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CHECKA PROFESSIONAL.COM  
LIMITED

Company Registration No 07325074 (England and Wales)

**CHECKAGROUP HOLDINGS LIMITED**

**DIRECTORS' REPORT AND  
CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
30 SEPTEMBER 2013**

SATURDAY



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# CHECKAGROUP HOLDINGS LTD

## COMPANY INFORMATION

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**Directors**

K Byrne  
L M Byrne  
A Byrne  
J Byrne  
R Spiceley  
J D Spiceley

**Secretary**

R Spiceley

**Company Number**

07325074

**Registered Office**

Unit 6  
Sherrington Mews  
Selsey  
Chichester  
West Sussex  
PO20 0FJ

**Auditors**

Watling & Hirst Limited  
Cawley Place  
15 Cawley Road  
Chichester  
West Sussex  
PO19 1UZ

# CHECKAGROUP HOLDINGS LTD

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# CHECKAGROUP HOLDINGS LTD

## STRATEGIC REPORT

**FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

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The Directors present the strategic report and financial statements for the period ended 30 September 2013

### Review of the business

The group continues to offer a directory of trades and services to the general public. Businesses appearing within these directories have been vetted to certain criteria standards, for example by verifying their insurance, qualifications and professional memberships. Also the group monitors the trades and services work on an ongoing basis by collecting feedback directly from their customers.

### Principle risks and uncertainties

As for many businesses of our size, the business environment in which we operate continues to be challenging, although recovery of the trade sector is beginning. We face competition from other competitors who could offer the same type of service that we do. We are of course also subject to consumer spending patterns and consumers overall level of disposable income within our economy.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen events outside our control.

### Development and performance

The Group's activities are organised into the following two divisions:

- Membership
- Advertising within the quarterly brochures/guides

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the group as a whole, those being turnover, gross profit

The turnover of the group by activity was as follows

	2013	2012
	£	£
Membership	4,007,786	2,993,279
Advertising and brochures	<u>3,575,959</u>	<u>1,602,623</u>
Total	<u>7,583,745</u>	<u>4,595,902</u>

Both activities within the group have shown growth during the year and this has left the group in a good financial position at the end of the year, in line with our expectations. Sales have increased by over 47% despite some competitors entering the market and without us having achieved coverage of the whole of the United Kingdom. The strong increase in sales can in the main be attributed to extra locations being opened up and more people being aware of the group thanks to significant national advertising.

### Key performance indicators

Overall gross profit has increased to £3,330,323 (43.9%) from £2,034,498 (44.3%) but profit before tax has been impacted by the first year of trading of Checkaprofessional.com Limited which incurred a loss of £217,638. The company still has strong cash reserves to fund the continued expansion of the group. Included within creditors due within one year is £4,248,598 of deferred income which is to be released to the profit and loss account in 2014.

  
K Byrne

Director

23/6/2014

# CHECKAGROUP HOLDINGS LTD

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 30 SEPTEMBER 2013

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The Directors present their report and financial statements for the period ended 30 September 2013

#### Principal activities

The principal activity of the group continued to be that of the production and printing of advertising leaflets and internet listings

#### Directors

The following directors have held office since 1 October 2012

R Spiceley  
K Byrne  
A Byrne  
J Byrne  
J D Spiceley  
L M Byrne

#### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Watling & Hirst Limited be reappointed as auditors of the group will be put to the Annual General Meeting

#### 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 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 group and of the profit or loss of the group for that period. In preparing those 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Statement of disclosure to auditor

- (a) so far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware, and
- (b) they 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 group's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
K Byrne  
Director

23/6/2014

# CHECKAGROUP HOLDINGS LTD

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHECKAGROUP HOLDINGS LTD

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We have audited the group and parent company financial statements, which comprise the Consolidated Income and Expenditure Account, the Consolidated and Company Balance Sheets and related notes, of Checkagroup Holdings Ltd for the period ended 30 September 2013. 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).

### Respective responsibilities of the directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 group'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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### 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 September 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 Director's 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.



