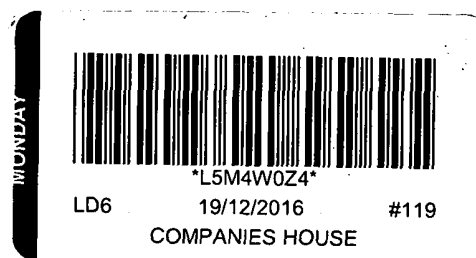


D.R.C. Locums Limited

**Annual report and financial
statements**

Registered number 04154956

31 March 2016



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Strategic Report

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

Principal activity

The principal activity of the company in the year under review was that of a recruitment agency for the supply of medical contract staff and related services.

Outlook and Current Trading

Business review

The results for the year and financial position of the Company are as shown in these financial statements. Gross profit was £8,631k (2015: £7,818k) up 10% from the prior year, with gross profit margin at 22%, up 1% from previous year. The Company generated a profit before tax of £1,468k, compared to £1,202k the prior year, an increase of 22%. The results represent the 3rd consecutive year of growth in both gross margin and operating profit.

The business will continue to organically grow the nursing and doctors contract divisions and has opened a mental health division in the new financial year to take advantage of this growing market.

The Company will seek strategic acquisitions to supplement its organic growth model in complementary service streams. In addition, the Company intends to capitalise on its successful managed service and master vendor contracts through a regional key accounts strategy with NHS clients.

Business environment

The UK market for healthcare recruitment has been particularly challenging in H1 2016 with the implementation of government sponsored charge rate caps. This has led to uncertainty and delays in the NHS recruitment processes which has exacerbated staff shortages in areas of critical care. By working closely with our key NHS clients, current trading remains robust and we intend to take advantage of competitor fall out from this rapidly evolving marketplace. There has been no change in the fundamental dynamics of the marketplace whereby demand for clinical staff greatly outweighs supply. This situation will only be exacerbated through demographic and other factors further restricting clinician supply in the medium to long term. This is examined further in the "risks and uncertainties" section.

Strategy and future outlook

The Company will continue to focus on organic growth, supplemented by strategic bolt on acquisitions, and rigorous cost control measures to improve profitability. The Company is confident that it can increase its market share and develop new service offering for our clients, over the next year.

Proposed dividend

The directors do not recommend the payment of a dividend (2015: £nil).

Strategic Report *(continued)*

Principal Risks and Uncertainties

The Directors recognise that the principal business risks faced by the Company are:

i. National Frameworks

DRC Locums Limited is an approved supplier of medical locums under the Crown Commercial Services and Collaborative Procurement Partnership National Framework Agreements (NFA) DRC Locums was appointed to the CCS Framework on the 30th July 2013, and is one of 32 agencies appointed. The duration of the initial period of the CCS Framework Agreement is 2 years with an option to extend the agreement for a further 2 years, the second 1 year extension has recently been triggered. DRC Locums remains one of the largest suppliers of medical locums to the NHS and is therefore a key supplier of healthcare staff to the NHS and private sectors.

DRC Locums Limited has agreed to the final 1-year extension to the HealthTrust Europe Framework Agreement that originally commenced on 1st May 2012, due to end on 31st October 2016.

On the 14th May 2014 DRC Locums Limited was appointed to the National Collaborative Nursing Framework Agreement hosted by the London Procurement Partnership. This agreement will run for an initial period of 2 years with a further 2 years' option to extend, and DRC is one of 60 agencies appointed. This framework agreement has enabled DRC Locums Limited to build a strong Framework Nursing brand across the United Kingdom. On the 3rd March 2015 DRC Locums Limited was appointed to the All Wales Nursing Framework Agreement for the supply of agency nurses.

As part of the governments initiative to drive framework usage the Crown Commercial Services organisation chose to implement a new Multi-Disciplinary Framework Agreement for the supply of Doctors, Nurses and AHP's. DRC Locums Limited was appointed to this framework on 1st September 2015 as one of 67 agencies. This framework will sit alongside the current CCS Medical Locums and Nursing Frameworks as an option for NHS Trusts and will run for a period of 4 years.

