

COMPANY REGISTRATION NUMBER 03054972

HOME HOUSE LIMITED

ABBREVIATED ACCOUNTS

31 DECEMBER 2013

FRIDAY



A38 *A33LYVUP* #9
14/03/2014
COMPANIES HOUSE

HOME HOUSE LIMITED
ABBREVIATED ACCOUNTS
Year ended 31 December 2013

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2
The directors' report	4 to 5
Independent auditor's report to the company	6
Abbreviated profit and loss account	7
Abbreviated balance sheet	8
Cash flow statement	9
Notes to the abbreviated accounts	10 to 17

HOME HOUSE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr S M Al-Hajaj
Mr C W Tuke
Mr S N Osseiran
Mr B A Dahl
Mr O M S Jaroudi

Company secretary

Mr C W Tuke

Registered office

Cedar House
Hazell Drive
Newport
South Wales
NP10 8FY

Auditor

Kilsby & Williams LLP
Chartered Accountants
& Statutory Auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

Bankers

Barclays Bank plc
36 - 38 Milsom Street
Bath
BA1 1DW

Solicitors

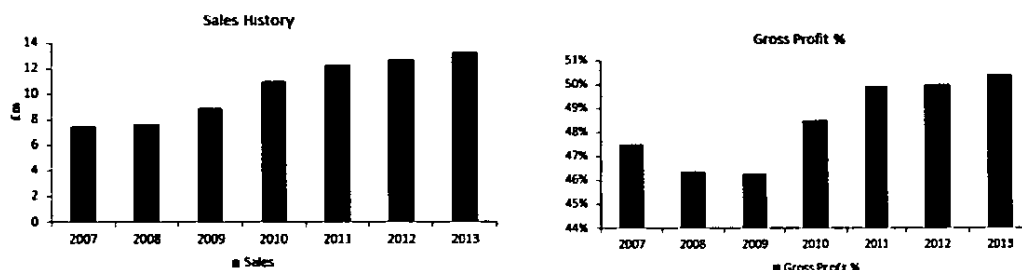
Kirkpatrick & Lockhart
Preston Ellis Gates LLP
110 Cannon Street
London
EC4N 6AR

HOME HOUSE LIMITED

STRATEGIC REPORT

Year ended 31 December 2013

REVIEW OF THE BUSINESS



2013 was a very successful year for Home House. Total revenue grew by 4.1% to £13.3m. The three principal revenue channels – membership subscriptions, food & beverage and bedrooms all grew versus 2012. The total number of members grew by 19% whilst the level of membership churn rate dropped by 2.5 percentage points.

Bedroom revenue grew by 7.8% driven by a combination of revpar (revenue per available room) increasing by 7.7% and occupancy increasing to 83.9%. In addition the Terrace Suite was divided into 2 "feature bedrooms" therefore creating a total of 21 bedrooms.

Total sales of food & beverage grew by 4.1% to £7.8m with the Garden in particular benefiting from the summer weather.

Cost control was a focus of the year with gross profit increasing by 0.4 percentage points and total overheads increasing by 1.8% with approximately 50% of this due to the increase in rates as a result overheads as a percentage of sales dropped by 1 percentage point.

As a consequence of the continuing sales growth and the tight cost control, EBITDA grew by over 10% breaking through the £1.5m barrier for the first time.

The business continues to be cash generative with £1.9m generated during 2013. This is after investing £0.5m on capital expenditure projects. All areas of the club continue to benefit from this investment with new furniture in House 21 and in the bedrooms.

Home House is well positioned to take advantage of the expected upturn in the broader economy. The range of offering to members continues to be refined to ensure that member always receive an experience that meets the core values of Home House. The waiting list for Home House continues to build, reflecting the desirability of Home House membership.

There is a continued focus upon improving quality of the food and beverage offering with the key element being to increase the number of covers within the restaurant.

The desire of the business is to grow through the addition of new sites. The management team are focused upon finding new opportunities that will complement the Home House brand. This could be in the form of an additional club, standalone restaurant or dining club.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of risks that could harm the profitability of the business and the management team take active measures to ensure these risks are understood and minimised. An extensive risk management survey was conducted during the end of 2013 and the second stage of the survey will help to further deepen the understanding of the risks and what actions can be taken to mitigate risk where possible. The management team do not believe that the risk profile of the organisation has changed.

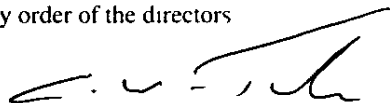
HOME HOUSE LIMITED

STRATEGIC REPORT *(continued)*

Year ended 31 December 2013

Operational risks focus around the ability to ensure that the alcohol licence is not encumbered with restrictions. The quality of food is paramount to the success of the business and great effort is made to ensure that food hygiene is maintained at the appropriate level.

