

Registered Number 05826309

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

Directors' Report and Financial Statements  
For the year ended 31 March 2013

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**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

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**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	A G Bremner G B Fairbank K M Hill P J Prongué
<b>Secretary</b>	G B Fairbank (appointed 21 December 2012) P R P George (resigned 21 December 2012)
<b>Company Number</b>	05826309
<b>Registered Office</b>	Tempsford Hall Sandy Bedfordshire SG19 2BD
<b>Auditor</b>	Grant Thornton UK LLP Grant Thornton House Melton Street Euston Square London NW1 2EP

## **JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2013

#### **1 Principal activities**

The principal activities of the Company are the design, construction, financing, supply of certain services and maintenance of a police station with a custodial unit in accordance with the terms of an agreement with Kent Police Authority. This agreement together with a loan facilities agreement, a construction contract, a facilities management contract and other related contracts were signed on 21 July 2006. The concession period runs for a period of 30 years from this date.

#### **2 Business review and future developments**

The Company's results are measured by the directors by comparison to the financial model, updated in March 2013. This model is an update of the operational model that is developed by using the financial close model from 2006 with the appropriate adjustments to reflect actual cash expenditure. The Company completed construction of the facility in 2008 and has provided continuous operations throughout the current financial year. All debt repayments have been made in full and in the correct periods. The Company has made a profit in the period based upon the operating profit exceeding the net cost of finance.

#### **3 Principal risks and uncertainties**

The principal risk at 31 March 2013 is interest rate risk, due to the company having senior debt at a variable interest rate. This risk is addressed by having a floating to fixed rate interest rate swap. This was entered into on 21 July 2006 and covers the life of the loan.

#### **4 Results and dividends**

The profit for the period after taxation dealt with in the financial statements is £108,000 (2012 £72,000).

The directors recommended the payment of an interim dividend of £50,000 in total. This was paid to Justice Support (North Kent) Holdings Limited, which in turn paid the funds out to its shareholders, on the 30 September 2012, in proportion to their share ownership. In addition the directors approved a final dividend of £60,000 in total, on 25 April 2013. This was paid to Justice Support (North Kent) Holdings Limited, which in turn paid the funds out to its shareholders, on 30 April 2013, in proportion to their share ownership.

#### **5 Directors**

The directors of the Company who served during the period and to the date of this report were as follows:

A G Bremner  
G B Fairbank (appointed 14 May 2012)  
N P D French (resigned 14 February 2013)  
K M Hill  
P J Prongue (appointed 27 July 2012)  
J P Simon (resigned 14 February 2013)  
P A Townsend (resigned 24 August 2012)  
P J Whiscombe (resigned 27 July 2012)  
D R S MacDonald (resigned 14 May 2012)

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**DIRECTORS' REPORT  
(Continued)**

**6 Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and 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.

The directors confirm that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**7 Going Concern**

The directors have reviewed the company's projected cashflows for a period of at least 12 months from the signing date of the Balance Sheet, these have been prepared on the basis of a detailed analysis of the company's finances and likely future demand trends. After consideration of these projections the directors consider the company will be able to settle its liabilities as they fall due and accordingly the financial statements have been prepared on a going concern basis.

**8 Auditor**

A resolution to reappoint Grant Thornton UK LLP as auditor of the Company will be proposed at the forthcoming Annual General Meeting in accordance with section 489 of the Companies Act 2006.