A number of strategic NHS partnership groups have formed a Clinical Staffing Framework covering Doctors, Nurses and AHP's. DRC Locums Limited was appointed on this new Framework known as NHS Collaborative Procurement Partnership (CPP) which went live on the 8th August 2016 and will run for a period of 4 years.

ii. Public Sector Spending

On the 20th November 2015 the government body NHS Improvement (formerly known as Monitor / TDA) implemented a strategy to impose uniform charge rate caps on the amount an agency could charge the NHS for the supply of temporary staff. The rate caps were implemented in 3 stages on 23rd November 2015 – Charge Cap Phase 1, 1st February 2016 – Charge Cap Phase 2, 1st April 2016 – Charge Cap Phase 3 and 1st July 2016 – Pay Cap Phase 1 of 1.

Management has successfully reacted to the imposition of the rate caps through close collaboration with our key NHS Trust clients. This has led to an increase in market share across DRC's service lines. We believe that continued expansion of health demand due to factors such as an ageing population will result in a continued increase in health spending per head of population over the medium to long term.

iii. Locum Doctor and Nurse Supply

The Company is dependent upon the ability to source sufficient locum doctors and agency nurses in order to fulfil bookings. The uncertainty caused by Brexit has led to concerns as to the long term availability of non-UK national locums. The Company is focused on the identification and delivery of sufficient locum doctors and nurses in order to mitigate this risk.

Strategic Report *(continued)*

Financing


DRC Locums Limited is reliant for its working capital on the existing invoice factoring, term loan and banking facilities. The Directors have completed a detailed review of current trading which has included consideration of the financial position as at the date of approval of these financial statements and the projected results and financial position covering the next 12 months. The Directors are confident that the group will continue to generate positive cash flows from trading activities for the foreseeable future and the Company will continue in operational existence by meeting its liabilities as they fall due for payment.

Employees

DRC Locums Ltd recognises that its employees are its' greatest asset and encourages a highly motivated working environment. Employees are given clear targets to achieve and measured against these consistently throughout their career. Support and training is provided to ensure employees develop their skills within the Company.

DRC Locums Ltd. has embraced the Government's apprentice initiative enthusiastically and over 10% of our current employees have progressed the start of their careers through this programme.

By order of the board


Jason Stewart
Director

Partis House
Davy Avenue
Milton Keynes
MK5 8HJ

1 November 2016

Directors' report

Directors

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

James Caan

Deepak Jalan

Jason Stewart

Luke Alexander Williams

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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

DRC Locums Limited has chosen in accordance with section 414C(11) of the Companies Act to set out in its Strategic Report information that is otherwise required to be contained in the Directors' Report.

By order of the board



Jason Stewart
Director

Partis House
Davy Avenue
Milton Keynes
MK5 8HJ

1 November 2016

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

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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF D.R.C. LOCUMS LIMITED

We have audited the financial statements of D.R.C. Locums Limited for the year ended 31 March 2016 set out on pages 8 to 19. 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 5, 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 31 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF D.R.C. LOCUMS 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.

Andrew Turner

Andrew Turner (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered accountants
15 Canada Square
London
E14 5GL

1st November 2016

Profit and Loss Account
for the year ended 31 March 2016

	Note	2016 £000	2015 £000
Turnover	2	39,070	37,349
Cost of sales		(30,439)	(29,531)
Gross profit		8,631	7,818
Administrative expenses		(7,219)	(6,684)
Other Income	4	218	232
Operating profit		1,630	1,366
Interest payable and similar charges	6	(162)	(164)
Profit on ordinary activities before taxation	3	1,468	1,202
Taxation on profit from ordinary activities	7	(278)	(261)
Profit for the financial year		1,190	941

All results are derived from continuing operations.

There are no recognised gains and losses other than those stated above and therefore no separate statement of Other Comprehensive Income has been presented.

The notes on pages 11 to 19 form part of the financial statements.

Balance Sheet
at 31 March 2016

	Note	2016 £000	2016 £000	2015 £000	2015 £000
Fixed assets					
Tangible assets	8		106		96
			<u>106</u>		<u>96</u>
Current assets					
Debtors	9	12,074		11,674	
Cash at bank and in hand		229		47	
		<u>12,303</u>		<u>11,721</u>	
Creditors: amounts falling due within one year	10	(7,741)		(8,363)	
		<u></u>		<u></u>	
Net current assets			4,562		3,358
Total assets less current liabilities			4,668		3,454
Provisions for Liabilities	12		(82)		(58)
			<u></u>		<u></u>
Net assets			4,586		3,396
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	13		-		-
Profit and loss account			4,586		3,396
			<u></u>		<u></u>
Shareholder's funds			4,586		3,396
			<u></u>		<u></u>

