

Acorn (Synergie) UK Limited

Registered number: 3358220

Directors' report and financial statements

For the year ended 31 December 2016

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ACORN (SYNERGIE) UK LIMITED

COMPANY INFORMATION

Directors

M J Southall
D Augereau
Y Drouet

Registered number

3358220

Registered office

Somerton House
Hazell Drive
Newport
Gwent
NP10 8FY

Independent auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

ACORN (SYNERGIE) UK LIMITED

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ACORN (SYNERGIE) UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

Introduction

The directors present their report and the financial statements for the year ended 31 December 2016.

Business review

The company's principal activity is that of a holding company.

Principal risks and uncertainties

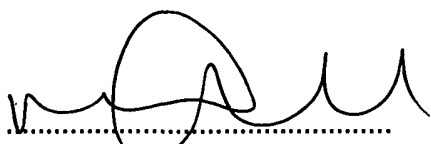
The directors' report provides information in relation to the liquidity and credit risks faced by the business.

The directors monitor and assess changes in legislation regularly to ensure that any legal or compliance risk is managed appropriately.

Financial key performance indicators

The directors monitor the company's financial performance against strategic objectives utilising key performance indicators (KPI's) on a regular basis. These KPI's include Turnover, Gross Margin, Net Profit and Days Sales Outstanding (DSO).

This report was approved by the board and signed on its behalf.


.....
M J Southall
Director

Date: 20TH JULY 2017

ACORN (SYNERGIE) UK LIMITED

DIRECTORS' REPORT **FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting 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 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.

Results and dividends

The loss for the year, after taxation, amounted to £333,190 (2015 - loss £204,100).

The company did not pay or propose any dividends in the current or previous year.

Directors

The directors who served during the year were:

M J Southall
D Augereau
Y Drouet

Future developments

There are no future developments planned for the company.

ACORN (SYNERGIE) UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

Financial instruments

Liquidity risk

The company's parent 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 company's parent 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 company's parent 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.

Qualifying third party indemnity provisions

The directors have no third party indemnity provisions in place.

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

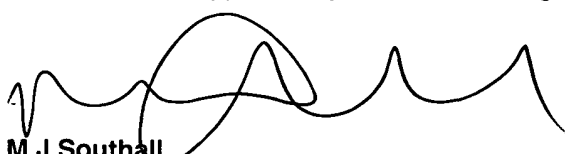
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

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

This report was approved by the board and signed on its behalf.



M J Southall
Director

Date: 20TH JULY 2017

ACORN (SYNERGIE) UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN (SYNERGIE) UK LIMITED

We have audited the financial statements of Acorn (Synergie) UK Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 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. This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements

ACORN (SYNERGIE) UK LIMITED


INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN (SYNERGIE) UK LIMITED

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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.



Martin Rogers (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

20 July 2017

ACORN (SYNERGIE) UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Administrative expenses		(175,349)	(40,001)
Operating loss		<u>(175,349)</u>	<u>(40,001)</u>
Interest payable and expenses	7	(157,841)	(154,229)
Loss before tax		<u>(333,190)</u>	<u>(194,230)</u>
Tax on loss	8	-	(9,870)
Loss for the year		<u><u>(333,190)</u></u>	<u><u>(204,100)</u></u>
 Total comprehensive income for the year		 <u><u>(333,190)</u></u>	 <u><u>(204,100)</u></u>

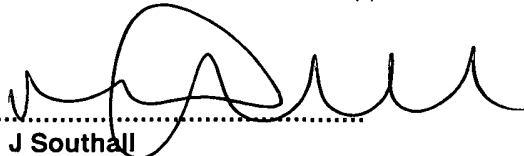
There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

ACORN (SYNERGIE) UK LIMITED
REGISTERED NUMBER: 3358220

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	9	14,986,689	14,986,689
		<u>14,986,689</u>	<u>14,986,689</u>
Creditors: amounts falling due within one year	10	(2,289,611)	(1,956,421)
Net current liabilities		<u>(2,289,611)</u>	<u>(1,956,421)</u>
Total assets less current liabilities		12,697,078	13,030,268
Creditors: amounts falling due after more than one year	11	(11,000,000)	(11,000,000)
Net assets		<u>1,697,078</u>	<u>2,030,268</u>
Capital and reserves			
Called up share capital	13	675	675
Share premium account	14	955,191	955,191
Capital redemption reserve	14	350	350
Profit and loss account	14	740,862	1,074,052
		<u>1,697,078</u>	<u>2,030,268</u>

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


.....
M J Southall

Director

Date: 20TH JULY 2017

The notes on pages 9 to 18 form part of these financial statements.

ACORN (SYNERGIE) UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2016	675	955,191	350	1,074,052	2,030,268
Loss for the year	-	-	-	(333,190)	(333,190)
Total comprehensive income for the year	-	-	-	(333,190)	(333,190)
At 31 December 2016	675	955,191	350	740,862	1,697,078

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2015	675	955,191	350	1,278,152	2,234,368
Loss for the year	-	-	-	(204,100)	(204,100)
Total comprehensive income for the year	-	-	-	(204,100)	(204,100)
At 31 December 2015	675	955,191	350	1,074,052	2,030,268

The notes on pages 9 to 18 form part of these financial statements.

