Registered number
06261520

TRANSFORM SCHOOLS (KNOWSLEY) LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

Transform Schools (Knowsley) Limited
Report and Financial Statements
Contents

Transform Schools (Knowsley) Limited
Registered number: 06261520
Strategic Report
for the year ended 31 December 2014

Strategic Review
On 13 December 2007, Transform Schools (Knowsley) Limited, entered into a Private Finance Initiative (PFI) concession contract with Knowsley Metropolitan Borough Council to design, build or refurbish, finance and provide services to seven secondary schools and a Special Educational Needs facility. The contract end date is 31 August 2034.

On 19 May 2011, Transform Schools (Knowsley) Limited entered into a second Private Finance Initiative (PFI) concession contract with Knowsley Metropolitan Borough Council to consolidate two existing Special Educational Needs (SEN) buildings into a single SEN facility. Pupils with a range of learning difficulties and ages are able to benefit from the new SEN facility. The contract end date is also 31 August 2034.

The Directors will continue to promote the successful delivery of Transform Schools (Knowsley) Limited's obligations under the concession contracts whilst protecting its shareholders' interests.

Review of the Business
As at 31 December 2014, the construction programme is complete on the seven original schools and the SEN Facility.

The results for the year are set out on page 7. The profit for the year after taxation amounted to £385,000 (2013 restated: £656,000).

Key Performance Indicators
The Directors consider that the Company has performed acceptably in relation to these key performance indicators:

- the schools have remained available for use; and
- the net cash flow is in line with or better than forecast.

Principal Risks
The principal risks which the Company is exposed to are credit risk, interest rate risk, liquidity risk and contractual relationships.

Credit risk
The Company's credit risk is primarily attributable to its trade receivables, which arise principally from its primary client, Knowsley Metropolitan Borough Council. The credit and cash flow risks are not considered significant as the client is a local government organisation.

Interest rate risk
Interest Rate risk is mitigated by the use of financial instruments. Interest rate swaps are in place between 2007 and 2034 for notional principal amounts equating to the full value of the expected bank debt that is at a variable rate of interest to give an effective fixed interest rate payable on this debt. Financial instruments are not used for speculative purposes.

Liquidity risk
The Company's liquidity risk is principally managed through financing the Company by means of long-term borrowings, with an amortisation profile that matches the expected availability of funds from the Company's operating activities.

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Strategic Report (continued)
for the year ended 31 December 2014

Banking covenants

The Company's secured senior loans are borrowed under a facility agreement which contains covenants regarding performance by the Company of financial and non-financial obligations under the PFI contracts. Most notably the Company is required to meet specified minimum debt service cover ratios and to maintain cash reserves for specified purposes. The Directors have reviewed the Company's cash flow forecasts and they have a reasonable expectation that all covenants will be met for the duration of the concession.

Contractual relationships

The Company operates within a contractual relationship with its primary customer, Knowsley Metropolitan Borough Council. Impairment of this relationship could have an impact upon the Company and lead to a breach of contract. Consequently, to manage this risk, the Company has regular meetings with Knowsley Metropolitan Borough Council, including discussions on performance, project processes, future plans and customer requirements. In accordance with the Project Agreement, the Company is responsible for constructing and providing services to the schools, which, if not provided, could have a detrimental impact upon the Company.

The Company's principal supplier is Cofely Workplace Limited. Under the terms of the FM Services Agreement this supplier provides the maintenance services that the Company is required to provide under the Project Agreement.

This report was approved by the board on 17 July 2015 and signed on its behalf.

Andrew David Clapp
Director

Registered Office: 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG

Transform Schools (Knowsley) Limited
Registered number: 06261520
Directors' Report
for the year ended 31 December 2014

The Directors have pleasure in presenting their annual report together with the audited financial statements for the year ended 31 December 2014.

Results and Dividends

The results for the year are set out on page 7. The profit for the year after taxation amounted to £385,000 (2013 restated: £656,000). The Directors do not propose to pay a dividend in respect of the year ended 31 December 2014 (2013: £Nil).

Going Concern

The Directors do not expect any significant change to the Company's activities to occur in the twelve months following the date of approval of this annual report.