On behalf of the Board



G B Fairbank  
Director

Date 30 May 2013

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF  
JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

We have audited the financial statements of Justice Support Services (North Kent) Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet, the cash flow statement and the notes to the financial statements. 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 auditor***

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

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

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

***Opinion on financial statements***

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit 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

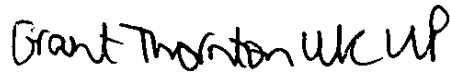
***Opinion on other matter prescribed by the Companies Act 2006***

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



Richard Hagley  
Senior Statutory Auditor  
For and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date 4 June 2013

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 March 2013**

	Note	<b>2013</b> <b>£000</b>	2012 £000
<b>Turnover</b>	1	<b>2,523</b>	2,137
Operating charges		<b>(2,296)</b>	(1,934)
<b>Operating profit</b>	2	<b>227</b>	203
Net interest payable	3	<b>(85)</b>	(108)
<b>Profit on ordinary activities before taxation</b>		<b>142</b>	95
Tax charge on profit on ordinary activities	5	<b>(34)</b>	(23)
<b>Profit for the financial year</b>		<b>108</b>	72

A reconciliation of movement in equity shareholders' funds is shown in note 11 in the financial statements

The result reported above relates to continuing activities

There are no recognised gains or losses other than the profit for the period

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**BALANCE SHEET  
As at 31 March 2013**

	Note	2013 £000	2012 £000
<b>Current assets</b>			
Debtors amounts falling due within one year	6	<b>1,122</b>	1,114
Debtors amounts falling due after one year	7	<b>33,600</b>	34,138
		<hr/>	<hr/>
Total Debtors		<b>34,722</b>	35,252
		<hr/>	<hr/>
Cash at bank and in hand		<b>3,723</b>	3,608
		<hr/>	<hr/>
		<b>38,445</b>	38,860
		<hr/>	<hr/>
<b>Current liabilities</b>			
Creditors amounts falling due within one year	8	<b>(2,420)</b>	(1,990)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>36,025</b>	36,870
		<hr/>	<hr/>
Creditors amounts falling due after more than one year	9	<b>(35,945)</b>	(36,848)
		<hr/>	<hr/>
<b>Net assets</b>		<b>80</b>	22
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	<b>10</b>	10
Profit and loss account	12	<b>70</b>	12
		<hr/>	<hr/>
<b>Shareholders' funds</b>	11	<b>80</b>	22
		<hr/>	<hr/>

The financial statements were approved by the board on 30 May 2013 and were signed on its behalf by



G B Fairbank  
Director

The notes on pages 8 to 14 form part of these Financial Statements

Registered Number 05826309



**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**CASHFLOW STATEMENT**  
**Period ended 31 March 2013**

	Note	<b>2013</b> <b>£000</b>	2012 £000
Net cash inflow from operating activities	16	<b>1,182</b>	1,684
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>2,263</b>	2,294
Interest paid and bank charges		<b>(2,334)</b>	(2,388)
		<b>(71)</b>	(94)
<b>Taxation Paid</b>		<b>(23)</b>	(9)
<b>Dividends paid</b>		<b>(50)</b>	(100)
<b>Financing</b>			
Repayment of term loan		<b>(909)</b>	(892)
Repayment of subordinated loan		<b>(14)</b>	(38)
		<b>(923)</b>	(930)
<b>Increase in cash</b>		<b>115</b>	550

## JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### 1 Principal accounting policies

The accounting policies adopted are disclosed below

##### *Basis of preparation*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The principal accounting policies have remained unchanged from the previous year.

##### *Contract receivable*

Costs incurred in construction have been accounted for under Financial Reporting Standard 5, "Reporting the Substance of Transactions". Costs comprise direct payments to the contractor, attributable initial project costs and interest costs incurred over the construction period on borrowings to fund construction.

The contract receivable is repaid over the life of the concession, and revenue is apportioned between a deemed interest charge and turnover. This deemed interest charge is based upon the value of the financial debt outstanding and is included within interest receivable.

##### *Deferred taxation*

Deferred taxation is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

##### *Turnover*

A margin is applied to operating costs charged to the profit and loss account to calculate the turnover credited to the profit and loss account. This margin is calculated as total income receivable over the concession, less all service costs and other operating costs payable over the concession.

The Company's sole business activity is that described in the Directors' Report, and accordingly all turnover is derived in the UK.

##### *Finance costs*

The interest cost of financing the company's obligations under the concession agreement has been included in the value of the contract debtor. All directly attributable finance costs associated with the construction of buildings are included in the contract debtor.

