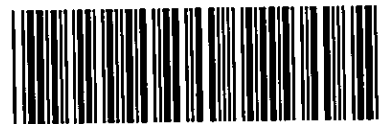


**Oakam Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2010**

Registered number 5878249

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# **Oakam Limited**

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# **Oakam Limited**

## **Directors, Secretary and Advisers**

### **DIRECTORS**

James Roy Clark  
Paresh Mashru  
Frederic Nze

### **AUDITOR**

Deloitte LLP  
London

### **COMPANY SECRETARY**

Deborah Lakis

### **REGISTERED OFFICE**

Melrose House, 42 Dingwall Road, Croydon, CR0  
2NE

### **BANKERS**

National Westminster Bank Plc  
City Markets Group  
9th Floor  
280 Bishopsgate  
London EC2M 4RB

### **REGISTERED NUMBER**

5878249

# **Oakam Limited**

## **Directors' report**

The directors present their annual report together with the financial statements and auditors' report, for the year ended 31 December 2010

### **Principal activities**

Oakam Limited is a specialist Financial Services provider operating through a retail network of money stores. During the year, the company opened four new stores taking the total number of retail stores to fifteen, offering a mix of transactional products such as money transfer, cheque cashing and short-term (up to 30 days) and medium-term lending products. The current customer base is primarily made up of recent/first generation immigrants to the UK and UK customers with either an impaired credit rating or no credit rating.

### **Business review**

The Company launched its unsecured loan product, the Bonus Loan, in June 2007 and this, along with its short-term unsecured loans amassed a total loan book which generates 95% (2009 - 91%) of the Company's turnover a percentage which is expected to remain at a similar level throughout 2011.

The Company made a loss on ordinary activities before taxation of £1,001,956 (2009 - £4,802,367). This was in line with expectations in this early phase and is viewed as an investment in the future of the Company.

The loan book outlined above is expected to grow significantly during 2011 as a result of both an increase in customer base from the existing stores and expanding the business distribution.

The Board reviews a comprehensive set of daily and monthly KPIs to monitor the progress towards achieving the agreed strategic objectives for the Company.

The key measures identified are

- Cash income
- Gross value of loans sold
- Gross margin of transactions products
- Default, roll, cure and hold rates
- Costs versus gross profit

The Directors believe that disclosing the above amounts would be detrimental to the business and have therefore chosen not to do so.

### **Going concern**

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 in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found Note 1 of the financial statements.

The Company incurred a net loss of £1,001,956 during the year ended 31 December 2010, at that date it had net liabilities of £13,445,393 as a result of being in the start up phase. In reaching the conclusion that the Company may be regarded as a going concern, the Directors have noted that the Company is reliant upon the continued financial support of CS Capital Partners III, L P, the major shareholder in the Company. The directors have confirmed that CS Capital Partners III, L P have stated that it is their present intention to maintain its support for the Company in the execution of their business plans for the next twelve months in the form of the continuation of the loan note issuance facility. For this reason the directors continue to adopt the going concern basis of preparation as set out in note 1 of the financial statements.

# Oakam Limited

## Directors' report

### Results and dividends

The profit and loss account is set out on page 10 and shows the loss for the year

The Directors are unable to recommend the payment of a dividend (2009 - £nil)

### Charitable and political donations

During the year there were no charitable (2009 - £nil) or political contributions (2009 - £nil)

### Financial risk management

The main financial risks arising from the Company's activities are credit risk, liquidity risk and interest rate risk. These are monitored by the Board of Directors and were not considered to be unduly significant at the balance sheet date.

The Company's policy in respect of credit risk, is to require appropriate credit checks on potential loan customers before contracts are completed.

The Company maintains readily accessible bank deposit accounts to ensure the Company has sufficient funds for operations. The cash deposits are held in a mixture of short term deposits and current accounts.

The Company's exposure to interest rate risk is currently extremely limited as all funding and liquidity is provided by the Company's shareholders on agreed terms.