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Acorn (Synergie) UK Limited is a private company limited by shares, incorporated in England & Wales. Its principal activity is that of a group holding company. The registered address and number can be found on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- 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;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 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 paragraph 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, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

For the disclosure exemptions listed above, the equivalent disclosures are included in the consolidated financial statements of the group, Synergie International Solutions S.L., which the company is consolidated into.

The company has not taken advantage of the following disclosure exemptions on the basis that they are not relevant to the company's transactions and activities during the current or prior year:

- The applicable requirements of IFRS3 "Business Combinations"
- The applicable requirements of IFRS5 "Non-current assets held for sale"
- The applicable requirements of IFRS2 "Share-based payment"
- The requirement of IFRS13 "Fair value measurement"
- The applicable requirements of IAS36 "Impairment of assets":

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.4 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.5 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income Statement within 'other operating income'.

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.6 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.9 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant judgments in applying accounting policies and key sources of estimation uncertainty for the company.

4. Operating loss

Auditors' remuneration is paid by Acorn Recruitment Limited, a subsidiary company, on behalf of the group.

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	40,000	40,000
	<u>40,000</u>	<u>40,000</u>

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

	2016 No.	2015 No.
Sales and administration	1	1
	<u>1</u>	<u>1</u>

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

6. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	40,000	40,000
	<u>40,000</u>	<u>40,000</u>

The directors are also considered to be the key management personnel.

7. Interest payable and similar charges

	2016 £	2015 £
Loans from group undertakings	157,841	154,229
	<u>157,841</u>	<u>154,229</u>

8. Taxation

	2016 £	2015 £
Corporation tax		
Adjustments in respect of previous periods	-	9,870
	<u>-</u>	<u>9,870</u>
Total current tax	<u>-</u>	<u>9,870</u>

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	(333,190)	(194,230)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(66,638)	(39,332)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	27,070	-
Adjustments to tax charge in respect of prior periods	-	9,870
Group relief	39,568	39,332
Total tax charge for the year	-	9,870

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 2016

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	14,986,689
At 31 December 2016	14,986,689
Net book value	
At 31 December 2016	14,986,689
At 31 December 2015	14,986,689

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	2,179,005	1,845,896
Accruals and deferred income	110,606	110,525
	2,289,611	1,956,421

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Other loans	11,000,000	11,000,000
	<u>11,000,000</u>	<u>11,000,000</u>

The amount due to group undertakings 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.

12. Financial instruments

	2016 £	2015 £
Financial liabilities measured at amortised cost		
Amounts owed to group undertakings	(2,179,005)	(1,845,896)
Other loans	(11,000,000)	(11,000,000)
	<u>(13,179,005)</u>	<u>(12,845,896)</u>

13. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
675 Ordinary shares of £1 each	<u>675</u>	<u>675</u>

14. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

Includes the nominal value of shares repurchased by the company.

Profit & loss account

Includes all current and prior period retained profits and losses.

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

15. Related party transactions

The company has taken advantage of the FRS101 exemption 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 £11,000,000 (2015 - £11,000,000) due to Synergie SA, fellow group undertaking. Interest totalling £110,526 (2015- £110,445) is payable on the loan for the year ended 31 December 2016.

Included in other creditors is an amount of £2,179,005 (2015: £1,845,896) due to Acorn Recruitment Limited, subsidiary undertaking. Interest totalling £47,315 (2015: £43,784) is payable on the loan for the year ended 31 December 2016.

An unlimited multilateral company cross guarantee relationship exists between Acorn Recruitment Limited, Acorn (Synergie) UK Limited, Concept Staffing Limited, Acorn Global Recruitment Limited, Exsell Limited and Acorn Learning Solutions Limited.

16. Controlling party

The immediate and ultimate controlling party is Synergie International Solutions S.L., a company incorporated in Spain, who own 94.22% of the company's issued share capital.

ACORN (SYNERGIE) UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

17. Subsidiary undertakings

The following were subsidiary undertakings of the Company registered in the United Kingdom unless specifically stated:

Name	Class of shares	Holding	Principal activity
Acorn Recruitment Limited	Ordinary	100 %	Recruitment Agency
Acorn Learning Solutions Limited	Ordinary	70 %	Educational training and support
Acorn Global Recruitment Limited	Ordinary	75 %	Recruitment Agency
Concept Staffing Limited	Ordinary	100 %	Recruitment Agency
Exxell Limited	Ordinary	90 %	Recruitment Agency
Synaco Global Recruitment PTY Limited - registered in Australia	Ordinary	95 %	Recruitment Agency

The aggregate of the share capital and reserves as at 31 December 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Acorn Recruitment Limited	12,994,292	607,303
Acorn Learning Solutions Limited	389,111	106,285
Acorn Global Recruitment Limited	(471,296)	(55,173)
Exxell Limited	(803,640)	(104,078)
Synaco Global Recruitment PTY Limited	90,285	256,385