

Driver Hire Contracts Limited

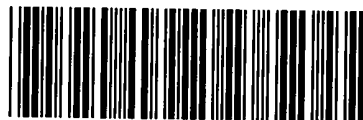
**Directors' report and financial
statements**

Registered number 5505360

Year ended 27 March 2016

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Contents

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditor's report to the members of Driver Hire Contracts Limited	4
Profit and loss account	6
Balance sheet	7
Statement of changes in equity	8
Notes	9

Officers and professional advisers

Directors

CM Chidley
P McNulty

Registered office

Bradford Business Park
King's Gate
Canal Road
Bradford
BD1 4SJ

Auditor

KPMG LLP
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Bankers

Yorkshire Bank
4 Victoria Place
Manor Road
Leeds
LS11 5AE

Solicitors

Shulmans LLP
10 Wellington Place
Leeds
LS1 4AP

Directors' report

The directors present their annual report and the audited financial statements for the year ended 27 March 2016.

Principal activities

The principal activity of the company is to provide centralised invoicing to customers on behalf of our franchisees at a minimal cost to us.

Business review

The company continues to make progress with centralised invoicing and the directors expect this to continue in 2016/17.

The directors do not recommend the payment of a dividend (2015: *£nil*). The profit for the financial period of £39,564 (2015: £3,559) has been transferred to reserves.

Directors and directors' interests

The directors who held office during the period were as follows:

CM Chidley
P McNulty (Appointed 25 January 2016)
JD Andrews (Resigned 25 January 2016)

Certain directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Political and charitable donations

During the period the company did not make any political or charitable donations of a level requiring disclosure.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

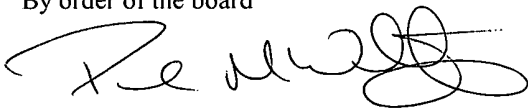
Strategic Report

The company is exempt by virtue of 414B of the Companies Act 2006 from preparing a Strategic Report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be appointed and KPMG LLP will therefore continue in office.

By order of the board



P McNulty
Director

Bradford Business Park
King's Gate
Canal Road
Bradford
BD1 4SJ

30/04/16

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Driver Hire Contracts Limited

We have audited the financial statements of Driver Hire Contracts Limited for the year ended 27 March 2016 as set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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

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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Driver Hire Contracts Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

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.
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.



David Morritt (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

*Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA*

30/09/16

Profit and loss account
for the year ended 27 March 2016

	<i>Note</i>	2016	2015
		£	£
Turnover	<i>1</i>	260,463	96,374
Gross profit		260,463	96,374
Distribution Costs		(269)	(188)
Administrative expenses		(207,660)	(89,218)
Operating Profit		52,534	6,968
Interest payable and similar charges		(3,079)	(2,519)
Profit on ordinary activities before taxation		49,455	4,449
Tax on profit on ordinary activities	<i>2</i>	(9,891)	(890)
Profit on ordinary activities after taxation		39,564	3,559

The company had no recognised gains and losses other than the results above and therefore, no separate statement of other comprehensive income has been presented.

There is no difference between the result on ordinary activities before taxation and the result for the period stated above and their historical cost equivalents.

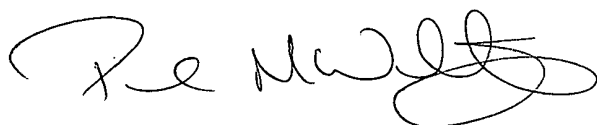
All of the trading during the period related to continuing operations.

Notes from pages 9 to 13 form a part of the financial statements.

Balance sheet
at 27 March 2016

	<i>Note</i>	2016	2015
		£	£
Current assets			
Debtors	5	355,678	170,864
Cash at bank and in hand		93,157	224,428
		<u>448,835</u>	<u>395,292</u>
Creditors: amounts falling due within one year	6	(427,790)	(413,811)
Net current liabilities		<u>21,045</u>	<u>(18,519)</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	8	21,044	(18,520)
Shareholders' funds/(deficit)		<u>21,045</u>	<u>(18,519)</u>

These financial statements were approved by the board of directors on 30/09/16 and were signed on its behalf by:



P McNulty
Director

Notes on pages 9 to 13 form a part of the financial statements.