### Principal Risks and Uncertainties

<u>Area</u>	<u>Risk</u>	<u>Mitigation</u>
<b>Financial</b>		
Unsecured lending	Significant worsening of bad debt	Lending decisions and underwriting criteria are regularly reviewed and criteria/pricing modified as necessary
<b>Operational</b>		
Business interruption	IT failure	Disaster recovery planning and third party provider selection
Employees	Loss of key employees	Investment in training, competitive pay, rewards and benefits
Legislation	Non-adherence to regulation resulting in operational or financial consequences	Internal committees to maintain suitable governance control

# **Oakam Limited**

## **Directors' report**

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

On 27 January 2011 it was agreed that Deloitte LLP be appointed as auditors of the Company at a fee to be agreed by the board of directors to fill the casual vacancy resulting from the resignation of BDO LLP

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

**By Order of the Board**

A handwritten signature in black ink, appearing to read 'Frederic Nze', with a long horizontal stroke extending to the right.

Frederic Nze

**Chief Executive Officer**

13 September 2011

# **Oakam Limited**

## **Directors' responsibilities statement**

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). The financial statements are required by law to 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 proper accounting records that 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 Oakam Limited**

We have audited the financial statements of Oakam Limited for the year ended 31 December 2010 which comprises the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 21. 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, 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**

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 31 December 2010 and of its loss 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.

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £1,001,956 during the year ended 31 December 2010 and, at that date, it had net liabilities of £13,445,393. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### **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.

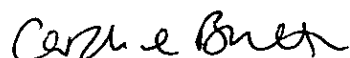


## **Independent auditors' report to the members of Oakam Limited**

### **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



Caroline Britton  
Senior statutory auditor  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

13 September 2011

# Oakam Limited

## Profit and loss account

For the year ended 31 December 2010

	Notes	2010 £	2009 £
<b>Turnover</b>			
Continuing operations	2	9,893,583	5,166,714
Cost of sales		(31,958)	(51,541)
<b>Gross profit</b>		9,861,625	5,115,173
Distribution expenses		(6,626,316)	(6,036,977)
Administrative expenses		(4,242,275)	(3,879,918)
<b>Operating loss</b>	5	(1,006,966)	(4,801,722)
Other interest receivable and similar income		5,010	736
Interest payable and similar charges	6	-	(1,381)
<b>Loss on ordinary activities before taxation</b>		(1,001,956)	(4,802,367)
Tax on loss on ordinary activities	7	-	-
<b>Loss for the financial year after taxation</b>		<u>(1,001,956)</u>	<u>(4,802,367)</u>

All amounts relate to continuing activities

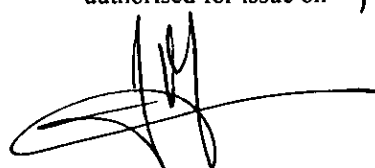
# Oakam Limited

## Balance sheet

At 31 December 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible Assets	8	<u>1,305,713</u>	<u>1,378,931</u>
		<u>1,305,713</u>	<u>1,378,931</u>
<b>Current assets</b>			
Stock	9	16,422	17,829
Debtors			
– due within one year	10	8,494,358	4,846,310
– due after one year	10	3,835,902	3,618,508
Cash at bank and in hand		<u>366,676</u>	<u>542,055</u>
		12,713,358	9,024,432
<b>Creditors: Amounts falling due within one year</b>	11	<u>(27,464,464)</u>	<u>(716,324)</u>
<b>Net current assets</b>		<u>(14,751,106)</u>	<u>8,308,108</u>
<b>Total assets less current liabilities</b>		<u>(13,445,393)</u>	<u>9,687,039</u>
<b>Creditors: Amounts falling due after more than one year</b>	12	<u>-</u>	<u>(22,128,475)</u>
<b>Net liabilities</b>		<u>(13,445,393)</u>	<u>(12,441,436)</u>
<b>Capital and reserves</b>			
Called-up share capital	14	-	-
Profit and loss account	15	<u>(13,445,393)</u>	<u>(12,441,436)</u>
<b>Shareholders' deficit</b>	18	<u>(13,445,393)</u>	<u>(12,441,436)</u>