The Directors believe that future economic benefits will cover the obligations that arose from the financing of the construction of the project for Knowsley Metropolitan Borough Council and the Company will continue to be able to meet its liabilities as they fall due.

The Directors have specifically considered the ability of Knowsley Metropolitan Borough Council to continue to pay the unitary fees, due under the concession contract, to the Company and do not consider this to be a material risk. The Company's forecasts and projections, taking into account reasonable counterparty performance, show that the Company expects to be able to continue to operate for the full term of the concession.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the notes to the financial statements.

Financial Risk Management

The principal risks have been considered in the Strategic Report under Principal Risks. The Company manages its financial risks by regular review of a cash flow forecast covering the full length of the concession, use of interest rate swap agreements, regular monitoring of debt service cover ratios and maintenence of cash reserves to meet its key short-term payment obligations.

Directors

The Directors of the Company are:

Andrew David Clapp (appointed on 12th June 2014)
John McDonagh (appointed on 12th June 2014)

The following persons served as Directors during the year:

G.L. Buckley (resigned on 12th June 2014)
L. Gladwell (resigned on 12th June 2014)
K.V. Walker (resigned on 12th June 2014)

Directors' Share Interests
No Director had any interest in the issued share capital of the Company at 31 December 2014 (2013: £Nil).

Registered Office
The Company's registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG

Provision of Information to Auditors
Each of the persons who is a Director at the date of approval of this report confirms that:

(i) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(ii) the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

In April 2015 Deloitte LLP resigned as auditor and Baker Tilly UK Audit LLP was appointed. Persuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Baker Tilly UK Audit LLP will therefore continue in office.

This report was approved by the board on 17 July 2015 and signed on its behalf.

Andrew David Clapp
Director

Registered Office: 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG

Transform Schools (Knowsley) Limited
Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report and 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 Company and of the profit or loss of the Company for that period.

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 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.

Transform Schools (Knowsley) Limited
Independent Auditor's report
to the members of Transform Schools (Knowsley) Limited

We have audited the financial statements on pages 7 to 17. 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 Statement of Directors' Responsibilities set out on page 5, 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
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditscopeukprivate.

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 2014 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 matters prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and 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.

Baker Tilly UK Audit LLP

I Alexander L Tait
for and on behalf of Baker Tilly UK audit LLP, Statutory Auditor
Chartered Accountants
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

17 July 2015

Transform Schools (Knowsley) Limited
Profit and Loss Account
for the year ended 31 December 2014

	Notes	2014 £'000	Restated 2013 £'000
Turnover	2	5,870	7,372
Cost of sales		(5,152)	(5,996)
Gross Profit		718	1,376
Administrative expenses		(840)	(862)
Operating (loss)/profit	3	(122)	514
Interest receivable	4	12,408	12,674
Interest payable and similar charges	4	(11,798)	(12,335)
Profit on ordinary activities		488	853
Taxation (charge)	5	(103)	(197)
Profit on ordinary activities after taxation	13,14	385	656

Continuing operations
None of the Company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses
for the year ended 31 December 2014

	Notes	2014 £'000	2013 £'000 Restated
Profit for the year		385	656
Total recognised gains and losses relating to the year		385	656
Prior period adjustment	18	755	
Total recognised gains and losses recognised since last annual report		1,140	

Transform Schools (Knowsley) Limited
Balance Sheet
as at 31 December 2014

	Notes	2014 £'000	Restated 2013 £'000
Current assets			
Debtors - finance debtor due within one year	8	4,103	3,816
Debtors - finance debtor due after more than one year	8	175,734	180,248
Debtors: due within one year	6	995	2,421
Deferred tax due within one year	7	-	-
Cash at bank and in hand		11,045	10,551
		191,877	197,036
Creditors: amounts falling due within one year	9	(21,853)	(19,853)
Net current assets		**170,024**	**177,183**
Total assets less current liabilities		170,024	177,183
Creditors: amounts falling due after more than one year			
Senior debt	10	(154,922)	(160,490)
Loan stock	11	(13,544)	(15,520)
		(168,466)	(176,010)
Net assets		**1,558**	**1,173**
Capital and reserves			
Called up share capital	12	50	50
Profit and loss account	13	1,508	1,123
Shareholders' funds	14	**1,558**	**1,173**