Antony David Rose (Senior Statutory Auditor)

for and on behalf of Watling & Hirst Limited

Chartered Certified Accountants

Statutory Auditor

27<sup>th</sup> June 2014

Cawley Place  
15 Cawley Road  
Chichester  
West Sussex  
PO19 1UZ

# CHECKAGROUP HOLDINGS LTD

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	Notes	September 2013 £	July 2012 £
Turnover	2	7,583,745	4,595,902
Cost of sales		(4,199,657)	(2,561,404)
<b>Gross profit</b>		<b>3,330,323</b>	<b>2,034,498</b>
Administrative expenses		(3,461,875)	(1,916,447)
<b>Operating profit</b>	3	<b>(77,787)</b>	<b>118,051</b>
Other interest receivable and similar income	4	5,796	2,907
Interest payable and similar charges	5	(19)	(242)
<b>Profit on ordinary activities before taxation</b>		<b>(72,010)</b>	<b>120,716</b>
Tax on profit on ordinary activities	6	(33,967)	(42,970)
<b>Profit on ordinary activities after taxation</b>	17	<b>(105,977)</b>	<b>77,745</b>

### Continuing Operations

None of the group's activities were acquired or discontinued during the above two periods

### Statement of total recognized gains and losses

There are no recognised gains and losses other than those passing through the consolidated profit and loss account

# CHECKAGROUP HOLDINGS LTD

## CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2013

	Notes	September 2013		July 2012
		£	£	£
<b>Fixed assets</b>				
Tangible assets	8 & 9	319,958		344,664
<b>Current assets</b>				
Stocks	11	19,170	9,903	
Debtors	12	3,427,325	2,461,394	
Cash at bank and in hand		1,531,928	929,141	
		4,978,423	3,400,438	
<b>Creditors amounts falling due within one year</b>	13	(5,232,351)	(3,476,213)	
<b>Net current liabilities</b>		(253,928)		(75,775)
<b>Total assets less current liabilities</b>		66,030		268,889
<b>Provisions for liabilities</b>	14	(23,808)		(20,690)
		42,222		248,199
<b>Capital and reserves</b>				
Called up share capital	16	250		250
Share premium account	17	49,975		49,975
Profit and loss account	17	(8,003)		197,974
<b>Shareholders' funds</b>	18	42,222		248,199

Approved by the board for issue on

K Byrne  
Director

23/6/2014

# CHECKAGROUP HOLDINGS LTD


## PARENT COMPANY BALANCE SHEET

AS AT 30 SEPTEMBER 2013

	Notes	September 13		July 12	
		£	£	£	£
<b>Fixed assets</b>					
Investments	10		4,125		4,125
			<u>          </u>		<u>          </u>
<b>Current assets</b>					
Debtors		125		125	
		<u>          </u>		<u>          </u>	
Creditors amounts falling due within one year		(4,000)		(4,000)	
		<u>          </u>		<u>          </u>	
<b>Net current assets</b>			(3,875)		(3,875)
			<u>          </u>		<u>          </u>
<b>Total assets less current liabilities</b>			250		250
			<u>          </u>		<u>          </u>
<b>Capital and reserves</b>					
Called up share capital	16		250		250
			<u>          </u>		<u>          </u>
<b>Shareholders' funds</b>			250		250
			<u>          </u>		<u>          </u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the board for issue on

  
K Byrne  
Director  
23/6/2014

# CHECKAGROUP HOLDINGS LTD

## CONSOLIDATED CASH FLOW STATEMENT AS AT 30 SEPTEMBER 2013

	Notes	September 2013		July 2012
		£	£	£
<b>Net cash inflow from operating activities</b>	<b>23</b>	<b>795,898</b>		<b>700,378</b>
<b>Returns on investments and servicing of finance</b>				
Interest received		5,796	87	
Interest paid		(19)	(1,054)	
<b>Net cash inflow for returns on investments and servicing of finance</b>		<b>5,777</b>	<b>(967)</b>	
<b>Capital expenditure</b>				
Payments to acquire tangible assets		(124,789)	(256,769)	
Receipts from sales of tangible assets		25,901	-	
<b>Net cash outflow for capital expenditure</b>		<b>98,888</b>	<b>(256,769)</b>	
<b>Equity dividends paid</b>		<b>100,000</b>		<b>100,000</b>
<b>Increase in cash in the year</b>	<b>24, 25</b>	<b>602,787</b>		<b>342,642</b>

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiaries undertakings made up to 30<sup>th</sup> September 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets, other than investment properties, are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life, as follows:

Land and Buildings Leasehold	Over the remaining period of the lease
Computer equipment	25% straight line
Furniture, fittings and equipment	25% reducing balance
Motor Vehicles	25% reducing balance

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortization is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.8 Deferred Taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	September 2013 £	July 2012 £
Operating surplus is stated after charging		
Depreciation of tangible assets	123,593	71,683
Loss on disposal of tangible assets	25,549	-
Operating lease rentals		
- Plant and machinery	160,339	72,626
- Other assets	86,861	36,062
Auditors' remuneration (including expenses and benefits in kind)	11,333	6,667
and after crediting		
Profit on disposal of tangible assets	-	(3,754)

