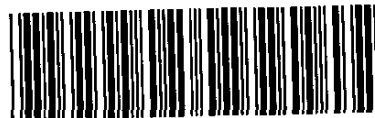


**Company Registration Number 11425097 (England and Wales)**

**Derby Health Staffing Limited  
Annual Report and Accounts  
For the Year Ending 30 March 2019**

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**Derby Health Staffing Limited Annual Report & Accounts**  
**Company Number 11425097 (England and Wales)**

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**Company Information**

**Directors**

Mr K Downs  
Ms K Chiles

**Secretary**

Castlegate Lambourne Limited

**Company number**

11425097

**Registered Office**

Derby Teaching Hospitals NHS FT  
Royal Derby Hospital  
Uttoxeter Road  
Derby  
DE22 3NE

# **Derby Health Staffing Limited Annual Report & Accounts**

## **Company Number 11425097 (England and Wales)**

### **Directors Report for the Period Ending 30 March 2019**

The directors present their report and financial statements for the period ended 30 March 2019.

#### **Principal activities**

The principal activity of the company during the period was the provision of clinical bank staff and other flexible staff. The company was formed on 20 June 2018.

#### **Dividends**

The directors do not recommend the payment of a dividend. The loss for the financial year of £27,000 will therefore be taken to reserves.

#### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr A Race (Appointed 20 June 2018, resigned 30 September 2018)

Mr K Downs (Appointed 1 October 2018)

Ms K Chiles (Appointed 20 June 2018)

#### **Directors' Indemnities**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### **Strategic Report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments, and financial instruments.

#### **Business Model**

The company provides nursing, nursing support staff and other clinical staff to University Hospitals Derby and Burton NHS Trust at an agreed rate predominantly on a shift by shift basis.

#### **Business Review**

The company provides a staffing agency service to one organisation University Hospitals Derby and Burton NHS Foundation Trust.

The results for the year are set out on page 6. Turnover for the year amounted to £13.519 m. The staff provided are mainly nursing and nursing support staff. The costs to the company from various categories of staff are as below-

| Staff type      | Cost<br>£'000 |
|-----------------|---------------|
| Staff Nurse     | 6,805         |
| Nursing Support | 4,695         |
| Other           | 1,880         |
|                 | <u>13,175</u> |

## **Derby Health Staffing Limited Annual Report & Accounts**

### **Company Number 11425097 (England and Wales)**

The period reported on represents the initial period of trading and therefore it is expected that revenue will increase as a result of the part-year nature of the period.

#### **Key performance indicators**

The company uses weekly fill rates by key category of staff as a key performance indicator with a target of 75 percent. In the 43 weeks of trading this was met for 28 weeks for Registered Nurses and for all 43 weeks Health Care Assistants.

#### **Future Developments**

The company intends to retain its focus on one customer University Hospitals Derby and Burton NHS Foundation Trust. As the provision of a bank staff service is dependent on a good relationship with a large number of staff at the purchasing organisation and with bank staff, with whom Derby Health Staffing has developed excellent working relations, which it will maintain. Derby Health Staffing will look to explore the potential opportunity of provision of bank services to other organisations.

#### **Principal Risks**

The principal risks to the company's business are –

**Derby Health Staffing Limited Annual Report & Accounts**  
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| Risk  | Impact on Company  | Mitigations   |
|---|--|---|
| University Hospitals Derby and Burton NHS Foundation Trust markedly scale down or stop use of the company | The volume of staff provided is insufficient to cover the fixed costs of the central team. | The company has built strong relationships with University Hospitals Derby and Burton NHS Foundation Trust who is the company's ultimate parent organisation. The directors carefully monitor fixed costs and have not entered into any long term cost commitments. |
| Competition and price pressure for staff  | The margin on staff is eroded to point that it fails to cover fixed costs.                 | The company closely monitors the staffing market for nursing and clinical staff in the Derby area to make sure it is able to react rapidly to changes.  |
| Staffing shortages  | The company is unable to provide sufficient staff to cover its fixed costs                 | The company has built strong relationships with staff to make sure it is their preferred bank agency.   |
| Liquidity risk  | The company is unable to pay staff and as a result staff decline to work for it.           | The company's primary debtor is University Hospitals Derby and Burton NHS Foundation Trust. The company has built strong relationships with University Hospitals Derby and Burton NHS Foundation Trust who is the company's ultimate parent organisation.           |
| No requirement for flexible staff by University Hospitals Derby and Burton NHS Foundation Trust           | The company is unable to provide sufficient staff to cover its fixed costs.                | The directors monitor the factors effecting long term supply of staff to the NHS and manage fixed costs so they can be markedly altered within this time horizon.   |

**Financial Instruments**

The company is exposed to a lower level than would be expected credit, liquidity and cash flow risk as the sole customer University Hospitals Derby and Burton NHS Foundation Trust is a public sector body and the company's ultimate parent company.

