

Draefern Holdings Limited

**Directors' report and financial
statements**

Registered number 2836088

31 December 2010



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Directors' report

The directors present their report on the affairs of the company, together with the financial statements and auditor's report, for the year ended 31 December 2010

Principal activity and review of the business

The company's principal activity during the year was that of an investment company

Results and dividends

The result for the year after taxation was £1,607,793 (2009 £nil) as a result of dividends received from Draefern Limited. A dividend of £1,607,793 was paid during the year (2009 £nil)

Directors

The directors who served during the year were as follows

J Hardy

P Smith (Resigned 23 December 2010)

J Watts


S Bodger (appointed 23 December 2010)

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information

Auditors

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



J Watts
Director

Draefern House
Dunston Court
Dunston Road
Chesterfield
Derbyshire
S41 8NL

2 March 2011

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).

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 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

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Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditors' report to the members of Draefern Holdings Limited

We have audited the financial statements of Draefern Holdings Limited for the year ended 31 December 2010 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 2, 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 December 2010 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.

Opinion on other matter prescribed by the Companies Act 2006

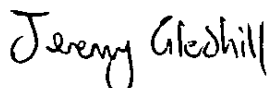
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Draefern Holdings Limited *(continued)*

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



Jeremy Gledhill (Senior Statutory Auditor)

for and on behalf of

KPMG LLP
Statutory Auditor

Chartered Accountants

1 The Embankment
Neville Street
Leeds
LS1 4DW

2 March 2011

Profit and loss account

For the year ended 31 December 2010

	<i>Note</i>	2010 £	2009 £
Operating profit			
Income from shares in group undertakings		1,607,793	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	1,607,793	-
Taxation	4	-	-
		<hr/>	<hr/>
Profit for the financial period	9	1,607,793	-
		<hr/> <hr/>	<hr/> <hr/>

Balance sheet
at 31 December 2010

	<i>Note</i>	2010 £	2009 £
Fixed assets			
Investments	6	100	100
		<hr/>	<hr/>
		100	100
Current assets			
Debtors	7	138,690	138,690
Cash at bank and in hand		93	93
		<hr/>	<hr/>
		138,783	138,783
Net current assets		<hr/>	<hr/>
		138,783	138,783
Net assets		<hr/>	<hr/>
		138,883	138,883
Capital and reserves			
Called up share capital	8	50,000	50,000
Share premium account		20	20
Profit and loss account	9	88,863	88,863
		<hr/>	<hr/>
Equity shareholders' funds		<hr/>	<hr/>
		138,883	138,883

The financial statements on pages 5 to 10 were approved by the board of directors on 2 March 2011 and signed on its behalf by


J. Watts
Director

The accompanying notes are an integral part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

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

The company has taken advantage of the exemption of preparing consolidated financial statements afforded by Section 228 of the Companies Act because it is a wholly owned subsidiary of Right4Staff Holdings Limited, which prepares consolidated financial statements which are publicly available

Investments

Fixed asset investments are shown at cost less provision for impairment

Cash flow

Under the provision of FRS 1 (Revised) "Cash flow statements", the company has not prepared a cash flow statement because its ultimate parent undertaking, Right4Staff Holdings Limited, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

2 Staff costs

All staff costs are borne by another group company. For directors costs see note 5. The average monthly number of employees including executive directors was 3 (2009: 3)

Notes (continued)

3 Profit on ordinary activities before taxation

The audit fee is borne by a fellow group company

4 Taxation

Analysis of charge in period	2010 £	2009 £
<i>UK corporation tax</i>		
Current tax	-	-
Adjustments in respect of prior periods	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is higher than the standard rate of corporation tax in the UK 28% (2009 28%) The differences are explained below

	2010 £	2009 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	1,607,793	-
	<hr/>	<hr/>
Current tax at 28%	450,182	-
<i>Effects of</i>		
Non-taxable income	(450,182)	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>

5 Directors' emoluments

None of the named directors of the company that served during the year received remuneration from the company (2009 £nil) All employment costs attributable to directors are borne by a fellow group company

Notes (*continued*)

6 Fixed asset investments

	2010 £	2009 £
Subsidiary undertaking	100	100

Subsidiary undertaking	Country of incorporation and operation	Principal activity	Holding	%
Draefern Limited	Great Britain	Staff agency	Direct	100

7 Debtors

	2010 £	2009 £
Amounts owed by group undertakings	138,690	138,690

8 Called-up share capital

	2010 £	2009 £
<i>Authorised</i> Ordinary shares of £1 each	100,000	100,000
<i>Allotted called up and fully paid</i> Ordinary shares of £1 each	50,000	50,000

Notes (continued)

9 Reserves

	2009 £
At 31 December 2009	88,863
Profit for the financial year	-
Dividend paid	(1,607,793)
Dividend received	1,607,793
	<hr/>
At 31 December 2010	88,863
	<hr/>

10 Ultimate controlling party

The company is a subsidiary undertaking of Epoch 2 Limited incorporated in the UK. The ultimate parent undertaking and controlling party is Right4Staff Holdings Limited, a company incorporated in the UK.

The largest group in which the results of the company are consolidated is Right4Staff Holdings Limited, whose financial statements are available to the public. Copies can be requested from the Company Secretary at Draefern House, Dunston Court, Dunston Road, Chesterfield, Derbyshire S41 8NL.

As a subsidiary undertaking of Right4Staff Limited, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Right4Staff Holdings Limited.