AHL HOLDINGS (WAKEFIELD) LIMITED

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2012

Registered Number 4416057

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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DIRECTORS AND ADVISORS

Directors
D R Bradbury
J G Connelly
R L Groome
A L Roshier (resigned 11 January 2012)
B M E Johnstone (appointed 11 January 2012, resigned 24 August 2012)
E Koolhaas (appointed 24 August 2012, resigned 16 January 2013)
M Turnbull-Fox (appointed 16 January 2013)

Company secretary and registered office
M Lewis
1 Kingsway
London
WC2B 6AN

Auditor
Deloitte LLP
Chartered Accountants
London

Principal bankers
Bank of Scotland
11 Earl Grey Street
Edinburgh
EH3 9BN

Solicitors
Freeth Cartwright LLP
6 Bennetts Hill
Birmingham
B2 5ST

DIRECTORS' REPORT

The Directors submit their Annual Report and the audited financial statements for the year ended 31 December 2012

The Directors' report has been prepared in accordance with the provisions applicable to the companies entitled to the small companies exemption

The Company is a joint venture between the JLIF Limited Partnership (50%) and Amey Ventures Investments Limited (50%)

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company principally operates as a holding company and was formed to hold the equity investment in Amey Highways Lighting (Wakefield) Limited

There have not been any significant changes in the Company's principal activities in the year under review The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year

Financial close was reached on 23 December 2003 The concession period is 25 years The completion certificate for the construction works was received on 17 December 2008, and £2 4m of subordinated debt was injected into the project on this date

GOING CONCERN

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate More information is provided in note 1 to the financial statements

FUTURE DEVELOPMENTS

The Company's subsidiary undertaking, Amey Highways Lighting (Wakefield) Limited, will continue to finance and operate the street lighting until the end of the concession

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's exposure is limited to the extent of the investment it has made in its subsidiary undertaking, Amey Highways Lighting (Wakefield) Limited

FINANCIAL RISK MANAGEMENT

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet the Directors consider that all significant risk has been transferred out

AUDITORS

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

- as 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 ought to have taken as a Director in order to make himself aware of 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 provision of section 418 of the Companies Act 2006

DIRECTORS

The Directors who served throughout the year, except as noted, are shown on page 1

EMPLOYEES

Details of the number of employees and related costs can be found in note 5 to the financial statements on page 12

DIRECTORS' REPORT (continued)

AUDITOR

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an AGM

On behalf of the Board

D R Bradbury
Director
16 April 2013

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) 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 year In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,

- make judgements and accounting estimates that are reasonable and prudent, and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AHL HOLDINGS (WAKEFIELD) LIMITED

We have audited the financial statements of AHL Holdings (Wakefield) Limited for the year ended 31 December 2012 which comprise the consolidated profit and loss account, the consolidated and Parent Company balance sheet, consolidated cashflow 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 (APB'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 and parent 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 In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies in the audited financial statements 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 Group's and Parent's Company's affairs as at 31 December 2012 and of the Group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us, or
- the Parent Company 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, or
- the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report

Jacqueline Holden

Jacqueline Holden FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
16 April 2013

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Turnover	2	**2,959**	2,647
Cost of sales		**(2,512)**	(2,236)
Operating profit	3	**447**	411
Net interest payable	6	**(61)**	(101)
Profit on ordinary activities before taxation		**386**	310
Tax on profit on ordinary activities	7	**(94)**	(84)
Profit for the financial year	14	**292**	226

A reconciliation of movements in shareholders' funds is given in note 15

All items in the profit and loss account relate to continuing operations

There is no material difference between the results stated in the consolidated profit and loss account and their historical cost equivalents

All gains and losses are recognised in the profit and loss account in both the current and preceding year, and therefore no separate statement of total recognised gains and losses has been presented

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Current assets			
Debtors		21,425	22,156
- due within one year	10	1,876	1,781
- due after more than one year	10	19,549	20,375
Cash at bank and in hand		178	148
		21,603	22,304
Current liabilities			
Creditors amounts falling due within one year	11	(1,569)	(1,389)
Net current assets		20,034	20,915
Total assets less current liabilities		20,034	20,915
Creditors: amounts falling due after more than one year	11	(19,741)	(20,750)
Net assets		293	165
Capital and reserves			
Called up share capital	13	25	25
Profit and loss account	14	268	140
Shareholders' funds	15	293	165