The company only trades in sterling and does not enter into any hedging arrangements.

**Signed on behalf of the board**

  
Mr K Downs  
Director

**Events after the end of the reporting period**

As set out in note 13 to the financial statements, there have been no significant events affecting the company since the year end

# **Derby Health Staffing Limited Annual Report & Accounts**

## **Company Number 11425097 (England and Wales)**

### **Directors Responsibilities Statement for the Period Ending 30 March 2019**

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Audit**

For the year ending 30 March 2019, the company was entitled to exemption from audit under section 476A of the Companies Act 2006 relating to subsidiary companies.

Derby Teaching Hospitals NHS Foundation Trust, (the ultimate group parent) has not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and has provided a guarantee to exempt the company from audit.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the medium companies' regime.

**Derby Health Staffing Limited Annual Report & Accounts**  
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**Profit & Loss Statement for the Financial Year**

|   | <b>Note</b> | <b>For the 9<br/>months ended<br/>30 March<br/>2019<br/>£'000</b> |
|---|-------------|---|
| Revenue   | 3           | 13,519  |
| Cost of Sales   |             | (13,225)  |
| <b>Gross Profit</b>   |             | <b>294</b>  |
| Administrative Expenses   |             | (327)   |
| <b>Operating (Loss)</b>   | <b>4</b>    | <b>(33)</b>   |
| Interest Receivable   |             | 0   |
| <b>Loss Before Taxation</b>   |             | <b>(33)</b>   |
| Taxation  | 5           | 6   |
| <b>Loss on Ordinary Activities<br/>after Taxation and Loss for<br/>the Period</b> |             | <b>(27)</b>   |
| <b>Total Comprehensive Income<br/>for the period</b>                              |             | <b>(27)</b>   |



**Derby Health Staffing Limited Annual Report & Accounts**  
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**Balance Sheet for the Period Ending 30 March 2019**

|   | Note | For the period ending<br>30 March 2019 | £'000   | £'000        |
|---|------|--|---------|--------------|
| <b>Current Assets</b>                                 |      |  |         |              |
| Debtors   | 8    |  | 1,752   |              |
| Cash at Bank and in Hand                              |      |  | 1,138   |              |
| <b>Total current assets</b>                           |      |  |         | <u>2,890</u> |
| <b>Creditors: amounts falling due within one year</b> | 9    |  | (2,917) |              |
| <b>Net current liabilities</b>                        |      |  |         | <u>(27)</u>  |
| <b>Total Liabilities</b>                              |      |  |         | <u>(27)</u>  |
| <b>Capital &amp; Reserves</b>                         |      |  |         |              |
| Profit and loss account                               |      |  | (27)    |              |
| Called up share capital                               | 13   |  | 0       |              |
| Share Premium   | 13   |  | 0       |              |
| <b>Total Equity</b>                                   |      |  |         | <u>(27)</u>  |

For the year ending 30 March 2019, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Derby Teaching Hospitals NHS Foundation Trust, (the ultimate group parent) has not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and has provided a guarantee to exempt the company from audit.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the medium companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10<sup>th</sup> October 2019 and are signed on its behalf by:



Mr K Downs

**Director**

Company Registration No. 11425097

**Derby Health Staffing Limited Annual Report & Accounts**  
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**Statement of Changes in Equity for the Period Ending 30 March 2019**

|  | Retained<br>earnings | Single Entity<br>Called Up<br>Share<br>Capital | Share<br>Premium<br>Reserve | Total       |
|--|----------------------|--|-----------------------------|-------------|
|  | £'000                | £'000  | £'000                       | £'000       |
| <b>Balance at 20 June 2018</b>                                   | <b>0</b>             | <b>0</b>                                       | <b>0</b>                    | <b>0</b>    |
| <b>Total comprehensive<br/>income for period</b>                 |                      |  |                             |             |
| Total comprehensive income<br>for the period                     | (27)                 | 0  | 0                           | (27)        |
| <b>Transactions with owners,<br/>recorded directly in equity</b> |                      |  |                             |             |
| Issue of share capital   | 0                    | 0  | 0                           | 0           |
| <b>Balance at 30 March 2019</b>                                  | <b>(27)</b>          | <b>0</b>                                       | <b>0</b>                    | <b>(27)</b> |