The Financial Statements of Transform Schools (Knowsley) Limited were approved by the board of Directors and authorised for issue on 17 July 2015 and they were signed on its behalf by:

ADCl

Andrew David Clapp
Director

Company registration number: 06261520

1 Accounting policies

A summary of the principal accounting policies of the Company, all of which have been applied consistently throughout the current and preceding year, is set out below:

a) Basis of preparation
The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

b) Going Concern
The current economic conditions create some general uncertainty. The Directors have reviewed the Company's supply chain and do not believe that any specific risk has been identified. The Directors have also considered the ability of the council to continue to pay unitary fees due under the concession contract to the Company and do not consider this to be a material risk. The Company's forecasts and projections, taking account of reasonable counterparty performance, show the Company expects to be able to continue to operate for the full term of the concession.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements. The Company's long term forecasts show that it will be profitable over the life of the concession.

c) Cash flow statement
The Company is exempt from the requirement of Financial Reporting Standard No.1 (Revised) 1996 to prepare a cash flow statement as it is a wholly-owned subsidiary of Transform Schools (Knowsley) Holdings Limited, which prepares consolidated financial statements which include a cash flow statement and are publicly available.

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

1 Accounting policies (continued)

e) Capital instruments
Finance costs in relation to bank loans are recognised at a constant rate in accordance with the carrying value of those loans. Bank loans are initially stated at the amount of the net proceeds after deduction of arrangement fees. The carrying amount is increased by the finance cost in respect of the accounting year and reduced by payments made in that year.

f) Finance costs
Finance costs are capitalised during the construction phase of the contract, and are amortised over the period of the concession. The finance costs on the debt are recognised at a constant rate in accordance with the value of the debt. Finance costs are expensed during the operational stage.

g) Derivative financial instruments
The Company uses derivative financial instruments to manage its exposure to changes in interest rates. These transactions are accounted for on an accruals basis. The Company does not hold or issue derivative financial instruments for speculative purposes.

In order to hedge against interest rate variations on the loans the Company has entered into interest rate swap agreements, whereby it has agreed to exchange at agreed intervals with its bankers sums reflecting the difference between floating and fixed interest rates calculated on a predetermined notional principal amount. The fair value of the interest rate swaps at 31 December 2014 was a liability of £48,075,914 (2013: £30,143,565). Market value has been used to determine the fair value.

h) Finance debtor
During the construction phase of the project, all attributable expenditure including finance costs, is included in amounts recoverable on contracts. Upon becoming operational, these costs, representing fair value, are transferred to the finance debtor. During the operational phase, income is allocated between interest receivable and the finance debtor using a project specific interest rate, in line with FRS 5 Application note F. The remainder of the PFI unitary charge income is recognised as turnover in accordance with FRS 5 Application note G. The company recognises income in respect of services provided as it fulfils its contractual obligation in respect of these services and in line with fair value of consideration receivable in respect of these services.

1 Accounting policies (continued)

i) Turnover
All turnover and profit on ordinary activities before taxation originates in the UK. Turnover represents the value, net of value added tax and discounts, of services provided in the year. Service revenue in respect of the unitary charge is recognised as described in the finance debtor accounting policy.

j) Bank debt policy
Interest-bearing bank loans and overdrafts are recorded at proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit and loss account using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2 Turnover

	2014	Restated 2013
Turnover by origin and destination from the Company's principal activity:	**£'000**	**£'000**
United Kingdom	5,870	7,372
	5,870	**7,372**

3 Operating (loss)/profit

	2014	2013
	£'000	**£'000**
This is stated after charging:		
Auditor's remuneration for audit services - Company	10	18
- Other group entities	4	-
Auditor's remuneration for other services	8	12

The Directors received no salary in the performance of their duties during the current or preceding year. The Company had no employees in the current or preceding year. All other costs of the Directors are borne by the shareholders of the ultimate parent company, which seconds its employees to the Company.

4 Net finance cost

	2014 £'000	Restated 2013 £'000
Bank interest receivable	49	49
Interest receivable on the finance debtor	12,359	12,625
Interest receivable and similar income	12,408	12,674
Interest and fees payable on secured senior loan	(2,383)	(2,501)
Interest rate swap	(7,260)	(7,455)
Interest payable on secured subordinated loan stock - group	(2,001)	(2,130)
Amortisation of loan arrangement costs	(154)	(261)
Interest payable and similar charges	(11,798)	(12,347)
Less: amounts capitalised	-	12
Net finance cost	610	339

5 Taxation

The tax charge is based on the profit for the period at an effective tax rate of 21.5% (2013: 23.25%).

