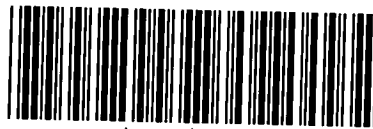


**RACS COLLECTIVE PLUS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MARCH 2018**

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COMPANIES HOUSE

# **RACS COLLECTIVE PLUS LIMITED**

## **COMPANY INFORMATION**

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### **DIRECTORS**

M Clarke (appointed 12 April 2018)  
D Hughes (appointed 12 April 2018)  
T Hillier (appointed 22 June 2017, resigned 9 September 2017)  
D McLean-Reid (appointed 6 September 2017, resigned 9 September 2017)  
J Kennedy (appointed 6 September 2017, resigned 6 September 2017)  
D Nugent (appointed 9 September 2017, resigned 12 April 2018)

### **REGISTERED NUMBER**

10831716

### **REGISTERED OFFICE**

RACS Group House  
Three Horseshoes Walk  
Warminster  
Wiltshire  
BA12 9BT

### **INDEPENDENT AUDITORS**

Bishop Fleming Bath Limited  
Chartered Accountants & Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

# **RACS COLLECTIVE PLUS LIMITED**

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## **INTRODUCTION**

RACS Collective Plus Limited commenced trading in September 2017 and has quickly become a market leading UK payroll solutions provider. The Company specialises in providing a range of payroll services to the contingent workforce industry via a portfolio of specialist products that are transparent to agencies and contractors and fully compliant with both the letter and intent of HMRC laws and regulations. These products enable contractors to be paid in a timely and tax efficient manner while also providing peace of mind for both agencies and contractors that they are fully compliant.

During the period the Company was acquired by the Valyrian Group, a group of companies that offer a variety of different products to the contingent workforce sector, including payroll, compliance and workforce management, all backed by new industry leading technology.

As part of the acquisition, the Valyrian Group has carried out a significant restructure which has resulted in additional costs being incurred. However this restructure has provided the respective companies with the necessary tools and placed it in the best possible position to not only meet the future challenges of the industry, but also to take full advantage to the opportunities created by these challenges through embracing technology.

## **BUSINESS REVIEW AND FINANCIAL KEY PERFORMANCE INDICATORS**

During the year the Company achieved turnover of £56,920k and operating loss of £261k. Included within the loss are costs relating to the integration of the Company into the Valyrian Group and the subsequent restructure.

The balance sheet has total net liabilities of £260k.


**STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

<b>Risk</b>	<b>Impact on Company</b>	<b>Mitigation of Risk</b>
Changing Legislation	Fast-changing legislation impacts upon the products and services the Company can offer clients	Product and service innovation ensures that solutions meet contractor needs whilst complying with all relevant legislation
Competitor Pricing	Aggressive competitor pricing drives down margins and threatens the profitability of the Company's products	Differentiating the Company's offering around compliance, client-focus and value add provides some defence to competitor pricing
Regulatory Compliance	Complex legislation and regulation means that ensuring 100% compliance across the business is challenging	The Company has recruited a Legal and Compliance Director. Training and compliance updates have been delivered to upskill staff and external clients
Client Satisfaction	Maintaining client satisfaction across agencies, consultants and contractors is essential to retain business relationships	The Company has worked hard to communicate with clients through all available channels, including relationship teams, Client and Agency Care teams and online resources
Reputation	Reputation with agencies is absolutely critical in the sector and the Company relies on reputation to retain existing clients and win new ones	The Company will not compromise its focus on compliance under any circumstances and continues to invest in client service
Cash	Managing cash flow is critical given the cyclical nature of the Company's client base	The Company has appointed a Finance Director and has a proactive approach to cash flow management, actively managing cash flow forecasts.

This report was approved by the board on 31 January 2019 and signed on its behalf.

  
**D Hughes**  
Director

## **RACS COLLECTIVE PLUS LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2018**

---

The directors present their report and the financial statements for the period ended 31 March 2018.

#### **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 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 for the Company's financial statements 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 to 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 period, after taxation, amounted to £261,179.

No dividends were paid during the year.

#### **DIRECTORS**

The directors who served during the period were:

T Hillier (appointed 22 June 2017, resigned 9 September 2017)  
D McLean-Reid (appointed 6 September 2017, resigned 9 September 2017)  
J Kennedy (appointed 6 September 2017, resigned 6 September 2017)  
D Nugent (appointed 9 September 2017, resigned 12 April 2018)

## **RACS COLLECTIVE PLUS LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2018**

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#### **FUTURE DEVELOPMENTS**

Since Jan 2018 Valyrian and the respective companies have invested in new Technology and developed new products resulting in the Group adding Tech products to its existing Payroll offerings. The Group is now re-branded and its main offerings are:

- Payroll –Umbrella & PAYE via RACS Collective Plus.
- PEOPLE APP – An app that provides Time & attendance, Payroll, Job acceptance etc and this will trade through People Ngage.
- New Payroll – A transparent Payroll processing product (PEO) delivered via PEOPLE PAYE.
- Compliance & Verification – Assisting validation and verification for Compliance, RTW checks in a timely efficient manner. This will trade through People Compliance.