**Derby Health Staffing Limited Annual Report & Accounts**  
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**Statement of Cash Flows for the period ended 30 March 2019**

|  | <b>For the period ending<br/>30 March 2019</b> |                     |
|--|--|---------------------|
|  | <b>£'000</b>                                   | <b>£'000</b>        |
| <b>Cash flows from operating activities</b>                  |  |                     |
| (Loss) before tax from operating activities                  | (27)   | <u>(26)</u>         |
| <b>Movements in working capital</b>                          |  |                     |
| (Increase) in trade and other receivables                    | (1,752)  |                     |
| Increase in trade and other payables                         | 2,917  | <u>1,138</u>        |
| Net cash from operating activities                           |  | 1,138               |
| <b>Cash flows from financing activities</b>                  |  |                     |
| Proceeds from issue of new ordinary share capital            | 0  |                     |
| Net cash from investing activities                           |  | <u>0</u>            |
| Net increase in cash and cash equivalents                    |  | <u><u>1,138</u></u> |
| <br>Cash and cash equivalents at the beginning of the period |  | <u>0</u>            |
| Cash and cash equivalents at the end of the period           |  | <u><u>1,138</u></u> |

# **Derby Health Staffing Limited Annual Report & Accounts**

## **Company Number 11425097 (England and Wales)**

### **Notes to the Financial Statements**

#### **1. Accounting policies**

Derby Health Staffing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Derby Teaching Hospitals NHS FT Royal Derby, Utttoxeter Road, Derby, DE22 3NE.

The full Accounting Policies can be found in the appendix to this report from page 15.

#### **2. Critical accounting judgements and key sources of estimation uncertainty.**

In the application of the Company's accounting policies, which are described in note 1, management is required to make judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgments made by management that have a significant effect on the amounts recognised in the financial statements are described below.

##### **Critical judgment**

Due to the simple nature of the business, the directors have not identified any critical accounting judgements which have a significant effect on the amounts recognised in the financial statements.

##### **Sources of estimation uncertainty**

There were no significant estimates included in the amounts recognised in the financial statements.

#### **3. Revenue**

|                                       | <b>For the period<br/>ending<br/>30 March 2019<br/>£'000</b> |
|---------------------------------------|--|
| Revenue from rendering<br>of services | 13,519   |

All revenue is from continuing operations with one customer one category of business and is generated in the UK.

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**4. Operating profit**

University Hospitals Derby and Burton NHS Foundation Trust, (the ultimate group parent) has not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and has provided a guarantee to exempt the company from audit. The company therefore did not incur any Auditor's remuneration.

The company had no depreciation of property, plant and equipment nor operating leases.

**5. Taxation**

a) Analysis of charge in period

|   | <b>2018-19</b> |
|---|----------------|
|   | <b>£'000</b>   |
| Current tax                                 |                |
| UK Corporation tax on profits of the period | 0              |
| Under-provision in respect of prior year    | 0              |
| Total current tax                           | 0              |
| Deferred taxation                           | (6)            |
| Total corporation tax recognised in loss    | (6)            |

b) Factors affecting tax charge for the period

The tax assessed for the period is in line with the standard rate for the period

|  | <b>2018-19</b> |
|--|----------------|
|  | <b>£'000</b>   |
| Loss on ordinary activities before tax   | (33)           |
|  | (6)            |
| Profit on ordinary activities multiplied by<br>standard rate of corporation tax in the UK of 19<br>% . The differences are explained below - |                |
| Total tax charge for period  | (6)            |

**6. Directors Remuneration**

The directors did not receive emoluments for their services as directors of the company during the period. The directors were remunerated by the ultimate parent, University Hospitals Derby and Burton NHS Foundation Trust, and no recharges were made. It is not possible to apportion the proportion of the directors' work that was done for the company.

**Derby Health Staffing Limited Annual Report & Accounts**  
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**7. Debtors**

|                                | <b>2018-19</b> |
|--------------------------------|----------------|
|                                | <b>£'000</b>   |
| Amounts Owed by Group          |                |
| Undertakings                   | 1,744          |
| Deferred Taxation              | 6              |
| Other Debtors                  | 0              |
| Prepayments and Accrued Income | 2              |
| <b>Total Debtors</b>           | <b>1,752</b>   |

**8. Creditors: amounts falling due within 12 months**

|                                    | <b>2018-19</b> |
|------------------------------------|----------------|
|                                    | <b>£'000</b>   |
| Trade Creditors                    | 0              |
| Taxation and Social Security       | 1,083          |
| Other Creditors                    | 1,831          |
| Amounts Owed to Group Undertakings | 2              |
| Accruals and Deferred Income       | 1              |
| <b>Total Creditors</b>             | <b>2,917</b>   |

Deferred Income relate to contractual income received in advance.

**9. Deferred Tax**

|                                     | <b>Losses Carried Forward</b> | <b>Total</b>  |
|-------------------------------------|-------------------------------|---------------|
|                                     | <b>£ '000</b>                 | <b>£ '000</b> |
| As at 20 June 2018                  | 0                             | 0             |
| Credited to profit and loss account | 6                             | 6             |
| <b>As at 30 March 2019</b>          | <b>6</b>                      | <b>6</b>      |

Deferred tax of £ 6,000 is expected to reverse in the next year as the company makes profits.