Statement of Changes in Equity
for the year ended 27 March 2016

	Called up share capital £	Profit & loss account £	Total shareholder's equity £
Balance at 30 March 2014	1	(22,079)	(22,078)
Total comprehensive income for the period			
Profit or loss	-	3,559	3,559
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	3,559	3,559
	<hr/>	<hr/>	<hr/>
Balance at 29 March 2015	1	(18,520)	(18,519)
	<hr/>	<hr/>	<hr/>

	Called up share capital £	Profit & loss account £	Total shareholder's equity £
Balance at 29 March 2015	1	(18,520)	(18,519)
Total comprehensive income for the period			
Profit or loss	-	39,564	39,564
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	39,564	39,564
	<hr/>	<hr/>	<hr/>
Balance at 27 March 2016	1	21,044	21,045
	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

Driver Hire Contracts Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's ultimate parent undertaking, Specialist People Services Group Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Specialist People Services Group Limited are available to the public and may be obtained from the registered office. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors do not believe that there are any judgements made in the application of these accounting policies that have a significant effect on the financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1.6 Turnover

Turnover arises through acting as an intermediary between the customer and the franchisee for the supply of temporary staff. It represents amounts invoiced by the company in respect of sales completed during the period, excluding value added tax. Turnover is wholly attributable to activities within the UK.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes (continued)

2 Tax on profit on ordinary activities

Analysis of charge in year

	2016 £	2015 £
Tax on profit on ordinary activities	9,891	890

The tax assessed for the period is the same as (2015: lower) the standard rate of incorporation tax in the UK of 20% (2015: 21%).

Reconciliation of current tax charge:

	2016 £	2015 £
Profit on ordinary activities before tax	49,455	4,449
Corporation tax in the UK at 20% (2015: 21%)	9,891	934
Effects of: Tax credits	-	(44)
Total tax expense included in profit or loss	9,891	890

From 1 April 2014, the main rate of corporation tax was reduced to 21% and from 1 April 2015 the main rate will be reduced to 20%. Accordingly, current tax has been measured at the hybrid rate of 20.25%. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 19% from 1 April 2017 and 18% from 1 April 2020. This will reduce any future current tax charge accordingly. Any deferred tax at 31 December 2015 has been calculated based on the rate of 18% being the rate substantively enacted at the balance sheet date.

A further reduction to the corporation tax rate by 1% to 17% by 1 April 2020 was announced in the Chancellor's 2016 budget statement. This further change had not been substantively enacted at the balance sheet date and, therefore, is not included in these financial statements as the proposed reduction cannot be reliably quantified at this stage.

Notes (continued)

3 Remuneration of directors

During the current and previous period, director's emoluments were borne by another group undertaking.

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period was as follows:

	Number of employees	
	2016	2015
Administration	3	1

The aggregate payroll costs of these persons were as follows:

	2016	2015
	£	£
Wages and salaries	80,759	6,504

5 Debtors

	2016	2015
	£	£
Trade debtors	348,145	22,719
VAT refund	-	27,887
Other debtors	7,533	120,258
	<u>355,678</u>	<u>170,864</u>

6 Creditors: amounts falling due within one year

	2016	2015
	£	£
Other taxation and social security	11,799	-
Other creditors and accruals	8,718	2,753
Corporation tax	-	890
Amounts owed to other group companies	407,273	410,168
	<u>427,790</u>	<u>413,811</u>

7 Called-up share capital

	£
<i>Issued, allotted and fully paid</i>	
Balance at 27 March 2016 and 29 March 2015	<u>1</u>

Notes (continued)

8 Reserves

	Profit and loss account £
Balance at 29 March 2015	(18,520)
Profit for the financial period	39,564
	<hr/>
Balance at 27 March 2016	21,044
	<hr/>

9 Capital commitment

There were no capital commitments contracted for but not provided at 27 March 2016 and 29 March 2015.

10 Ultimate parent company

The company's ultimate parent company is Specialist People Services Group Limited, a company incorporated in England and Wales.

The accounts of Specialist People Services Group Limited are available from the company's registered office at Bradford Business Park, King's Gate, Canal Road, Bradford, BD1 4SJ.

11 Related party transactions

During the period, the company purchased services of £41,688 (2015: £86,870) from Driver Hire Bradford Ltd. At the 27 March 2016, there were trade creditors of £nil (2015: £3,423) relating to these transactions.

During the period, the company purchased services of £26,930 (2015: £17,171) from Driver Hire East London Ltd. At the 27 March 2016, there were trade creditors of £1,021 (2015: £342) relating to these transactions.

During the period, the company purchased services of £125,152 (2015: £51,185) from Driver Hire Exeter Ltd. At the 27 March 2016, there were trade creditors of £20,139 (2015: £24,631) relating to these transactions.