The financial statements of Oakam Limited (Registered No 5878249) were approved by the Board of Directors and authorised for issue on 13 September 2011. They were signed on its behalf by



Frederic Nze

Chief Executive Officer

# **Oakam Limited**

## **Cash flow statement For the year ended 31 December 2010**

	<b>Notes</b>	<b>2010 £</b>	<b>2009 £</b>
<b>Net cash outflow from operating activities</b>	<b>16</b>	<b>(4,025,813)</b>	<b>(6,845,115)</b>
Interest received/(paid)		5,010	(645)
Capital expenditure and financial investment		<u>(825,947)</u>	<u>(795,169)</u>
<b>Cash outflow before management of liquid resources and financing</b>		<b>(4,846,749)</b>	<b>(7,640,929)</b>
Financing		<u>4,646,858</u>	<u>7,735,263</u>
<b>Decrease in cash in the year</b>	<b>19</b>	<b><u>(199,893)</u></b>	<b><u>(94,334)</u></b>

# **Oakam Limited**

## **Notes to the financial statements**

For the year ended 31 December 2010

### **1 Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable law and United Kingdom accounting standards.

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review which forms part of the Directors' Report. The Directors' Report also describes the financial position of the Company, its liquidity position and funding, the Company's objectives, key performance indicators, its financial risk management objectives, and its exposure to credit risk and liquidity risk.

The financial statements have been prepared on a going concern basis. In reaching the conclusion that the Company may be regarded as a going concern, the Directors have noted that the Company is reliant upon the continued financial support of CS Capital Partners III, L.P., the major shareholder in the company. The directors have confirmed that CS Capital Partners III, L.P. have stated that it is their present intention to maintain its support for the Company in the execution of their business plans for the next twelve months in the form of the continuation of the loan note issuance facility.

If the Company is unable to obtain additional finance through the loan note facility, or obtain funding from alternative sources to fund the Company's business plan then adjustments may be necessary to write down assets to their recoverable amounts, reclassify fixed assets and long-term liabilities as current and provide for additional liabilities.

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.

#### **Turnover**

Interest income on unsecured loans is recognised on an accruals basis over the life of the loan. Up-front fees received on origination of the loans are recognised over the life of the loan. Additional interest on balances in arrears and late payment fees are recognised on receipt. Commission receivable on transaction products, including Cheque Cashing, Money Transfer and sales of Telephone Cards is recognised at the time of undertaking the transaction.

# **Oakam Limited**

## **Notes to the financial statements** For the year ended 31 December 2010

### **Tangible fixed assets**

Tangible fixed assets are stated at cost net of depreciation and impairment in value. Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Lease property improvements	-	33% per annum straight line basis
IT and telecoms equipment	-	33% per annum straight line basis
Software	-	33% per annum straight line basis
Motor Vehicles	-	33% per annum straight line basis

Where software is developed by third party contractors, this software is capitalised and depreciated over its expected useful life.

### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less selling costs to completion and disposal.

### **Taxation**

UK corporation tax is provided at amounts expected to be paid/recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

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 making sufficient taxable profits in the future to absorb the reversal of the underlying timing difference.

### **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.

Premiums, reverse premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account over the year of the lease.

### **Trade debtors**

Trade debtors are made up of customer loan repayments due and 3rd party cheques in the clearing cycle. For medium term loans, instalments are included in the balance sheet at their current capital value plus accrued interest.

Specific provisions are made to reduce all impaired loans to their expected realisable value. Provisions are made on the basis of the aging of the overdue loan, past experience and other relevant factors. Loans and advances are written off to the extent that there is no realistic prospect of recovery of the amount involved.

Interest on loans that have been impaired is recognised to the extent that it is believed to be recoverable.

### **Pension costs**

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable. The assets of the scheme are held separately in an independently administered fund.

# Oakam Limited

## Notes to the financial statements

For the year ended 31 December 2010

### Dividends

Equity dividends are recognised when they become legally payable. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Dividends on shares wholly recognised as liabilities are recognised as expenses and classified within interest payable.

### Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

## 2 Turnover

Turnover is wholly attributable to the principal activities of the company and arises solely within the United Kingdom.

## 3 Employees

	2010	2009
	£	£
Staff costs (including directors) consist of		
Wages and salaries	2,997,945	2,544,127
Social security costs	324,042	239,182
Employers pension costs	12,849	7,012
	<u>3,334,836</u>	<u>2,790,321</u>

The average number of employees (including directors) during the year was 146 (2009 - 95).

## 4 Directors' remuneration

	2010	2009
	£	£
Directors' remuneration consists of		
Directors' emoluments	316,876	277,667
Company contributions to defined contribution pension scheme	-	1,206
	<u>281,876</u>	<u>278,873</u>

There were no directors in the company's defined contribution pension scheme during the year (2009 - 1). Company contributions to the defined contribution pension scheme for the highest paid director amounted to £nil (2009 - £1,206).

# Oakam Limited

## Notes to the financial statements

For the year ended 31 December 2010

### 5 Operating loss

	2010 £	2009 £
This has been arrived at after charging		
Depreciation	899,166	794,893
Operating leases - land and buildings	500,856	405,842
Operating leases - hire of vehicles	2,126	4,095
Auditors' remuneration - Deloitte LLP, audit (current Year)	36,000	-
- BDO LLP, audit (prior year)	26,596	30,000
- Deloitte LLP, taxation (current year)	9,600	6,500
	<u>          </u>	<u>          </u>

### 6 Interest payable and similar charges

	2010 £	2009 £
Bank interest and charges	-	1,381
	<u>          </u>	<u>          </u>

### 7 Taxation on loss from ordinary activities

	2010 £	2009 £
Loss on ordinary activities before tax	(1,001,956)	(4,802,367)
	<u>          </u>	<u>          </u>
Loss on ordinary activities at the effective rate of corporation tax in the UK of 28% (2009 - 28%)	(280,547)	(1,344,663)
Effects of		
Expenses not deductible for tax purposes	-	2,416
Depreciation on assets not eligible for capital allowances	67,234	56,255
Capital allowances for year in excess of depreciation	19,482	95,791
Losses carried forward	193,831	1,155,762
Other short term timing differences	-	34,439
	<u>          </u>	<u>          </u>
Current tax charge for year	-	-
	<u>          </u>	<u>          </u>

The company did not recognise a deferred tax asset of £2,937,594 in respect of tax losses (2009 - £2,903,974)  
This is because it is uncertain when such losses will reverse



# Oakam Limited

## Notes to the financial statements For the year ended 31 December 2010

### 8 Tangible assets

	Lease property Improvements £	IT and telecoms equipment £	Motor Vehicles £	Software £	Total £
<i>Cost</i>					
At 1 January 2010	1,103,322	717,776	-	1,060,073	2,881,171
Additions	511,989	181,991	4,950	127,017	825,947
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2010	1,615,311	899,767	4,950	1,187,090	3,707,118
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 January 2010	(624,593)	(494,435)	-	(383,211)	(1,502,239)
Charge for the year	(384,623)	(156,319)	(1,237)	(356,987)	(899,166)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2010	(1,009,216)	(650,754)	(1,237)	(740,198)	(2,401,405)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2010	606,095	249,013	3,713	446,892	1,305,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2009	478,729	223,341	-	676,862	1,378,932
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 9 Stock

	2010 £	2009 £
Finished goods and goods for resale	16,422	17,829
	<hr/>	<hr/>

There is no material difference between the replacement cost of stocks and the amounts stated above

# Oakam Limited

## Notes to the financial statements For the year ended 31 December 2010

### 10 Debtors

	2010 £	2009 £
Amounts falling due within one year		
Trade debtors	6,457,298	4,328,372
Other debtors	513,600	137,964
Amount due from group undertaking	23,658	42
Prepayments and accrued income	1,499,802	379,932
	<hr/>	<hr/>
	8,494,358	4,846,310
Amounts falling due after one year		
Trade debtors	3,835,902	3,618,508
	<hr/>	<hr/>
Total debtors	<u>12,330,260</u>	<u>8,464,818</u>