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**10. Financial Instruments**

|  | <b>2018-19</b> |
|--|----------------|
|  | <b>£'000</b>   |
| Financial assets held at costs less impairment | 2,882          |
| Financial liabilities held at amortised cost   | <u>0</u>       |

**11. Contingent liabilities**

The company had no contingent liabilities at year end.

**12. Called up share capital**

|                                      | <b>No</b>         | <b>£</b>          |
|--------------------------------------|-------------------|-------------------|
| <b>Opening Balance 20 June 2018</b>  | <b>0</b>          | <b>0</b>          |
| Purchase of Shares                   | 100               | 100               |
| <b>Closing Balance 30 March 2019</b> | <b><u>100</u></b> | <b><u>100</u></b> |

During the year, 100 ordinary shares of £1.00 each were issued at £1.00.

**13. Events After Reporting Period**

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

**14. Capital commitments**

Derby Health Staffing had no capital commitments at 30 March 2019.

**15. Related party transactions**

The company is a wholly owned subsidiary of D-Hive Limited. As at 30 March 2019 the ultimate parent company is Derby Teaching Hospitals NHS Foundation Trust and in accordance with paragraph 33.1A of FRS102 is therefore not required to disclose transactions and balances with this entity, or fellow wholly owned entities.

No amounts were owed by directors.

## **Derby Health Staffing Limited Annual Report & Accounts**

### **Company Number 11425097 (England and Wales)**

#### **Key Management personnel compensation**

The company's key management personnel are considered to be the directors. No

The directors did not receive emoluments for their services as directors of the company during the period.

The directors were remunerated by the ultimate parent, University Hospitals Derby and Burton NHS

Foundation Trust, and no recharges were made. It is not possible to apportion the proportion of the directors' work that was done for the company.

#### **16. Parent company**

The figures included in these financial statements are consolidated in the accounts of the ultimate parent, Derby Teaching Hospitals NHS Foundation Trust. The registered office and principle trading address of the Trust is Royal Derby Hospital, Uttoxeter Road, Derby, Derbyshire, England, DE22 3NE.

#### **17. Pension Scheme**

The company operates both a defined contributions scheme and is a member of the NHS pension scheme.

During the year the company made £ 898,000 contributions to the NHS Pension Scheme and £35,000 to the NEST Scheme. The total cost included within staff costs was £ 933,000.

Contributions of £1,398,000 (including employee contribution deducted from pay) were outstanding at year end and were included within other creditors.

#### **NHS Pension Scheme**

Some past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions).

Under the definitions set out in FRS 102(28.11), the NHS Pension Scheme is a multi-employer plan.

Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Accordingly, the company has taken advantage of the exemption in FRS102 and has accounted for the schemes as if they were defined contribution schemes. The company has provided information below on the plan and a link to information available on the plan.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

#### **NEST Pension**

Many employees are not eligible to join the NHS pension scheme and they are auto-enrolled into the NEST pension scheme. The company is required to make an employer's contribution of 2% of the employee's salary to this scheme; this year the company has contributed a total of £35,000.



# **Derby Health Staffing Limited Annual Report & Accounts**

## **Company Number 11425097 (England and Wales)**

The NEST (National Employment Savings Trust) is a defined contribution occupational pension scheme backed by the government. It is run by a Trustee (NEST Corporation) on a not-for-profit basis.

Contributions are made by both the employee and the Trust

It was set up by the government to give all employers access to an auto enrolment scheme, allowing them to comply with the Pensions Act 2008, which states that employers must provide their UK workers with access to a workplace pension scheme. Further information on the NEST pension scheme can be found at [www.nestpensions.org.uk](http://www.nestpensions.org.uk)

### **Appendix 1 – Accounting Policies in Full**

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling , which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pound (£'000). The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the period ended 30 March 2019 are the first financial statements of Derby Health Staffing Limited

#### **1.2 Going concern**

At the time of approving the financial statements , the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Reporting period**

The company has shortened its current accounting period by 1 day to end on 30 March to be in line with its immediate parent company D-Hive Limited.

#### **1.4 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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### **Company Number 11425097 (England and Wales)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery Depreciation recognised when asset brought into use at 10% on a straight line basis. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.6 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **1.7 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

#### **1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, including debtors, are initially recognised at transaction price. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **1.9 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the

## **Derby Health Staffing Limited Annual Report & Accounts**

### **Company Number 11425097 (England and Wales)**

impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

#### **1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Pension**

##### **NHS Pension**

Some past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

##### **NEST Pension**

The obligations for contributions to the NEST defined contribution scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the company in an independent administered fund.