Any loan arrangement fees will be amortised over the term of the loan in accordance with FRS4.

##### *Interest rate swaps*

Interest rate swaps are used to hedge the company's exposure to movements on interest rates. The fair value of this financial instrument which may be an asset or liability to the company, depending on the market rate, is not recognised in the financial statements as the company is exempt from adopting FRS 26 Financial Instruments: Recognition and Measurement.

The interest payable on the debt and associated interest rate swaps is accrued for within the financial statements. Should the company terminate the interest rate swaps earlier than they mature the company may become liable to pay penalties.

##### *Interest payable*

Interest payable is applicable in relation to the senior debt and is addressed through effective interest rates swaps as detailed above and outlined further in Note 9 to the accounts. Interest payable on subordinated debt is made based on the current balance and a fixed interest rate of 12.03%.

# JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Interest receivable

Interest receivable is earned on cash balances placed on deposit throughout the year and interest received is calculated based on the variable rates provided at the point in time the deposits are placed

Interest receivable is also due on the Contract debtor balance after amortisation. The interest receivable on the contract debtor each year is set as 6.412%, which is in line with the Weighted Average Cost of Capital (WACC)

<b>2. Operating profit</b>	<b>2013 £000</b>	<b>2012 £000</b>
Operating profit is arrived at after charging Auditor's remuneration		
Audit of the financial statements	10	10
Other fees and taxation advice	4	4
	<hr/>	<hr/>
	<b>14</b>	<b>14</b>
	<hr/>	<hr/>
<b>3 Net interest payable</b>	<b>2013 £000</b>	<b>2012 £000</b>
Interest payable on term loans	1,862	1,914
Interest payable on subordinated loans	467	470
Interest receivable on bank deposits	(52)	(46)
Interest receivable on finance debtor	(2,211)	(2,248)
Bank charges	5	4
Amortisation of issue costs	14	14
	<hr/>	<hr/>
Net interest payable	<b>85</b>	<b>108</b>
	<hr/>	<hr/>

### 4 Directors and employees

The directors were not directly remunerated for their services. The shareholders (as detailed in note 15) were paid £18,000 (2012: £62,000) in respect of directors' services provided during the year in relation to the completion of services to the business, in line with the contracts in place.

The company has no employees (2012: nil)

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(Continued)**

<b>5</b>	<b>Taxation</b>	<b>2013 £000</b>	<b>2012 £000</b>
	<b>a) Analysis of charge for the period</b>		
	Current tax		
	UK corporation tax	<b>34</b>	23
		<hr/>	<hr/>
	Total current tax charge	<b>34</b>	23
		<hr/>	<hr/>
	<b>b) Reconciliation of current tax charge</b>		
	Profit on ordinary activities before tax	<b>142</b>	95
	Tax on profit on ordinary activities at a Corporation Tax rate of 24%	<b>34</b>	23
		<hr/>	<hr/>
	Current tax charge for the period	<b>34</b>	23
		<hr/>	<hr/>
	<b>c) Factors that may affect the future tax charges</b>		
	The annual budget announced in March 2012 outlined that the corporation tax rate change as at 1 April 2013 would reduce the main rate to 23%. The budget also detailed that rates would step down as previously outlined and therefore rates would be 20% by 2015		
<b>6</b>	<b>Debtors: amounts falling due within one year</b>	<b>2013 £000</b>	<b>2012 £000</b>
	Prepayments and accrued income	<b>466</b>	494
	Contract receivable	<b>656</b>	620
		<hr/>	<hr/>
		<b>1,122</b>	1,114
		<hr/>	<hr/>
<b>7</b>	<b>Debtors: amounts falling due after more than one year</b>	<b>2013 £000</b>	<b>2012 £000</b>
	Contract receivable	<b>33,600</b>	34,138
		<hr/>	<hr/>