Signed by order of the directors



Mr C W Tuke
Company Secretary

Approved by the directors on

7/3/14

HOME HOUSE LIMITED

DIRECTORS' REPORT

Year ended 31 December 2013

The directors present their report and the accounts of the company for the year ended 31 December 2013

RESULTS AND DIVIDENDS

The profit for the year after taxation, amounted to £716,290. Particulars of dividends paid are detailed in note 7 to the accounts.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, and other loans due to/ from the company. The main purpose of these instruments is to raise funds and to finance the company's operations.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

In respect of loans these comprise loans to and from group companies. The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

DIRECTORS

The directors who served the company during the year were as follows:

Mr S M Al-Hajaj
Mr C W Tuke
Mr S N Osseiran
Mr B A Dahl
Mr O M S Jaroudi

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 year.

In preparing these accounts, the directors are required to:

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

HOME HOUSE LIMITED

DIRECTORS' REPORT *(continued)*

Year ended 31 December 2013

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 accounts 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.

STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 we set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

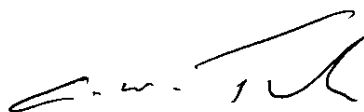
AUDITOR

Kilsby & Williams LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

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

Signed by order of the directors



Mr C W Tuke
Company Secretary

Approved by the directors on 7/3/14

**INDEPENDENT AUDITOR'S REPORT TO HOME HOUSE
LIMITED**

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes together with the accounts of Home House Limited for the year ended 31 December 2013 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Simon Tee 12th March 2014

Simon Tee (Senior Statutory Auditor)
For and on behalf of
Kilsby & Williams LLP
Chartered Accountants & Statutory Auditor

Cedar House
Hazell Drive
Newport
NP10 8FY

HOME HOUSE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

Year ended 31 December 2013

	Note	2013 £	2012 £
TURNOVER		13,314,662	12,789,764
Cost of Sales and Other operating income		(6,589,078)	(6 374,740)
Selling and distribution expenses		(297,089)	(357,037)
Administrative expenses		(5,591,181)	(5,427,639)
OPERATING PROFIT	2	<u>837,314</u>	<u>630,348</u>
Interest receivable		2,034	3,638
Interest payable and similar charges	5	-	(5,824)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>839,348</u>	<u>628,162</u>
Tax on profit on ordinary activities	6	(123,058)	(4 269)
PROFIT FOR THE FINANCIAL YEAR		<u><u>716,290</u></u>	<u><u>623,893</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 10 to 17 form part of these abbreviated accounts.

HOME HOUSE LIMITED

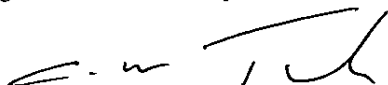
ABBREVIATED BALANCE SHEET

31 December 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	1,448,011	1,625,031
CURRENT ASSETS			
Stocks	9	153,549	153,386
Debtors due within one year	10	915,780	1,825,114
Debtors due after one year	10	3,349,645	4,172,423
Cash at bank and in hand		2,150,420	265,970
		6,569,394	6,416,893
CREDITORS: Amounts falling due within one year	12	(2,456,035)	(2,185,388)
NET CURRENT ASSETS		4,113,359	4,231,505
TOTAL ASSETS LESS CURRENT LIABILITIES		5,561,370	5,856,536
CREDITORS: Amounts falling due after more than one year	13	(2,488,544)	—
		3,072,826	5,856,536
CAPITAL AND RESERVES			
Called-up equity share capital	17	2,075,002	2,075,002
Profit and loss account	18	997,824	3,781,534
SHAREHOLDERS' FUNDS	19	3,072,826	5,856,536

These abbreviated accounts have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies

These abbreviated accounts were approved by the directors and authorised for issue on 7/3/14, and are signed on their behalf by



Mr C W Tuke

Company Registration Number 03054972

The notes on pages 10 to 17 form part of these abbreviated accounts.

HOME HOUSE LIMITED

CASH FLOW STATEMENT

Year ended 31 December 2013

	Note	2013 £	2012 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	20	1 639,696	1,037,322
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		2,034	3 638
Interest paid		—	(5 824)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		2 034	(2,186)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(487,665)	(560,470)
Receipts from sale of fixed assets		6,777	8,738
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(480,888)	(551 732)
CASH INFLOW BEFORE FINANCING		1,160,842	483,404
FINANCING			
Repayment of bank loans		—	(27,696)
Cash inflow/ (outflow) of long-term amounts owed to/ from group undertakings		723,608	(1,245,083)
NET CASH INFLOW/ (OUTFLOW) FROM FINANCING		723,608	(1 272,779)
INCREASE/(DECREASE) IN CASH	20	1,884,450	(789,375)

The notes on pages 10 to 17 form part of these abbreviated accounts.