These financial statements were approved by the board of directors on 1st November 2016 and were signed on its behalf by:


Jason Stewart
Director

Company registered number: 04154956

Statement of Changes in Equity

Year ended 31 March 2015	Called up share Capital	Profit and Loss Account	Total Equity
	£000	£000	£000
Balance at 1 April 2014	-	2,455	2,455
Total comprehensive income for the period			
Profit	-	941	941
Total comprehensive income for the period		941	941
Balance at 31 March 2015	-	3,396	3,396

Year ended 31 March 2016	Called up share Capital	Profit and Loss Account	Total Equity
	£000	£000	£000
Balance at 1 April 2015	-	3,396	3,396
Total comprehensive income for the period			
Profit	-	1,190	1,190
Total comprehensive income for the period		1,190	1,190
Balance at 31 March 2016	-	4,586	4,586

The notes on page 11 to 19 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

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*"). The presentation currency of these financial statements is sterling.

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

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

The ultimate controlling party is Syndicated Investor Group Limited, a company incorporated in Hong Kong.

The largest group in which the results of the Company and its subsidiaries are consolidated is headed by HB Healthcare Limited. The consolidated financial statements are available to the public and may be obtained from Partis House, Davy Avenue, Milton Keynes, MK5 8HJ

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:

- Cash Flow Statement and related notes
- Key Management Personnel Compensation

As the consolidated financial statements of HB Healthcare Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1. As the company has financial instruments (e.g. trade debtors), there might be quite a lot of extra disclosure if this exemption is not taken.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The Company's financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reasons:

DRC Locums Limited is reliant for its working capital on the existing invoice factoring, term loan and banking facilities. The Directors have completed a detailed review of current trading which has included consideration of the financial position as at the date of approval of these financial statements and the projected results and financial position covering the next 12 months.

The Directors are confident that the group will continue to generate positive cash flows from trading activities for the foreseeable future and the Company will continue in operational existence by meeting its liabilities as they fall due for payment.

DRC Locums Limited is an approved supplier of medical locums under the Crown Commercial Services and Collaborative Procurement Partnership National Framework Agreements (NFA) DRC Locums was appointed to the CCS Framework on the 30th July 2013, and is one of 32 agencies appointed. The duration of the initial period of the CCS Framework Agreement is 2 years with an option to extend the agreement for a further 2 years, the second 1 year extension has recently been triggered. DRC Locums remains one of the largest suppliers of medical locums to the NHS and is therefore a key supplier of healthcare staff to the NHS and private sectors.

1 Accounting policies (continued)

DRC Locums Limited has agreed to the final 1-year extension to the HealthTrust Europe Framework Agreement that originally commenced on 1st May 2012, due to end on 31st October 2016.

1.3 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.4 Tangible Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Computer equipment 5 years
- Fixtures and fittings 5 years
- Leasehold improvements 14% straight line (the life of the lease)

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Notes (continued)

1 Accounting policies (continued)

1.5 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

1.6 Turnover

Turnover represents amounts receivable for the provision of contract staff and related services. Turnover arising from the placement of permanent candidates is recognised at the time the candidate commences full-time employment.

Turnover arising from the placement of temporary staff is recognised over the period that temporary staff are provided and represents amounts billed for temporary staff, including the salary costs of these staff.

1.7 Operating Leases

All leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

1.8 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

2 Analysis of turnover

Turnover is wholly attributable to the principal activity of the company and arises in the United Kingdom.

3 Profit on ordinary activities

	2016	2015
	£000	£000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation of tangible assets	63	107
Auditor remuneration:		
Fees payable to the Company's auditor for audit services	20	19
Tax	4	4
Operating leases:		
Plant and machinery	300	300
Other	15	25
	<hr/>	<hr/>

Notes (continued)

4 Other operating income

	2016 £000	2015 £000
Rental income	218	232
	<u>218</u>	<u>232</u>

5 Remuneration of directors

	2016 £000	2015 £000
Directors' emoluments	332	315
	<u>332</u>	<u>315</u>

5 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2016	2015
Sales	86	70
Administration	26	19
	<u>112</u>	<u>89</u>

The aggregate payroll costs of these persons (excluding unpaid directors) were as follows:

	2016 £000	2015 £000
Wages and salaries	4,752	4,130
Social security costs	548	509
Pensions	19	14
	<u>5,319</u>	<u>4,653</u>

6 Interest payable and similar charges

	2016 £000	2015 £000
Invoice discounting interest	161	163
Other interest	1	1
	<u>162</u>	<u>164</u>

Notes (continued)

7 Taxation

Total tax expense recognised in the profit and loss account.