4 Investment Income	September 2013 £	July 2012 £
Bank interest	5,010	2,907
Other interest	786	-
	5,796	2,907

5 Interest payable	September 2013 £	July 2012 £
On bank loans and overdrafts	19	242

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

6	Taxation	September 2013 £	July 2012 £
	<b>Domestic current year tax</b>		
	U K corporation tax	30,849	-
	Adjustment to prior years	-	(86,828)
	<b>Current tax charge</b>	<u>30,849</u>	<u>(86,828)</u>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	3,118	129,798
		<u>33,967</u>	<u>42,970</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>(72,010)</u>	<u>120,716</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.50% (July 2012 20.00%)	<u>(16,922)</u>	<u>24,143</u>
	Effects of		
	Non deductible expenses	47,771	(45,955)
	Adjustments to previous periods	-	(86,828)
	<b>Current tax charge</b>	<u>30,849</u>	<u>(108,640)</u>
7	<b>Dividends</b>	September 2013 £	July 2012 £
	Ordinary interim paid	<u>100,000</u>	<u>100,000</u>

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 SEPTEMBER 2013

### 8 Tangible fixed assets

	Land and buildings Leasehold	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
<b>Cost</b>	£	£	£	£	£
At 1 August 2012	251,001	426,502	123,766	48,266	849,535
Additions	54,955	54,653	15,181	-	124,789
Disposals	-	-	-	-	-
At 30 September 2013	305,956	481,155	138,947	48,266	974,324
<b>Depreciation</b>					
At 1 August 2012	119,791	328,469	63,381	19,131	530,772
On disposals	-	-	-	-	-
Charge for the period	47,577	48,106	19,970	7,941	123,594
At 30 September 2013	167,368	376,575	83,351	27,072	654,366
<b>Net book value</b>					
At 30 September 2013	138,588	104,580	55,596	21,194	319,958
At 31 July 2012	131,210	98,033	60,385	29,135	318,763

There is a charge over the land opposite 5-6 The Mews, Selsey Gate on the Banks standard form dated 04/01/2011

### 9 Tangible fixed assets

	Investment Properties £
<b>Cost</b>	
At 1 August 2012	25,901
Disposals	(25,901)
At 30 September 2013	-
<b>Net book value</b>	
At 30 September 2013	-
At 31 July 2012	25,901

The investment properties are included in the financial statements at open market value as estimated by the directors

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

10 Fixed asset investments	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 August 2012	4125
Additions	-
At 30 September 2013	4125
<b>Net book value</b>	
At 30 September 2013	4125
At 31 July 2012	4125

### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Vetted Limited	England & Wales	Ordinary	100 00
Checkaprofessional com Limited	England & Wales	Ordinary	100 00
Checkatrade National Limited	England & Wales	Ordinary	100 00
Checkatrade Limited	England & Wales	Ordinary	100 00
Checkatrade com Limited	England & Wales	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial period were as follows

		Capital and reserves September 2013 £	Profit/(loss) for the period September 2013 £
	<b>Principal activity</b>		
Vetted Limited	Production and printing of advertising leaflets	254,824	71,348
Checkaprofessional com Limited	Production and printing of advertising leaflets	(216,638)	(217,638)
Checkatrade National Limited	Dormant	1,000	-
Checkatrade Limited	Dormant	1,000	-
Checkatrade com Limited	Dormant	1,000	-

Checkaprofessional com Limited is exempt from the requirements relating to the audit of accounts under section 479A of the Companies Act 2006

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

<b>11 Stocks</b>	<b>September 2013 £</b>	<b>July 2012 £</b>
Finished goods and goods for resale	19,170	9,903
	<u>          </u>	<u>          </u>
<b>12 Debtors</b>	<b>September 2013 £</b>	<b>July 2012 £</b>
Trade debtors	2,719,642	1,959,931
Other debtors	212,811	373,696
Prepayments and accrued income	494,747	127,642
	<u>          </u>	<u>          </u>
	3,427,200	2,461,269
	<u>          </u>	<u>          </u>
<b>13 Creditors amounts falling due within one year</b>	<b>September 2013 £</b>	<b>July 2012 £</b>
Trade creditors	511,626	111,458
Corporation tax	30,849	-
Taxation and social security	286,750	254,218
Other creditors	5,671	5,671
Accruals and Deferred income	4,397,455	3,104,866
	<u>          </u>	<u>          </u>
	5,232,351	3,476,213
	<u>          </u>	<u>          </u>