The consolidated financial statements of AHL Holdings (Wakefield) Limited, registered number 4416057, were approved by the Board of Directors and authorised for issue on 16 April 2013 They were signed on its behalf by

D R Bradbury
Director
16 April 2013

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Fixed assets			
Investments	9	25	25
Current assets			
Debtors		2,053	2,125
- due within one year	10	207	164
- due after more than one year	10	1,846	1,961
Creditors amounts falling due within one year	11	(207)	(164)
Net current assets		1,846	1,961
Total assets less current liabilities		1,871	1,986
Creditors: amounts falling due after more than one year	11	(1,846)	(1,961)
Net assets		25	25
Capital and reserves			
Called up share capital	13	25	25
Shareholders' funds	15	25	25

The financial statements of AHL Holdings (Wakefield) Limited, registered number 4416057, were approved by the Board of Directors and authorised for issue on 16 April 2013 They were signed on its behalf by

D R Bradbury
Director
16 April 2013

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Net cash inflow from operating activities	17	**2,613**	2,517
Returns on investments and servicing of finance			
Interest received		**11**	5
Interest and other financing costs paid		**(1,447)**	(1,495)
Net cash outflow from returns on investments and servicing of finance		**(1,436)**	(1,490)
Taxation		**(86)**	(63)
Equity dividends paid		**(164)**	(181)
Net cash inflow before use of liquid resources and financing		**927**	783
Financing			
Repayment of loans		**(894)**	(850)
Increase in other financial assets		**(3)**	(504)
Net cash outflow from financing		**(897)**	(1,354)
Increase/(decrease) in cash in the year	18	**30**	(571)
Cash at bank and in hand			
Balance as at 1 January		**148**	719
Balance as at 31 December		**178**	148

Notes to the financial statements for the year ended 31 December 2012

1 ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards A summary of the principal accounting policies adopted by the Directors, which have been applied consistently throughout the current and preceding year, is shown below

Company

The Company exists to hold investments in its subsidiary that provides services under certain private finance agreements The subsidiary is set up as a Special Purpose Company under non-recourse arrangements and therefore the Company has limited its exposure to the liabilities In the event of default of the subsidiary, the exposure is limited to the extent of the investment it has made Having reviewed the Company's investment portfolio including the associated future cash requirements and forecast receipts, the Directors are satisfied that they have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Group

The current economic conditions create some uncertainty, including with respect to
(a) the ability of key sub-contractors to continue to meet contractual commitments,
(b) the ability of the debt provider to continue to meet its contractual commitments, and
(c) the ability of the SWAP provider to continue to meet their commitments

The Directors have considered the ability of key sub-contractors to continue to meet contractual commitments and do not consider this to be a material risk

The Group's forecasts and projections, taking account of reasonably possible changes in counterparty performance, show that the Company expects to be able to continue to operate

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 accounts

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking drawn up to 31 December each year The Company made a profit before tax of £164,000 (2011 - £181,000) for the financial year As permitted by section 408 of the Companies Act 2006, no separate profit and loss account in presented in respect of the parent company A reconciliation of movements in equity shareholders' funds is given in note 15

b) Turnover

Turnover is derived entirely from within the United Kingdom and is net of VAT

During the construction phase of the project, all attributable expenditure, including finance costs, are included in amounts recoverable on contracts and turnover Upon the asset becoming operational, the costs are transferred to the finance debtor During the operational phase, income is allocated between interest receivable and turnover using a constant operating margin or PFI income will be allocated to the finance debtor

In 2012 amounts invoiced in line with the project agreement were £4 5m (2011 - £4 2m)

c) Finance debtor

The Group is an operator under a PFI contract Under the terms of the contract, substantially all the risks and rewards of ownership of the property asset remain with The City of Wakefield Metropolitan District Council The underlying asset is therefore not a fixed asset of the Group under FRS5 Application Note F and SSAP 21

d) Finance debtor and income recognition

During the construction phase of the project, all attributable expenditure including finance costs is included in amounts recoverable on contracts and turnover Upon the asset becoming operational, the costs are transferred to the finance debtor During the operational phase, income is allocated between interest receivable and turnover using a constant operating margin on costs The remainder of the PFI income will be allocated to the finance debtor