	2014 £'000	Restated 2013 £'000
Analysis of charge in period		
UK corporation tax on profits of the period	103	177
Deferred tax - current year	-	20
Tax on profit/(loss) on ordinary activities	**103**	**197**

Factors affecting tax charge for period
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2014 £'000	Restated 2013 £'000
Profit/(loss) on ordinary activities before tax	488	853
Standard rate of corporation tax in the UK	21.5%	23.25%
	£'000	£'000
Loss on ordinary activities multiplied by the standard rate of corporation tax	105	198
Effects of:		
Losses utilised	-	(20)
Other short term timing differences	(2)	(1)
Current tax charge for period	**103**	**177**

6 Debtors - due within one year	**2014**	Restated **2013**
	£'000	**£'000**
Trade debtors	235	676
Provision for Doubtful Debts	-	(102)
Prepayments	105	862
Accrued income	655	985
	995	**2421**

7 Deferred tax	**2014**	Restated **2013**
	£'000	**£'000**
At 1 January	-	20
Current year movement	-	(20)
Effect of change in tax rate on opening asset	-	-
Adjustments in respect of prior periods	-	-
At 31 December	-	-

The deferred tax asset related to tax losses brought forward.

8 Finance debtor	**2014**	Restated **2013**
	£'000	**£'000**
Due within one year	4,103	3,816
Due after more than one year	175,734	180,248
	179,837	**184,064**

9 Creditors: amounts falling due within one year	**2014**	Restated **2013**
	£'000	**£'000**
Other tax and social security	996	765
Secured senior loan	6,038	5,369
Subordinated loan stock due to group	1,702	288
Accruals and deferred income	12,130	11,675
Trade creditors	718	1579
Corporation tax	269	177
	21,853	19,853

10 Creditors: amounts falling due after one year	**2014**	**2013**
	£'000	**£'000**
Secured senior loan	156,940	162,978
Less: Arrangement fee	(2,018)	(2,488)
	154,922	160,490
Borrowings are repayable in the following periods:		
Between one and two years	6,043	6,038
Between two and five years	18,277	17,811
After five years	132,620	139,129
Less: Arrangement fee	(2,018)	(2,488)
	154,922	160,490

The secured senior loans represent amounts borrowed by the Company under a facility agreement with banks. The loans are repayable in instalments between 2010 and 2034. The loans bear interest at a margin over LIBOR. As part of the interest rate management strategy, the company entered into interest rate swaps in respect of all senior debt. Under these swaps and the financing in place, the company pays fixed interest at fixed rates between 5.7% and 6.3%. The fair value of the swaps at the year end is £48,075,914 (2013: £30,143,565). The loans are secured by fixed and floating charges over the undertaking, property, assets and rights of the Company, and have certain covenants attached.

11 Other creditors: amounts falling due after one year

	2014	Restated 2013
Loan stock due to group	13,544	15,520
	13,544	**15,520**
Loan stock is repayable in the following periods:		
Between one and two years	392	391
Between two and five years	1,146	1,092
After five years	12,006	14,037
	13,544	**15,520**

The secured subordinated loan stock has been subscribed by Transform Schools (Knowsley) Limited. The loan stock bears interest at a rate of 10.0% above RPIx and is repayable in instalments between 2010 and 2034. It is secured by second fixed and floating charges over the undertaking, property, assets and rights of the Company.

