

**Company Registration No. 3391110**

**DH Employment Services Limited**

**Report and Financial Statements**

**30 April 2010**



# **DH Employment Services Limited**

## **Report and financial statements 2010**

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# **DH Employment Services Limited**

## **Report and financial statements 2010**

### **Officers and professional advisors**

#### **DIRECTORS**

Andrew David Harris (appointed 10 March 2010)  
SNR Denton Directors Limited (formerly DWS Directors Limited)  
SNR Denton Managers Limited (formerly DWS Managers Limited)

#### **SECRETARY**

Gray's Inn Secretaries Limited

#### **REGISTERED OFFICE**

One Fleet Place  
London EC4M 7WS

#### **AUDITORS**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

# **DH Employment Services Limited**

## **Directors' report**

Registered No 3391110

The directors present their annual report and the audited financial statements for the year ended 30 April 2010

### **Principal activity**

The principal activity of the company is the provision of employment services for Denton Wilde Sapte Danismanlik Limited, SNR Denton Kazakhstan Limited (formerly Denton Wilde Sapte Kazakhstan Limited) and SNR Denton UK LLP (formerly Denton Wilde Sapte LLP)

### **Results**

The loss for the year amounted to £132,514 (2009 – loss of £13,357)

### **Going Concern**

The company is financed by SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) and therefore has considerable financial resources and is expected to generate positive cash flows for the foreseeable future. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the uncertain economic outlook.

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

### **Directors**

The directors who served throughout the year were as follows

Andrew David Harris (appointed 10 March 2010)  
SNR Denton Directors Limited (formerly DWS Directors Limited)  
SNR Denton Managers Limited (formerly DWS Managers Limited)

### **Directors' statement as to disclosure of information to auditors**

So far as each person or company who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# DH Employment Services Limited

## Directors' report

(continued)

### Small companies exemption

In preparing the Directors' Report, the directors have taken advantage of the small companies exemption under section 415(A) of the Companies Act 2006

### Auditors

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Ernst & Young LLP as auditor of the Company

Approved by the Board of Directors  
Signed for and on behalf of the Board of Directors by



Andrew David Harris  
Director

31 January 2011

# **DH Employment Services Limited**

## **Statement of directors' responsibilities**

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 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, 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 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.

## **Independent auditors' report to the members of DH Employment Services Limited**

We have audited the financial statements of DH Employment Services Limited for the year ended 30 April 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements.

### **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 30 April 2010 and of its loss after taxation for the year 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.

## **Independent auditors' report to the members of DH Employment Services Limited (continued)**

### **Opinion on other matter prescribed by the Companies Act 2006**

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



David Wilkinson (Senior statutory auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

London

31 January 2011



## DH Employment Services Limited

### Profit and loss account Year ended 30 April 2010

	Note	2010 £	2009 £
Turnover	1	252,876	468,579
Administrative expenses		<u>(427,303)</u>	<u>(460,675)</u>
<b>Loss / profit on ordinary activities before taxation</b>	2	(174,427)	7,904
Tax on loss / profit on ordinary activities	3	<u>41,913</u>	<u>(21,261)</u>
<b>Loss on ordinary activities after taxation</b>		<u><u>(132,514)</u></u>	<u><u>(13,357)</u></u>

All activities derive from continuing operations

There are no recognised gains or losses other than as stated above in either year

## DH Employment Services Limited

### Balance sheet 30 April 2010

	Note	2010 £	2009 £
<b>Current assets</b>			
Debtors	5	4,929,011	4,639,017
Called up share capital not paid		<u>2</u>	<u>2</u>
		4,929,013	4,639,019
<b>Creditors: amounts falling due within one year</b>	6	<u>(5,066,858)</u>	<u>(4,644,350)</u>
<b>Net liabilities</b>		<u>(137,845)</u>	<u>(5,331)</u>
<b>Capital and reserves</b>			
Called up share capital	7	2	2
Profit and loss account	10	<u>(137,847)</u>	<u>(5,333)</u>
<b>Equity shareholders' deficit</b>		<u>(137,845)</u>	<u>(5,331)</u>

These financial statements were approved by the Board of Directors on  
Signed for and on behalf of the Board of Directors by

31 January 2011



Andrew David Harris  
Director

## DH Employment Services Limited

### Reconciliation of movements in equity shareholders' funds Year ended 30 April 2010

	2010 £	2009 £
Loss for the year	(132,514)	(13,357)
<b>Net decrease in shareholders' funds</b>	(132,514)	(13,357)
Opening equity shareholders (deficit) / funds	(5,331)	8,026
<b>Closing equity shareholders' deficit</b>	<u>(137,845)</u>	<u>(5,331)</u>

# DH Employment Services Limited

## Notes to the financial statements Year ended 30 April 2010

### 1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been consistently applied in the current and previous year.

#### Going Concern

The company is financed by SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) and therefore has considerable financial resources and is expected to generate positive cash flows for the foreseeable future. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the uncertain economic outlook.

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

#### Statement of cash flows

The company has taken advantage of the exemption available under Financial Reporting Standard No 1 not to prepare a statement of cash flows on the grounds that the parent undertaking includes the company in its own published financial statements.