All our new products are available independently or can be acquired as a package with associated savings for the Client. (Please refer to our promotional video for additional information on our new products <http://people.flywheelsites.com/> Group Video <https://vimeo.com/297118692>)

#### **EMPLOYEE INVOLVEMENT**

During the financial year the directors have taken action to introduce, maintain or develop arrangements aimed at:

- providing employees systematically with information on matters of concern to them as employees;
- consulting employees or their representatives on a regular basis, so that the views of employees can be taken into account in making decisions which are likely to affect their interests;
- encouraging the involvement of employees in the company's performance through an employees' share scheme or by some other means; and
- achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

#### **DISCLOSURE 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 the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

#### **POST BALANCE SHEET EVENTS**

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

#### **AUDITORS**

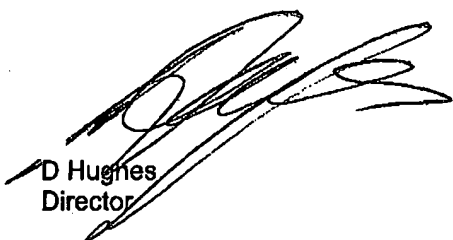
The auditors, Bishop Fleming Bath Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**RACS COLLECTIVE PLUS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2018**

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



D Hughes  
Director

Date: 31 January 2019

RACS Group House  
Three Horseshoes Walk  
Warminster  
Wiltshire  
BA12 9BT



**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RACS COLLECTIVE PLUS LIMITED**

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**OPINION**

We have audited the financial statements of RACS Collective Plus Limited (the 'Company') for the period ended 31 March 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its loss for the period 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.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RACS COLLECTIVE PLUS LIMITED  
(CONTINUED)**

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**OPINION ON OTHER MATTERS 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 the Directors' report for the financial period 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.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the 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 Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**RACS COLLECTIVE PLUS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RACS COLLECTIVE PLUS LIMITED  
(CONTINUED)**

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**USE OF OUR REPORT**

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.



Simon Morrison FCA (Senior statutory auditor)

for and on behalf of

**Bishop Fleming Bath Limited**

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

31 January 2019

**RACS COLLECTIVE PLUS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2018**

	Note	Period ended 31 March 2018 £
Turnover	4	56,919,691
Cost of sales		(55,262,121)
<b>Gross profit</b>		<b>1,657,570</b>
Administrative expenses		(1,918,749)
<b>Operating (loss)</b>		<b>(261,179)</b>
<b>(Loss) for the financial period</b>		<b>(261,179)</b>

There were no recognised gains and losses for 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018.

The notes on pages 13 to 19 form part of these financial statements.

**RACS COLLECTIVE PLUS LIMITED**  
**REGISTERED NUMBER:10831716**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	Note	2018 £
<b>Current assets</b>		
Debtors: amounts falling due within one year	8	8,852,992
		<u>8,852,992</u>
Creditors: amounts falling due within one year	9	<u>(9,113,171)</u>
<b>Net current (liabilities)/assets</b>		<u>(260,179)</u>
<b>Total assets less current liabilities</b>		<u>(260,179)</u>
<b>Net (liabilities)/assets</b>		<u><u>(260,179)</u></u>
<b>Capital and reserves</b>		
Called up share capital	10	1,000
Profit and loss account	11	<u>(261,179)</u>
		<u><u>(260,179)</u></u>

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

  
**D. Hughes**  
 Director

Date: 31 January 2019

The notes on pages 13 to 19 form part of these financial statements.

**RACS COLLECTIVE PLUS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Comprehensive income for the period</b>			
Loss for the period	-	(261,179)	(261,179)
Shares issued during the period	1,000	-	1,000
<b>At 31 March 2018</b>	<b>1,000</b>	<b>(261,179)</b>	<b>(260,179)</b>

The notes on pages 13 to 19 form part of these financial statements.

**RACS COLLECTIVE PLUS LIMITED****STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2018**

	2018 £
<b>Cash flows from operating activities</b>	
(Loss)/profit for the financial period	(261,179)
<b>Adjustments for:</b>	
(Increase)/decrease in debtors	(2,722,408)
(Increase)/decrease in amounts owed by groups	(6,130,584)
Increase in creditors	8,686,045
Increase in amounts owed to groups	427,126
<b>Net cash generated from operating activities</b>	<u>(1,000)</u>
<b>Cash flows from financing activities</b>	
Issue of ordinary shares	1,000
<b>Net cash used in financing activities</b>	<u>1,000</u>
<b>Net increase in cash and cash equivalents</b>	<u>-</u>
<b>Cash and cash equivalents at the end of period</b>	<u>-</u>
<b>Cash and cash equivalents at the end of period comprise:</b>	<u>-</u>

The notes on pages 13 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**1. GENERAL INFORMATION**

RACS Collective Plus Limited is a limited liability company incorporated in England and Wales. The registered office is RACS Group House, Three Horseshoes Walk, Warminster, Wiltshire, BA12 9BT.