### 11 Creditors: amounts falling due within one year

	2010 £	2009 £
Bank overdraft	224,046	199,531
Trade creditors	265,649	363,933
Other taxation and social security	83,141	81,601
Accruals and deferred income	91,757	71,259
Amounts due to group undertakings	26,799,871	-
	<hr/>	<hr/>
	26,464,464	716,324
	<hr/>	<hr/>

### 12 Creditors: amounts falling due after more than one year

	2010 £	2009 £
Amounts due to group undertakings	-	22,128,475
	<hr/>	<hr/>

# Oakam Limited

## Notes to the financial statements For the year ended 31 December 2010

### 13 Commitments under operating leases

As at 31 December 2010, the Group had annual commitments under non-cancellable operating leases as set out below

	2010 Land and buildings £	2010 Vehicles £	2009 Land and buildings £	2009 Vehicles £
Operating leases which expire				
In less than one year	-	-	-	-
In two to five years	145,225	-	131,425	3,864
After five years	656,369	-	481,337	-
	<u>801,594</u>	<u>-</u>	<u>612,762</u>	<u>3,864</u>

The company had no commitments under non-cancellable operating leases

### 14 Share capital

Authorised

	2010 number	2009 number	2010 £	2009 £
Ordinary shares of £0.01 each	<u>100,000</u>	<u>100,000</u>	<u>1,000</u>	<u>1,000</u>

Allotted, called up fully paid

	2010 number	2009 number	2010 £	2009 £
Ordinary shares of £0.01 each	<u>1</u>	<u>1</u>	<u>0.01</u>	<u>0.01</u>

# Oakam Limited

## Notes to the financial statements

For the year ended 31 December 2010

### 15 Reserves

	Profit and loss account £	Total £
At 1 January 2010	(12,441,436)	(12,441,436)
Loss for the financial year	(1,001,956)	(1,001,956)
At 31 December 2010	<u>(13,443,392)</u>	<u>(13,443,392)</u>

### 16 Reconciliation of operating loss to net cash outflow from operating activities

	2010 £	2009 £
Operating loss	(1,006,966)	(4,801,722)
Depreciation	899,166	794,893
Decrease in stock	1,407	15,536
Increase in debtors	(3,865,442)	(2,941,981)
(Decrease)/Increase in creditors	(53,978)	88,159
Net cash outflow from operating activities	<u>(4,025,813)</u>	<u>(6,845,115)</u>

### 17 Reconciliation of net cash inflow to movement in net debt

	2010 £	2009 £
(Decrease)/Increase in cash in the year	(197,889)	94,334
Cash inflow from increase in debt	(4,671,373)	(7,735,263)
Movement in net debt (see note 19)	<u>(4,869,262)</u>	<u>(7,640,929)</u>

# Oakam Limited

## Notes to the financial statements For the year ended 31 December 2010

### 18 Reconciliation of movements in shareholders' deficit

	2010 £	2009 £
Brought forward shareholders' deficit	(12,441,436)	(7,639,069)
Loss for the year	(1,001,956)	(4,802,367)
Closing shareholders' deficit	<u>(13,443,392)</u>	<u>(12,441,436)</u>

### 19 Analysis of net debt

	At 1 January 2010 £	Cash Flow 2010 £	Other Non-cash 2010 £	At 31 December 2010 £
Cash in hand and at bank	542,055	(175,379)	-	366,676
Bank Overdraft	(199,531)	(24,514)	-	(224,046)
	<u>342,524</u>	<u>(199,893)</u>	<u>-</u>	<u>(142,630)</u>
Debt due after one year	(22,128,475)	(4,671,373)	-	(26,799,848)
Total	<u>(21,785,951)</u>	<u>(4,871,267)</u>	<u>-</u>	<u>(26,657,218)</u>

### 20 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with its wholly owned subsidiaries

### 21 Controlling party

The Company's controlling party is Oakam Holdings Limited