

REGISTERED NUMBER: 07448673 (England and Wales)

Report of the Directors and

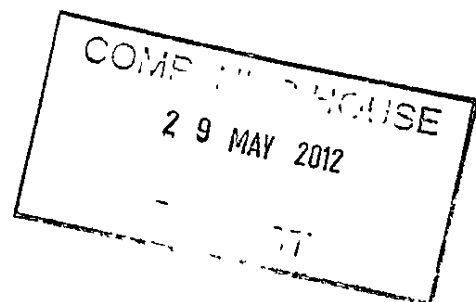
Financial Statements

for the period

23 November 2010 to 31 August 2011

for

Acorn Norfolk Limited



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Acorn Norfolk Limited (Registered number: 07448673)

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for the period 23 November 2010 to 31 August 2011**

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Acorn Norfolk Limited
Company Information
for the period 23 November 2010 to 31 August 2011

DIRECTORS:	M A Croghan D W Johnson S R Page
SECRETARY:	W N Fenning
REGISTERED OFFICE:	1 Merchant's Place River Street Bolton Lancashire BL2 1BX
REGISTERED NUMBER:	07448673 (England and Wales)
AUDITORS:	Ernst & Young LLP Bedford House 16 Bedford Street Belfast BT2 7DT
BANKERS:	Barclays Bank PLC 1 Churchill Place London E14 5HP
SOLICITORS:	SNR Denton The Pinnacle 170 Midsummer Boulevard Milton Keynes MK9 1FE

**Report of the Directors
for the period 23 November 2010 to 31 August 2011**

The directors present their report with the financial statements of the company for the period 23 November 2010 to 31 August 2011

INCORPORATION

The company was incorporated on 23 November 2010

PRINCIPAL ACTIVITIES

The company is an independent agency that provides care and education for adults, children and young people with special needs. Placements are referred from a number of local authorities. Acorn Norfolk Limited is a business that is part of the Acorn Care 1 Limited Group. The Group provides a choice of education and care for children with special needs, their families and local authorities across the UK. The Group Statement of Purpose is to establish a group of schools and care providers that meet the holistic needs of children with special needs. We aim to provide high quality care and education, to focus on the outcomes for each individual young person, to encourage success in all aspects of our work, to develop the individual character of each school and care provider within a supportive network and to provide equality of opportunity.

DIRECTORS

The directors who have held office during the period from 23 November 2010 to the date of this report are as follows

M A Croghan - appointed 11 April 2011

D W Johnson - appointed 11 April 2011

S R Page - appointed 11 April 2011

A D Harris - appointed 23 November 2010 - resigned 11 April 2011

SNR Denton Directors Limited - appointed 23 November 2010 - resigned 11 April 2011

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

Acorn Norfolk Limited (Registered number: 07448673)

**Report of the Directors
for the period 23 November 2010 to 31 August 2011**

AUDITORS

The auditors, Ernst & Young LLP, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006

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

ON BEHALF OF THE BOARD:



M A Croghan - Director

Date 27/3/2012

Report of the Independent Auditors to the Members of Acorn Norfolk Limited

We have audited the financial statements of Acorn Norfolk Limited for the year ended 31 August 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, 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 financial statements to identify material inconsistencies with the audited financial statements. 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 August 2011 and of its loss for the period 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

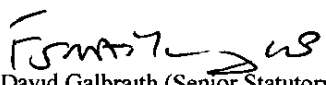
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Acorn Norfolk 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 Report of the Directors


David Galbraith (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

Date *28 May 2012*

Acorn Norfolk Limited (Registered number: 07448673)

**Profit and Loss Account
for the period 23 November 2010 to 31 August 2011**

	Notes	£
TURNOVER	2	1,854,067
Cost of sales		1,252,707
		<hr/>
GROSS PROFIT		601,360
Administrative expenses		836,702
		<hr/>
OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(235,342)
Tax on loss on ordinary activities	5	(63,410)
		<hr/>
LOSS FOR THE FINANCIAL PERIOD		(171,932)
		<hr/>

The notes form part of these financial statements

Balance Sheet
31 August 2011

	Notes	£	£
FIXED ASSETS			
Intangible assets	6		5,239,551
Tangible assets	7		82,769
			<u>5,322,320</u>
CURRENT ASSETS			
Debtors	8	917,525	
Cash at bank and in hand		1,295,707	
		<u>2,213,232</u>	
CREDITORS			
Amounts falling due within one year	9	7,707,483	
NET CURRENT LIABILITIES			<u>(5,494,251)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(171,931)</u>
CAPITAL AND RESERVES			
Called up share capital	11		1
Profit and loss account	12		(171,932)
SHAREHOLDERS' FUNDS			<u>(171,931)</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 27/3/2012 and were signed on its behalf by


Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the period 23 November 2010 to 31 August 2011**

1 ACCOUNTING POLICIES

Basis of preparation

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

The parent company has indicated its willingness to continue to support the company and in particular not to recall the amounts advanced to the company at the balance sheet date. Accordingly the directors believe it is appropriate to prepare the financial statements on the going concern basis.

Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

Revenue recognition

Revenue is recognized to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts or rebates.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Deferred tax

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Financial Statements - continued
for the period 23 November 2010 to 31 August 2011

2 **TURNOVER**

The turnover shown in the profit and loss account represents services provided during the year. Where invoices are raised and the services to which they relate have not been performed, then the extent of the invoice relating to the unperformed services is carried forward as deferred income.

Turnover is attributable to one class of business.

All turnover arose within the United Kingdom.

3 **STAFF COSTS**

	£
Wages and salaries	1,090,093
Social security costs	75,368
Other pension costs	15,353
	<u>1,180,814</u>

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

Teaching and support staff	75
Management and administration	6
Foster Carers	95
	<u>176</u>

4 **OPERATING LOSS**

The operating loss is stated after charging:

	£
Depreciation - owned assets	2,873
Goodwill amortisation	374,253
Auditors' fees (exclusive of VAT)	5,000
	<u>-</u>
Directors' remuneration and other benefits etc	<u>-</u>

5 **TAXATION**

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the period was as follows:

	£
Current tax	
Corp tax group relief	(61,752)
Deferred tax	(1,658)
Tax on loss on ordinary activities	<u>(63,410)</u>

Notes to the Financial Statements - continued
for the period 23 November 2010 to 31 August 2011

6 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	5,613,804
At 31 August 2011	5,613,804
AMORTISATION	
Charge for period	374,253
At 31 August 2011	374,253
NET BOOK VALUE	
At 31 August 2011	5,239,551

7 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
Additions	47,462	27,766	10,414	85,642
At 31 August 2011	47,462	27,766	10,414	85,642
DEPRECIATION				
Charge for period	580	1,735	558	2,873
At 31 August 2011	580	1,735	558	2,873
NET BOOK VALUE				
At 31 August 2011	46,882	26,031	9,856	82,769

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade debtors	812,040
Other debtors	183
Deferred tax asset	1,658
Prepayments and accrued income	103,644
	917,525

Notes to the Financial Statements - continued
for the period 23 November 2010 to 31 August 2011

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Hire purchase contracts	63,239
Trade creditors	265,427
Amounts owed to group undertakings	5,392,377
Social security and other taxes	86,058
Other creditors	140,655
Accruals and deferred income	1,759,727
	<u>7,707,483</u>

10 DEFERRED TAX

	£
Accelerated capital allowances	2,180
Short term timing differences	(3,838)
Balance at 31 August 2011	<u>(1,658)</u>

11 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			
Number	Class	Nominal value	£
1	Ordinary shares	£1	<u>1</u>

1 Ordinary shares share of £1 was allotted and fully paid for cash at par during the period

12 RESERVES

	Profit and loss account £
Deficit for the period	<u>(171,932)</u>
At 31 August 2011	<u>(171,932)</u>

13 CONTINGENT LIABILITIES

The company has given security by way of unlimited fixed and floating charges over all of its assets to the finance parties providing banking facilities to Acorn Care 4 Limited a fellow subsidiary undertaking of the Acorn Care 1 Limited Group. The amount outstanding to the finance parties providing the banking facilities to Acorn Care 4 Limited at 31 August 2011 was £99,946,293.

14 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of the Acorn Care 1 Limited group.

15 **ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The immediate parent company is Acorn Care & Education Limited, a company incorporated in England and Wales

The ultimate parent company is Acorn Care 1 Limited, a company incorporated in England and Wales

However by virtue of its shareholdings in Acorn Care 1 Limited, the ultimate controlling party is Ontario Teachers Pension Plan Board

Copies of the financial statements of Acorn Care 1 Limited are available from the company's registered office, 1 Merchant's Place, River Street, Bolton, BL2 1BX