	2016 £000	2016 £000	2015 £000	2015 £000
<i>Current Tax</i>				
Current tax on income for the year	276		261	
Total current tax		276		261
<i>Deferred tax</i>				
Origination and reversal of timing differences	2			
Total deferred tax		2		
Total tax		278		261

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2015: higher) than the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below.

	2016 £000	2015 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	1,468	1,202
Current tax at 20% (2015: 21%)	294	252
<i>Effects of:</i>		
Expenses not deductible for tax purposes	2	3
Group relief claimed	(18)	(11)
Adjustments to tax charge in respect of previous periods	-	4
Adjustments to tax charge in respect of current period	6	-
Effect of changes in tax rate on fixed asset movements	(6)	13
Total tax charge (see above)	278	261

Notes (continued)

7 Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax asset at 30 March 2016 has been calculated based on these rates.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax asset at 30 March 2016 by £402.

Deferred tax asset

The company has recorded a deferred tax asset of £7k (2015: £9k) in relation to accelerated capital allowances.

8 Tangible fixed assets

	Computer Equipment £000	Furniture and fittings £000	Leasehold improvements £000	Total £000
<i>Cost</i>				
At beginning of year	668	226	48	942
Additions	73	-	-	73
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	741	226	48	1,015
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At beginning of year	595	225	26	846
Charge for year	55	1	7	63
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	650	226	33	909
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2016	91	-	15	106
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	73	1	22	96
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

9 Debtors

	2016 £000	2015 £000
Trade debtors	5,177	4,903
Other debtors	28	157
Prepayments and accrued income	1,776	1,522
Amounts due from group undertakings	5,086	5,083
Deferred tax asset (see note 7)	7	9
	<u>12,074</u>	<u>11,674</u>

10 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Bank Loans (see note (i))	-	245
Trade creditors	371	1,204
Invoice discounting accounts (see note (i) below)	4,486	3,516
Amounts owed to group undertakings	635	888
Taxation and social security	814	805
Corporation Tax	155	218
Other Creditors	249	398
Accruals and deferred income	1,031	1,089
	<u>7,741</u>	<u>8,363</u>

(i) Bank Loans and advances on the invoice discounting account are secured by fixed and floating charges over the assets of the company

11 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2016 £000	2015 £000
Creditors falling due within less than one year		
Secured bank loans	-	245
	<u>-</u>	<u>245</u>

Notes (continued)

12 Provisions

	Dilapidations £000
At beginning of year	58
Utilised during year	-
Charge to the profit and loss for the year	24
At end of year	<u>82</u>

13 Called up share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
10,000 Ordinary shares of £0.01 each	<u>100</u>	<u>100</u>

14 Operating leases

Non-cancellable operating lease rentals are payable as follows:

Group	2016 Land and buildings £000	2016 Other £000	2015 Land and buildings £000	2015 Other £000
Less than one year	195	11	300	8
Between one and five years	505	4	125	-
More than five years	329	-	-	-
	<u>829</u>	<u>15</u>	<u>425</u>	<u>8</u>

During the year £315k was recognised as an expense in the profit and loss account in respect of operating leases (2015: £325k).

15 Related Party Transactions

During the year DRC Locums Limited incurred £ 282,000 (2015: £276,000) of board fees from Hamilton Bradshaw Limited. At the year-end £nil (2015: £31,090) was due to Hamilton Bradshaw Limited. Directors of DRC Locums limited are holding directorships at Hamilton Bradshaw Limited. All of the transaction are arms-length rates.

As the Company is a wholly owned subsidiary of HB Healthcare Limited, the Company has taken advantage of the exemption contained in FR5 102.33.1.A and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Notes (continued)

16 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company is a wholly owned subsidiary undertaking of D.R.C. Holding Company Limited.

The ultimate controlling party is Syndicated Investor Group Limited, a company incorporated in Hong Kong.

The largest group in which the results of the Company are consolidated is that headed by HB Healthcare Limited, incorporated in the United Kingdom. The consolidated financial statements are available to the public and may be obtained from Partis House, Davy Avenue, Milton Keynes, MK5 8HJ.