**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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019.

The preparation of financial statements in compliance with FRS 102 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 following principal accounting policies have been applied:

**2.2 GOING CONCERN**

RACS Collective Plus has net liabilities of £260k at the year end. Included within creditors due within one year at the year end are amounts owed to group companies of £422k. The directors have received confirmation that the repayment of this balance will not be sought for the foreseeable future, being at least 12 months from the date of the approval of these financial statements, if it is detrimental to the financial position of the company. The company is part of a wider group of companies headed up by Valyrian Limited. As detailed in the Strategic Report the group is undergoing a period of restructuring and change and the directors have prepared business plans and forecasts for the group as a whole which demonstrate the group is able to continue operating within its current facilities for the next 12 months. The directors have also obtained confirmation from Valyrian Limited and other group companies that support within the group will be forthcoming. Following the year end a fellow subsidiary company, Recruitment and Contractor Services Limited was put into liquidation. At the balance sheet date an amount was owing to RACS Collective Plus Ltd of £600k from Recruitment and Contractor Services Limited which was recovered prior to the liquidation and this amount is therefore included in debtors. The liquidation of Recruitment and Contractor Services Limited is expected to result in a net improvement of the financial position of the Valyrian Limited group. Therefore the financial statements have been prepared on a going concern basis.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**2. ACCOUNTING POLICIES (continued)**

**2.3 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.5 DEBTORS**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.6 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.7 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

---

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

Preparation of the financial statements requires management to make significant judgments and estimates. There are no items within the financial statements that require management to make significant judgments and estimates.

**4. TURNOVER**

The whole of the turnover is attributable to the companies principal activity

All turnover arose within the United Kingdom.

**5. AUDITORS' REMUNERATION**

	Period ended 31 March 2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	15,000

**FEE PAYABLE TO THE COMPANY'S AUDITOR AND ITS ASSOCIATES IN RESPECT  
OF:**

Taxation compliance services	3,000
	3,000

**RACS COLLECTIVE PLUS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018****6. EMPLOYEES**

Staff costs were as follows:

	Period ended 31 March 2018 £
Wages and salaries	50,854,595
Social security costs	4,108,801
Cost of defined contribution scheme	240,077
	<u>55,203,473</u>

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

	Period ended 31 March 2018 No.
Contractors	<u>4,175</u>

**7. TAXATION**

	Period ended 31 March 2018 £
TOTAL CURRENT TAX	<u>-</u>
DEFERRED TAX	<u>-</u>
TOTAL DEFERRED TAX	<u>-</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

**7. TAXATION (CONTINUED)**

**FACTORS AFFECTING TAX CHARGE FOR THE PERIOD**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	<b>Period ended 31 March 2018 £</b>
(Loss) on ordinary activities before tax	<b>(261,179)</b>
(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	<b>(49,624)</b>
<b>EFFECTS OF:</b>	
Expenses not deductible for tax purposes	<b>427</b>
Adjust closing deferred tax to average rate of 19.00%	<b>5,179</b>
Deferred tax not recognised	<b>44,018</b>
<b>TOTAL TAX CHARGE FOR THE PERIOD</b>	<b>-</b>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

Reductions in the UK Corporation tax rate from 20% to 19% (effective from 1 April 2017) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was announced in the Budget on 22 November 2017.

# **RACS COLLECTIVE PLUS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018**

### **8. DEBTORS**

	2018 £
Trade debtors	2,643,969
Amounts owed by group undertakings	6,130,584
Other debtors	28,439
Prepayments and accrued income	50,000
	<u>8,852,992</u>

Included within prepayments and accrued income is £50,000 due from a group undertaking.

### **9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £
Trade creditors	996
Amounts owed to group undertakings	422,165
Other taxation and social security	6,131,177
Other creditors	2,536,333
Accruals and deferred income	22,500
	<u>9,113,171</u>

### **10. SHARE CAPITAL**

	2018 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>	
100,000 Ordinary A shares of £0.01 each	<u>1,000</u>

On incorporation 1,000 Ordinary £1 shares were issued. Subsequently these were changed to Ordinary A shares and also sub-divided into 100,000 £0.01 shares on 19 March 2018.

### **11. RESERVES**

#### **Profit and loss account**

This includes all current period retained profits and losses.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**12. PENSION COMMITMENTS**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £240,077. Contributions totalling £106,509 were payable to the fund at the reporting date and are included in creditors.

**13. RELATED PARTY TRANSACTIONS**

During the year the company had transactions and balances outstanding at the year end with related companies as follows;

	2018 £
Management charges from companies under common control	1,877,130
Amounts due from group companies	6,181,584
Amounts due to group companies	422,165
Amounts due to companies under common control	<u>4,961</u>

The management charges were made by a company which was included within the same group as RACS Collective Plus at the year end, but was not within the same group at the time of the charges being made.

**14. CONTROLLING PARTY**

The ultimate parent undertaking from 19 March 2018 is Valyrian Limited, a company incorporated in England and Wales. Prior to this there was no parent undertaking.

There is no ultimate controlling party. Prior to 19 March 2018 the ultimate controlling party was Terence Hillier by virtue of his majority shareholding.