which it relates



# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 17 Creditors. Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Amounts due to parent undertaking	14,500,000	14,500,000	11,000,000	11,000,000
Accruals and deferred income	-	734,757	-	734,757
	<u>14,500,000</u>	<u>15,234,757</u>	<u>11,000,000</u>	<u>11,734,757</u>

Included within the above are amounts falling due as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
<b>Over five years</b>				
Other loans	14,500,000	14,500,000	11,000,000	11,000,000
	<u>14,500,000</u>	<u>14,500,000</u>	<u>11,000,000</u>	<u>11,000,000</u>

Creditors include amounts not wholly repayable within 5 years as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Repayable other than by instalments	14,500,000	14,500,000	11,000,000	11,000,000
	<u>14,500,000</u>	<u>14,500,000</u>	<u>11,000,000</u>	<u>11,000,000</u>

The amount due to parent undertaking is part of a long term funding arrangement with Synergie SA, is unsecured, has no set repayment date and bears interest at a commercial rate

### 18 Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
At beginning and end of year	10,000	10,000	-	-
	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Accelerated capital allowances	10,000	10,000	-	-
	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 19 Share capital

	2009 £	2008 £
Allotted, called up and fully paid		
675 Ordinary shares of £1 each	675	675

### 20. Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
<b>Group</b>			
At 1 January 2009	955,191	350	1,203,928
Loss for the year			(314,787)
Dividends Equity capital			(90,000)
At 31 December 2009	955,191	350	799,141
<b>Company</b>			
At 1 January 2009	955,191	350	208,178
Profit for the year			130,645
At 31 December 2009	955,191	350	338,823

## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### 21 Reconciliation of movement in shareholders' funds

	2009 £	2008 £
<b>Group</b>		
Opening shareholders' funds	2,160,144	2,394,677
(Loss)/profit for the year	(314,787)	339,967
Dividends (Note 22)	(90,000)	(574,500)
Closing shareholders' funds	<u>1,755,357</u>	<u>2,160,144</u>
<b>Company</b>		
Opening shareholders' funds	1,164,394	1,515,004
Profit / (loss) for the year	130,645	(350,610)
Closing shareholders' funds	<u>1,295,039</u>	<u>1,164,394</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account

The profit/(loss) for the year dealt with in the accounts of the company was £130,645 (2008 - Loss (£350,610))

#### 22. Dividends

	2009 £	2008 £
Dividends paid to minority interests	<u>90,000</u>	<u>574,500</u>

#### 23. Minority interests

The minority interest relates to a shareholding of 30% in Acorn Learning Solutions Limited, subsidiary of Acorn (Synergie) UK Limited

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 24. Net cash flow from operations

	2009 £	2008 £
Operating profit	144,872	1,955,847
Amortisation of intangible fixed assets	631,946	646,765
Depreciation of tangible fixed assets	419,836	475,598
Adjustment to deferred consideration in respect of previous acquisitions	669,359	43,924
Profit on disposal of tangible fixed assets	(277,398)	(662,496)
(Increase)/decrease in debtors	(2,628,485)	2,761,720
Increase/(decrease) in creditors	2,253,259	(2,621,310)
<b>Net cash inflow from operations</b>	<b>1,213,389</b>	<b>2,600,048</b>

### 25 Analysis of cash flows for headings netted in cash flow statement

	2009 £	2008 £
<b>Returns on investments and servicing of finance</b>		
Interest received	1,488	92,437
Interest paid	(348,969)	(1,245,579)
Finance lease interest	-	(2,287)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(347,481)</b>	<b>(1,155,429)</b>

	2009 £	2008 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(164,232)	(571,170)
Sale of tangible fixed assets	477,814	2,489,873
<b>Net cash inflow from capital expenditure</b>	<b>313,582</b>	<b>1,918,703</b>

	2009 £	2008 £
<b>Acquisitions and disposals</b>		
Purchase of businesses in year	(944,875)	-

	2009 £	2008 £
<b>Financing</b>		
Repayment of bank loan	-	(1,461,050)
Movement on other loans	-	(1,361,266)
Repayment of finance lease	-	(43,246)
<b>Net cash from financing</b>	<b>-</b>	<b>(2,865,562)</b>

# ACORN (SYNERGIE) UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 26 Analysis of changes in net debt

	1 January 2009 £	Cash flow £	Other non-cash changes £	31 December 2009 £
Cash at bank and in hand	5,251	(4,885)	-	366
Bank overdraft	(56,993)	(132,595)	-	(189,588)
	<u>(51,742)</u>	<u>(137,480)</u>	<u>-</u>	<u>(189,222)</u>
Debts falling due after more than one year	(14,500,000)	-	-	(14,500,000)
<b>Net debt</b>	<u>(14,551,742)</u>	<u>(137,480)</u>	<u>-</u>	<u>(14,689,222)</u>

### 27 Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £37,132 (2008 - £34,616). Contributions totalling £Nil (2008 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

### 28 Operating lease commitments

At 31 December 2009 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			
Group	2009 £	2008 £	2009 £	Other 2008 £
<b>Expiry date</b>				
Within 1 year	32,320	38,029	2,211	1,839
Between 1 and 5 years	195,640	212,772	12,431	13,638
After more than 5 years	328,000	288,000	-	-

## ACORN (SYNERGIE) UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### 29 Related party transactions

The company has taken advantage of the exemption under FRS 8 "Related Party Disclosures" not to disclose related party transactions with subsidiary undertakings 100% owned whose voting rights are controlled within the group

Included within creditors is a loan amounting to £14,500,000 (2008 - £14,500,000) due to Synergie SA, the immediate parent company. Interest totalling £297,312 (2008 - £1,053,000) is payable on the loan for the year ended 31 December 2009

Other debtors includes a balance of £1,660 (2008 - £Nil) due from M Southall who is a director of Acorn (Synergie) UK Limited

An unlimited multilateral company cross guarantee relationship exists between Acorn Recruitment Limited, Acorn (Synergie) UK Limited, Advance Personnel Limited, Exxell Limited and Acorn Learning Solutions Limited

The following relate to transactions made by the group during the year with entities of which M Southall, a director of Acorn (Synergie) UK Limited, is a director except for Celtic Springs Management Limited. Andrew Tugwell who is a director of Celtic Springs Management Limited is also a director of Acorn Recruitment Limited, a subsidiary of Acorn (Synergie) UK Limited

	Sales £	Purchases £	Debtors £	Creditors £
Denmoor Developments Limited	69,612	-	135,193	-
TST Group Limited	(3,919)	-	102	-
Tracksafe Telecom Limited	177,465	-	338,650	-
ISCA Property Limited	-	299,545	-	-
Newport Association Football Club	-	73,190	-	-
Celtic Springs Management Limited	-	6,414	-	(6,099)

The debtor balance due from Tracksafe Telecom Limited has been fully provided for at the year end

#### 30 Controlling party

The ultimate controlling party is Synergie (SA) a company incorporated in France, who own 70% of the company's issued share capital

#### 31 Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Acorn Recruitment Limited	England & Wales	100%	Recruitment Agency
Acorn Learning Solutions Limited	England & Wales	70%	Educational training and support
Advance Personnel Limited	England & Wales	100%	Recruitment Agency
Concept Staffing Limited	England & Wales	100%	Recruitment Agency
Exxell Limited	England & Wales	80%	Recruitment Agency