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account is derived from ordinary activities and represents the income due exclusive of Value Added Tax

Membership subscription revenue is recognised on a straight-line basis over the life of the membership. Joining fees in relation to memberships are recognised in the month in which they are received

Room hire revenue is recognised at the end of the financial day. All other revenues such as bar and restaurant takings are recognised at the point of sale

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures, Fittings and Equipment	- 10% to 20% straight line method
Office Equipment	- 20% straight line method

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets only to the extent that, at the balance sheet date there is a binding agreement to dispose of the assets concerned. However, no provision is made where on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

1 ACCOUNTING POLICIES *(continued)*

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2013	2012
	£	£
Depreciation of owned fixed assets	630,545	626,233
Loss/(Profit) on disposal of fixed assets	27,363	(8,956)
Auditor's remuneration		
- as auditor	6,750	6,250

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2013	2012
	No	No
Number of staff	201	203

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	4,315,322	4,023,375
Social security costs	338,834	351,813
Other pension costs	37,393	36,300
	4,691,549	4,411,488

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2013 £	2012 £
Aggregate remuneration	<u>30,000</u>	<u>30,000</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Interest payable on bank borrowing	<u>-</u>	<u>5 824</u>

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 £	2012 £
Current tax		
UK Corporation tax based on the results for the year at 23% (2012 - 24%)	<u>87,387</u>	<u>-</u>
Total current tax	<u>87,387</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	<u>35,671</u>	<u>4,269</u>
Tax on profit on ordinary activities	<u>123,058</u>	<u>4,269</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23% (2012 - 24%)

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>839,348</u>	<u>628,162</u>
Profit on ordinary activities by rate of tax	193,050	150 759
Expenses not deductible for tax purposes	3,086	7,614
Capital allowances for period less than/ (in excess of) depreciation	(17,217)	19,415
Utilisation of group tax losses	(92,556)	(177,788)
Tax chargeable at other rates	928	-
Sundry tax adjusting items	96	-
Total current tax (note 6(a))	<u>87 387</u>	<u>-</u>

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

7 DIVIDENDS

Equity dividends

	2013 £	2012 £
Paid during the year		
Dividends on equity shares	<u>3,500,000</u>	<u>—</u>

8. TANGIBLE FIXED ASSETS

	Fixtures, Fittings & Equipment £	Office Equipment £	Total £
COST			
At 1 January 2013	5 586,055	110,618	5,696 673
Additions	487 665	—	487,665
Disposals	(319,778)	(38,605)	(358,383)
At 31 December 2013	<u>5,753,942</u>	<u>72,013</u>	<u>5,825 955</u>
DEPRECIATION			
At 1 January 2013	3,990 474	81,168	4,071,642
Charge for the year	621,211	9,334	630,545
On disposals	(285,638)	(38,605)	(324 243)
At 31 December 2013	<u>4,326,047</u>	<u>51,897</u>	<u>4,377,944</u>
NET BOOK VALUE			
At 31 December 2013	<u>1,427,895</u>	<u>20,116</u>	<u>1,448,011</u>
At 31 December 2012	<u>1,595,581</u>	<u>29,450</u>	<u>1,625,031</u>

9. STOCKS

	2013 £	2012 £
Stock	<u>153,549</u>	<u>153,386</u>

10. DEBTORS

	2013 £	2012 £
Trade debtors	242,538	201,101
Amounts owed by group undertakings	3,349,645	5,084,709
Other debtors	11,248	62 174
Prepayments and accrued income	516,810	468 698
Deferred taxation (note 11)	145,184	180,855
	<u>4,265,425</u>	<u>5,997,537</u>

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

10. DEBTORS (*continued*)

The debtors above include the following amounts falling due after more than one year

	2013	2012
	£	£
Amounts owed by group undertakings	3,349,645	4,172,423

11. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2013	2012
	£	£
Included in debtors (note 10)	145,184	180,855

The movement in the deferred taxation account during the year was

	2013	2012
	£	£
Balance brought forward	180,855	185,124
Profit and loss account movement arising during the year	(35,671)	(4,269)
Balance carried forward	145,184	180,855

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2013	2012
	£	£
Excess of depreciation over taxation allowances	144,143	180,855
Other timing differences	1,041	-
	145,184	180,855

12. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	716,358	758,939
Corporation tax	87,387	-
Other taxation and social security	561,296	678,174
Other creditors	88,827	41,114
Accruals and deferred income	1,002,167	707,161
	2,456,035	2,185,388

13. CREDITORS: Amounts falling due after more than one year

	2013	2012
	£	£
Amounts owed to group undertakings	2,488,544	-

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below

	Assets other than Land and buildings	
	2013 £	2012 £
Operating leases which expire		
Within 1 year	5,724	-
Within 2 to 5 years	12,104	4,400
	<u>17,828</u>	<u>4 400</u>

15. CONTINGENCIES

At 31 December 2013 a composite cross-guarantee was in existence between Home House Limited, Berkeley Adam Limited, Quintillion Restaurants Limited and Quintillion UK Limited in respect of a bank loan amounting to £13 500,000 and a bank overdraft amounting to £362,145. The directors do not expect any liability to arise from this.

16. RELATED PARTY TRANSACTIONS

The company is controlled by its ultimate controlling party which is The Salah Osseiran Trust.

Included within debtors/(creditors) due within one year are the following amounts due from/(to) the following companies (related due to common directors)

	2013 £	2012 £
This Works Products Limited	-	230
Fairford Holdings UK Limited	-	6,154
Hawkwell House Hotel Limited	-	297

The company made the following sales and purchases from the following companies during the year

	2013		2012	
	Sales £	Purchases £	Sales £	Purchases £
Fairford Holdings UK Limited	13,983	56,966	13,315	51,698
Mr S M Al-Hajaj	-	3 000	-	-
GO Holding SAL	-	3,000	-	-
DM Distributions Limited	-	-	124	-
This Works Products Limited	-	-	195	-
Hawkwell House Hotel Limited	-	-	252	-

In accordance with FRS, transactions with wholly owned entities within the group are not disclosed.

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

17. SHARE CAPITAL

Allotted, called up and fully paid

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>2,075,002</u>	<u>2,075,002</u>	<u>2,075,002</u>	<u>2,075,002</u>

18. PROFIT AND LOSS ACCOUNT

	2013	2012
	£	£
Balance brought forward	3,781,534	3,157,641
Profit for the financial year	716,290	623,893
Equity dividends	(3,500,000)	—
Balance carried forward	<u>997,824</u>	<u>3,781,534</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	716,290	623,893
Equity dividends	(3,500,000)	—
Net (reduction)/addition to shareholders' funds	(2,783,710)	623,893
Opening shareholders' funds	5,856,536	5,232,643
Closing shareholders' funds	<u>3,072,826</u>	<u>5,856,536</u>

20. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	837,314	630,348
Depreciation	630,545	626,233
Loss/(Profit) on disposal of fixed assets	27,363	(8,956)
Increase in stocks	(163)	(33,449)
Decrease/(increase) in debtors	(38,623)	106,280
Increase/(decrease) in creditors	183,260	(283,134)
Net cash inflow/(outflow) from operating activities	<u>1,639,696</u>	<u>1,037,322</u>

HOME HOUSE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2013

20 NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013 £	2012 £
Increase/(decrease) in cash in the period	1,884,450	(789,375)
Net cash outflow from bank loans	–	27,696
Net cash (inflow)/ outflow from long-term amounts owed to/ from group undertakings	(723,608)	1,245,083
Change in net funds resulting from cash flows	1,160,842 (3,500,000)	483,404 –
Change in net funds	(2,339,158)	483,404
Net funds at 1 January 2013	5,350,679	4,867,275
Net funds at 31 December 2013	<u>3,011,521</u>	<u>5,350,679</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2013 £	Cash flows £	Other changes £	At 31 Dec 2013 £
Net cash				
Cash in hand and at bank	265,970	1,884,450	–	2,150,420
Funds				
Long term amounts owed from group undertakings	5,084,709	300,010	(2,035,074)	3,349,645
Debt due after 1 year	–	(1,023,618)	(1,464,926)	(2,488,544)
	<u>5,084,709</u>	<u>(723,608)</u>	<u>(3,500,000)</u>	<u>861,101</u>
Net funds	<u>5,350,679</u>	<u>1,160,842</u>	<u>(3,500,000)</u>	<u>3,011,521</u>

21. ULTIMATE PARENT COMPANY

In the opinion of the directors, the company's ultimate parent company is Clements Nominees Limited a company registered in the British Virgin Islands

The parent undertaking of the largest group, which includes the company and for which group accounts are prepared is Fairford Holdings Limited, a company registered in the British Virgin Islands

The parent undertaking of the smallest group, which includes the company and for which group accounts are prepared, is Quintillion UK Limited. Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF4 3UZ