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
*(Continued)*

<b>8</b>	<b>Creditors: amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
		<b>£000</b>	<b>£000</b>
	Term loan	<b>1,038</b>	909
	Subordinated loan	<b>15</b>	29
	Trade creditors	-	40
	Accruals	<b>1,109</b>	490
	VAT	<b>180</b>	247
	Retention	<b>44</b>	250
	Corporation Tax	<b>34</b>	23
		<hr/>	<hr/>
		<b>2,420</b>	1,990
		<hr/>	<hr/>
<b>9</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2013</b>	<b>2012</b>
		<b>£000</b>	<b>£000</b>
	Borrowings term loan drawn down	<b>30,350</b>	31,388
	less unamortised issue costs	<b>(298)</b>	(311)
	subordinated loan	<b>3,861</b>	3,861
	Contract debtor control account	<b>2,032</b>	1,910
		<hr/>	<hr/>
		<b>35,945</b>	36,848
		<hr/>	<hr/>

Borrowing consists of

The term loan facility granted by Bank of Scotland is secured on the assets of the company. The loan facility is for a total value of £39,871,000 of which £31,388,000 was outstanding at 31 March 2013 (£32,297,000 at 31 March 2012).

The loan facility is repayable from September 2008 to January 2035.

Interest is charged on amounts drawn under the term loan facility based on floating LIBOR plus a margin of 0.9%, which is agreed for the term of the project. The Company has entered into a LIBOR to fixed rate swap, the effect of which is to convert variable interest into fixed interest. The fixed rate of this swap is 4.8%.

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Term Loan		
Amounts repayable are due as follows		
Within one year	<b>1,038</b>	909
In more than one year but not more than two years	<b>923</b>	1,038
In more than two years but not more than five years	<b>3,230</b>	3,111
In more than 5 years	<b>26,197</b>	27,239
	<hr/>	<hr/>
	<b>31,388</b>	32,297
	<hr/>	<hr/>

The subordinated loan bears an interest rate of 12.03%. Following the £15k repayment in the forthcoming year, the remainder of the subordinated loan is repayable as a one-off bullet payment in September 2036.

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(Continued)**

**9 Creditors . amounts falling due after more than one year (continued)**

	<b>2013</b>	2012
	<b>£000</b>	£000
Subordinated Loan		
Amounts repayable are due as follows		
Within one year	<b>15</b>	29
In more than one year but not more than two years	-	33
In more than two years but not more than five years	-	125
In more than 5 years	<b>3,861</b>	3,703
	<hr/> <b>3,876</b>	<hr/> 3,890

**10 Share capital**

	<b>2013</b>	2012
	<b>£</b>	£
<b>Authorised; allotted, called up and fully paid</b>		
10,000 Ordinary shares of £1 each	<b>10,000</b>	10,000
	<hr/>	<hr/>

**11 Reconciliation of movements in equity shareholders' funds**

	£000
Shareholders' funds at 31 March 2012	22
Profit for the period	108
Dividends paid	(50)
	<hr/>
Shareholders' funds at 31 March 2013	80

**12 Reserves**

	<b>2013</b>	2012
	<b>£000</b>	£000
Profit and loss account brought forward	<b>12</b>	40
Profit for the period	<b>108</b>	72
Dividends paid	<b>(50)</b>	(100)
	<hr/>	<hr/>
Profit and loss account carried forward	<b>70</b>	12

# **JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **(Continued)**

### **13 Related party disclosures**

During the period the company entered into transactions, in the ordinary course of business, with Kier Project Investment Limited and Kier Regional Limited both 100% subsidiaries of Kier Group plc. There were also transactions with Reliance Secure Task Management Limited (whose ultimate parent company is Reliance Security Group Limited) and Bank of Scotland. The relationship with these companies is described in Note 15. Transactions entered into during the year and trading balances outstanding at 31 March 2013, are as follows:

	<b>Purchases</b>		<b>Amounts outstanding At 31 March</b>	
	<b>2013 £000</b>	<b>2012 £000</b>	<b>2013 £000</b>	<b>2012 £000</b>
Kier South East (Kier Regional Limited)	206	-	44	250
Kier Project Investment Limited	41	96	-	-
Reliance Secure Task Management Limited	1,743	1,493	-	-
Bank of Scotland Infrastructure (No 3) Ltd	6	63	-	-
Bank of Scotland - loan outstanding	-	-	31,388	32,297
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>1,996</b>	<b>1,652</b>	<b>31,432</b>	<b>32,547</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Other than those transactions noted above, the company has taken the disclosure exemptions available under Financial Reporting Standard 8 'Related Party Disclosures' which exempts the disclosure of transactions between members of the same group which comprise wholly owned subsidiaries.

Based on the acquisition of Reliance North Kent PFI Limited share capital, by the other two shareholders (as detailed in note 15), Reliance Secure Task Management Limited (RSTM) no longer continues to be a related party in future periods. As the acquisition occurred within the current accounting period the directors deem it appropriate to recognise RSTM as a related party in these accounts for completeness.

### **14 Commitments**

Under the terms of a contract with Reliance Secure Task Management Limited dated 21 July 2006, the company is committed to annual payments totalling £1,293,000 (plus indexation) in respect of services to be provided during the concession period.

### **15 Parent Undertakings**

As at 31 March 2012 the company was a wholly owned subsidiary of Justice Support Services (North Kent) Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales. The share capital of Justice Support Services (North Kent) Holdings Limited was held 42.5% by Kier Project Investment Limited (the ultimate holding company being Kier Group plc), 42.5% by Bank of Scotland Infrastructure (No 3) Limited and the remaining 15% by Reliance North Kent PFI Limited, (the ultimate holding company being Reliance Security Group Limited).

Justice Support Services (North Kent) Holdings Limited, Kier Project Investment Limited, Reliance North Kent PFI Limited and Bank of Scotland Infrastructure (No 3) Limited are incorporated in the United Kingdom and registered in England and Wales.

On 14 February 2013 Kier Project Investment Limited and Bank of Scotland Infrastructure (No.3) Limited purchased the share capital held by Reliance North Kent PFI Limited. The purchase of the share capital was made equally by Kier Project Investment Limited and Bank of Scotland Infrastructure (No 3) Limited such that each party now holds 50% and thus it is the directors' opinion that there remains no ultimate controlling party.

**JUSTICE SUPPORT SERVICES (NORTH KENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
*(Continued)*

**16 Reconciliation of operating profit to net cash inflow from operating activities**

	<b>2013</b>	2012
	<b>£000</b>	£000
Operating profit	<b>227</b>	203
Increase in debtors	<b>28</b>	466
Increase in contract receivable	<b>621</b>	1,046
Increase/(decrease) in creditors	<b>306</b>	(31)
	<hr/>	<hr/>
Net cash inflow from operating activities	<b>1,182</b>	1,684
	<hr/>	<hr/>

**17 Reconciliation of Net Cashflow to Movement in Net Debt**

	<b>£000</b>
Increase in Cash	<b>115</b>
Cashflow from debt and lease financing	<b>923</b>
Cashflow from liquid resources	-
	<hr/>
Change in net debt arising from cashflows	<b>1,038</b>
	<hr/>
Net debt acquired in subsidiary	-
Inception of leases	-
Currency differences	-
	<hr/>
Movement in net debt in the year	<b>1,038</b>
Net Debt start of Period	<b>(32,579)</b>
	<hr/>
Net Debt at end of period	<b>(31,541)</b>
	<hr/>

**18 Analysis of changes in net debt**

	2012	Cash Flow	<b>2013</b>
	£000	£000	£000
Cash at bank and in hand	3,608	115	<b>3,723</b>
Term Loan	(32,297)	909	<b>(31,388)</b>
Subordinated loan	(3,890)	14	<b>(3,876)</b>
	<hr/>	<hr/>	<hr/>
<b>Net Debt</b>	<b>(32,579)</b>	<b>1,038</b>	<b>(31,541)</b>
	<hr/>	<hr/>	<hr/>