#### Accounting convention

The financial statements are prepared under the historical cost convention and stated in pounds sterling.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Turnover

Turnover comprises the amount receivable for employment services provided to SNR Denton Kazakhstan Limited (formerly Denton Wilde Sapte Kazakhstan Limited) and Denton Wilde Sapte Danismanlik Limited Sti

#### Foreign exchange

Transactions denominated in currencies other than pounds sterling are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than pounds sterling at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

## DH Employment Services Limited

### Notes to the financial statements Year ended 30 April 2010

#### 2. (Loss) / profit on ordinary activities before taxation

	2010	2009
	£	£
(Loss) / profit is stated after charging		
Auditors' remuneration – audit services	2,756	2,756

#### 3. Tax on (loss) / profit on ordinary activities

	2010	2009
	£	£
<b>UK corporation tax at 28% (2009, 28%)</b>		
Current year	(1,548)	14,629
Prior year	(8,329)	52,135
	(9,877)	66,764
<b>Deferred tax</b>		
Timing difference	(32,036)	(45,503)
Total tax on (loss) / profit on ordinary activities	(41,913)	21,261

The standard rate of tax for the year based on the UK standard rate of corporation tax is 28% (2009 – 28%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

	2010	2009
	£	£
(Loss) / profit on ordinary activities before tax	(174,427)	7,904
Tax on (loss) / profit on ordinary activities at 28%	(48,840)	2,213
Factors affecting charge for the year		
Adjustments in respect of prior periods	(8,329)	52,135
Other timing differences	4,746	-
Disallowable expenses	42,030	14,026
Difference in tax rates on loss utilisation	516	-
Other	-	(1,610)
Current tax charge on (loss) / profit on ordinary activities	(9,877)	66,764

## DH Employment Services Limited

### Notes to the financial statements Year ended 30 April 2010

#### 4. Employees and directors

	2010 No.	2009 No
The average monthly number of employees during the year was	1	2
The costs incurred in respect of those employees were	£	£
– wages and salaries	401,097	425,946
– other costs	26,031	27,720
	<u>427,128</u>	<u>453,666</u>

No remuneration was paid to the directors in respect of their services to the company for the year (2009 nil)

#### 5 Debtors

	2010 £	2009 £
Amounts owed by group undertakings	4,808,601	4,555,724
Corporation Tax	4,994	-
Deferred tax (note 8)	113,906	81,870
Prepayments and accrued income	1,510	1,423
	<u>4,929,011</u>	<u>4,639,017</u>

#### 6. Creditors: amounts falling due within one year

	2010 £	2009 £
Amounts owed to group undertakings	4,595,573	4,120,307
Accruals	471,285	484,607
Corporation tax creditor	-	39,436
	<u>5,066,858</u>	<u>4,644,350</u>

#### 7. Issued share capital

	2010 £	2009 £
<b>Called up, allotted and unpaid:</b>		
2 ordinary shares of £1 each	2	2

## DH Employment Services Limited

### Notes to the financial statements Year ended 30 April 2010

#### 8. Deferred taxation

The amount of deferred tax asset recognised in the financial statements is

	2010 £	2009 £
Timing difference	113,906	81,870
	<u>113,906</u>	<u>81,870</u>

The movements in the deferred tax asset is as follows

	£
At 1 May 2009	81,870
Profit and loss account credit (note 3)	32,036
	<u>113,906</u>
At 30 April 2010	<u>113,906</u>

The UK Government has announced that the headline rate of UK corporation tax will be reduced from 28% to 24% over the course of the next four years. As a result of this change, the estimated reduction in the company's deferred tax asset will be in the region of £1,000 per annum.

#### 9. Related party transactions

During the year a management charge of £404,119 (2009 £317,334) was levied on SNR Denton Kazakhstan Limited (formerly Denton Wilde Sapte Kazakhstan Limited). All charges relate to employment services rendered.

	2010 £	2009 £
<b>Debtor</b>		
At 30 April		
Owed by SNR Denton Kazakhstan Limited (formerly Denton Wilde Sapte Kazakhstan Limited)	2,997,768	2,593,646
Owed by SNR Denton (CIS) Limited (formerly Denton Wilde Sapte (CIS) Limited)	1,810,833	1,810,835
Owed by Denton Wilde Sapte Danismanlik Limited	-	151,243
	<u>4,808,601</u>	<u>4,555,724</u>
<b>Creditor</b>		
At 30 April		
Owed to SNR Denton UK LLP (formerly Denton Wilde Sapte LLP)	4,595,573	4,120,307

## DH Employment Services Limited

### Notes to the financial statements Year ended 30 April 2010

#### 10. Profit and loss account

	£
At 1 May 2009	(5,333)
Loss for the year	<u>(132,514)</u>
At 30 April 2010	<u><u>(137,847)</u></u>

#### 11. Immediate and ultimate parent undertaking

The directors consider SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) to be the ultimate and immediate parent entity and controlling party. SNR Denton UK LLP is the parent of the largest and smallest group in which DH Employment Services Limited is consolidated. Copies of the financial statements can be obtained from 1 Fleet Place, London, EC4M 7WS.

#### 12. Events since the balance sheet date

The ultimate parent entity, Denton Wilde Sapte LLP changed its name to SNR Denton UK LLP on 30 September 2010.