12 Share capital

	Nominal value	2014 Number	2014 £'000	2013 £'000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	50,100	50	50
			50	**50**

13 Profit and loss account

	2014 £'000	Restated 2013 £'000
At 1 January as orginally stated	368	86
Prior period adjustment (Note 18)	755	381
Brought forward restated	1,123	467
Retained profit for the financial year	385	656
At 31 December	**1,508**	**1,123**

14 Reconciliation of movement in shareholders' funds

	2014 £'000	Restated 2013 £'000
At 1 January restated	1,173	517
Profit for the financial year (2013 restated)	385	656
At 31 December	**1,558**	**1,173**

15 Parent company and controlling party

The Company is indirectly a wholly-owned subsidiary of Transform Schools (Knowsley) Holdings Limited which is incorporated in the United Kingdom and registered in England and Wales. Transform Schools (Knowsley) Holdings Limited owns 100% of the share capital in Transform Schools (Knowsley) Intermediate Limited, which in turn owns 0.2% of the share capital in the Company. The remaining 99.8% of the share capital in the Company is owned by Transform Schools (Knowsley) Holdings Limited. The only Group in which the results of Transform Schools (Knowsley) Limited are consolidated is Transform Schools (Knowsley) Holdings Limited, copies of whose financial statements are available from 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

16 Ultimate controlling parties

The ultimate controlling party during the year was Balfour Beatty plc until 12th June 2014 when Dalmore Capital Limited purchased 100% shareholding in Transform Schools (Knowsley) Holdings Limited of which the Company is indirectly a wholly owned subsidiary.

17 Related party transactions

As an indirectly wholly-owned subsidiary of Dalmore Capital Limited, the Company has taken advantage of the exemption in FRS 8 'Related party disclosures' from disclosing related party transactions with other members of the group.

18 Prior Period Adjustment

Management have revisited the calculation of the finance debtor and determined that a non-standard annuity amortisation rate had been used to calculate the effective interest. This, and the lack of use of a unitary charge control account meant that the finance debtor was significantly understated in the prior year, along with an overstatement of turnover and understatement of interest.

During this exercise it was also identified that certain revenue and costs had been recognised in the incorrect period and that the classification of the finance debtor between short term and long term did not reflect the expected timing of payments.

These adjustments are considered to be fundamental and as a consequence the prior year results and position have been restated. This has led to an adjustment to pre-tax profit of £481,814 and post tax profit of £373,814 for the year ended 31 December 2013. The net assets at 1 January 2013 have also been restated by £381,000. A breakdown of these adjustments can be seen below.

The effect of the change in the comparative year's figures for the year to 31 December 2013 is as follows:

	Turnover	Cost of Sales	Interest receivable	Corporation Tax (charge) / credit	Deferred Tax (charge) / credit	Profit for the Year
	£'000	£'000	£'000	£'000	£'000	£'000
Original at 31 December 2013	8,351	(6,757)	11,974	-	(89)	282
Reduction in Turnover	(979)					(979)
Reduction in Cost of Sales		761				761
Increase in Interest Receivabe on Finance Debtor			700			700
(Decrease)/Increase in Profit pre tax in the year	(979)	761	700	-	-	482
Net tax charge in respect of prior period adjustment				(177)	69	(108)
(Decrease)/Increase in Profit post tax in the year	(979)	761	700	(177)	69	374
Restated at 31 December 2013	7,372	(5,996)	12,674	(177)	(20)	656

The effect on the balance sheet at 31 December 2013 is as follows:

	Short Term Finance Debtor	Long Term Finance Debtor	Unitary Charge Control Account	Prepayments and deferred income	Accruals and deferred income	Corporation Tax Creditor	Deferred Tax Asset	Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Original at 31 December 2013	18,746	158,113	-	101	(2,471)	-	82	368
Adjustment to Opening Balances			941		(409)		(151)	381
Reduction in Turnover			(670)		(309)			(979)
Increase in Interest Receivable on Finance Debtor			700					700
Reduction in Cost of Sales				761				761
Creation of Unitary Charge Control Account		7,205	(7,205)					-
Correction to ageing of Finance Debtor	(14,930)	14,930						-
Reduction in Deferred Tax Asset							69	69
Corporation Tax Creditor	-		-	-		(177)		(177)
Total adjustments	(14,930)	22,135	(6,234)	761	(718)	(177)	(82)	755
Restated at 31 December 2013	3,816	180,248	(6,234)	862	(3,189)	(177)	-	1,123

19 Contingent Liabilities

The Company is a member of a VAT Group. All group members are jointly and severally liable for the total group VAT liability. In the usual course of business, members recognise and meet their own individual liability. At the period end the liabilities of the other group members totalled £nil (2013: £nil).

There are no other contingent liabilities (2013: £nil).