The deferred income will be released into the profit and loss account during the year ended 30<sup>th</sup> September 2014

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

### 14 Provisions for liabilities

	Deferred tax liability £
Balance at 1 August 2012	20,690
Profit and loss account	3,118
	<u>23,808</u>
Balance at 30 September 2013	<u>23,808</u>

The deferred tax liability is made up as follows

	September 2013 £	July 2012 £
Accelerated capital allowances	<u>23,808</u>	<u>20,690</u>

### 15 Pension and other post-retirement benefit commitments Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	September 2013 £	July 2012 £
Contributions payable by the company for the year	<u>227,029</u>	<u>287,015</u>

### 16 Share Capital

	September 2013 £	July 2012 £
Allotted, called up and fully paid		
250 Ordinary shares of £1 each	<u>250</u>	<u>250</u>

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

### 17 Statement of movement on reserves

	Share premium account £	Profit and loss account £
Balance at 1 August 2012	49,975	197,974
Loss for the year	-	(105,977)
Dividends paid	-	(100,000)
Balance at 30 September 2013	49,975	(8,003)

The share premium account may not be distributed under section 610 of the Companies Act 2006

### 18 Reconciliation of movements in shareholders' funds

	September 2013 £	July 2012 £
(Loss)/Profit for the financial year	(105,977)	77,745
Dividends	(100,000)	(100,000)
Net movement in shareholders' funds	(205,977)	(22,255)
Opening shareholders' funds	248,073	270,328
Closing shareholders' funds	42,096	248,073

### 19 Financial commitments

At 30 September 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2014

	Land and Buildings		Other	
	September 2013 £	July 2012 £	September 2013 £	July 2012 £
Operating leases which expire				
Between two and five years	81,956	81,956	63,651	63,651
In over five years			16,111	
	81,956	81,956	79,762	63,651

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

20 Directors' remuneration	September 2013 £	July 2012 £
Remuneration for qualifying services	168,758	136,019
Company pension contributions to defined contribution schemes	184,567	266,617
	<u>353,325</u>	<u>402,636</u>

## 21 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was

September 2013 Number	July 2012 Number
109	84

### Employment costs

	September 2013 £	July 2012 £
Wages and salaries	2,568,171	1,708,134
Social security costs	20,859	16,772
Other pension costs	227,029	287,015
	<u>2,816,059</u>	<u>2,011,921</u>

## 22 Control

Throughout the period the company was under the control of the directors

# CHECKAGROUP HOLDINGS LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

23 Reconciliation of operating profit to net cash inflow from operating activities	September	July
	2013 £	2012 £
Operating (loss)/profit	(77,787)	118,051
Depreciation of tangible assets	123,593	77,992
Loss/(profit) on disposal of tangible assets	25,549	(3,754)
(Increase)/decrease in stocks	(9,267)	2,462
Increase in debtors	(991,475)	(442,332)
Increase in creditors within one year	1,725,289	944,643
<b>Net cash inflow from operating activities</b>	<b>795,898</b>	<b>700,378</b>

24 Analysis of changes in net debt	1 August 2012 £	Cash flow £	Other non- cash changes £	30 September 2013 £
Cash at bank and in hand	929,141	602,787	-	1,531,928
<b>Total</b>	<b>929,141</b>	<b>602,787</b>	<b>-</b>	<b>1,531,928</b>

25 Reconciliation of net cash flow to movement in net debt	September 2013 £	July 2012 £
Increase in cash in the year	602,787	342,642
<b>Movement in net funds in the year</b>		
Opening net funds	929,141	586,499
<b>Closing net funds</b>	<b>1,531,928</b>	<b>929,141</b>

## CHECKAGROUP HOLDINGS LTD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2013

#### 26 Related party relationships and transactions

##### Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate £	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
K Byrne – Directors current account	-	7,763	3,468	-	(10,720)	511
R Spiceley – Directors current account	-	(1,910)	-	-	-	(1,910)
J Byrne – Directors current account	-	(1,956)	-	-	-	(1,956)
A Byrne – Directors current account	-	(1,805)	-	-	-	(1,805)
		<u>2,092</u>	<u>3,468</u>	<u>-</u>	<u>-</u>	<u>(5,160)</u>

The overdrawn amount on K Byrne's director's account was repaid after the year end

##### Guarantees

Limited guarantee was given by the director Mr K Byrne for £50,000 on 16/10/2008

##### Other transactions

Also included in other debtors is a loan to Checkatalent, a company who is under the control of some of the directors. The balance at the year end was £36,424 (2012 - £nil). This amount is interest free and payable on demand.