Notes to the financial statements for the year ended 31 December 2012 (continued)

1 ACCOUNTING POLICIES (continued)

e) Operating costs
Operating costs are added to amounts recoverable on contract during the construction period Following commissioning, regular operating costs will be expensed to the profit and loss account as incurred

f) Interest payable
Interest costs on borrowings are added to amounts recoverable on contract during the construction phase of the contract, and then written off to the profit and loss account over the period of concession As the interest is included in the finance debtor balance it is recognised in the profit and loss as an annuity using the finance debtor rate over the concession period

g) Taxation
Current tax, including United Kingdom Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

In accordance with FRS19 'Deferred Tax', deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date Deferred tax assets are not discounted

h) Investments
Fixed asset investments are shown at cost less provision for impairment Income from investments is included in the profit and loss account as declared

i) Financial Instruments
The Company uses financial instruments to reduce exposure to interest rate movements The Company does not hold or issue derivative financial instruments for speculative purposes

j) Bank Borrowings
Interest-bearing bank loans and overdrafts are recorded at the 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 or loss account using the effective interest 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

k) Cash
Cash comprise cash at bank and in hand and short term deposits with original maturity of less than three months

Notes to the financial statements for the year ended 31 December 2012 (continued)

2 TURNOVER

	Group 2012 £'000	Group 2011 £'000
Turnover in the year is analysed as follows		
Service fee revenue	2,339	2,073
Other operating income	620	574
	2,959	2,647

3 OPERATING PROFIT

	Group 2012 £'000	Group 2011 £'000
Operating profit is stated after charging		
Fees payable to the Company's auditor for the audit of the Company's and the Company's subsidiary's annual accounts	11	10
Operating and maintenance costs	1,649	1,484
Other operating costs	852	742

4 DIRECTORS' REMUNERATION

No Directors received any remuneration for services to the Company during the current or prior year The Company is managed by secondees from the shareholders under a management services contract

5 STAFF NUMBERS

The Company had no employees during the year (2011 - nil)

6 NET INTEREST PAYABLE

	Group 2012 £'000	Group 2011 £'000	Company 2012 £'000	Company 2011 £'000
Interest receivable and similar income				
Interest receivable on bank deposits	11	5	-	-
Interest receivable on finance debtor	1,378	1,399	-	-
Interest receivable on amounts due from subsidiary undertaking	-	-	253	263
	1,389	1,404	253	263
Interest payable and similar charges				
Interest payable on bank loans and overdrafts	(1,188)	(1,233)	-	-
Interest payable to shareholders	(253)	(263)	(253)	(263)
Amortised debt issue costs	(9)	(9)	-	-
	(1,450)	(1,505)	(253)	(263)
Net interest payable	(61)	(101)	-	-

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	Group 2012 £'000	Group 2011 £'000
Analysis of charge for the year		
Current tax		
UK corporation tax	(95)	(83)
Total current tax	(95)	(83)
Adjustment in respect of prior years	1	(1)
Total tax charge on loss on ordinary activities	(94)	(84)

Notes to the financial statements for the year ended 31 December 2012 (continued)

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting the tax charge for the current year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows

	Group 2012 £'000	Group 2011 £'000
Profit for the financial year	386	310
Profit on ordinary activities multiplied by the blended rate of corporation tax in the UK of 24 5% (2011 - 26 5%)	(95)	(82)
Effects of		
Permanent disallowable items	-	(1)
Total current tax for the year	(95)	(83)

For the year ended 31 December 2012, the blended UK rate of 24 5% is applied due to the change in the UK corporation tax rate from 26% to 24% with effect from 1 April 2012

8 DIVIDENDS

	Group and Company 2012 £'000	Group and Company 2011 £'000
Equity shares		
- Interim and final dividend paid of £6 58 (2011 - £7 26) per £1 share	(164)	(181)

9 INVESTMENTS

	Company Shares in group undertaking
Cost and net book value	
At 31 December 2012	25
At 31 December 2011	25

The sole investment is 100% equity investment in Amey Highways Lighting (Wakefield) Limited, which is incorporated in Great Britain and registered in England and Wales and its principal activity is to design, build, finance and operate street lights in accordance with an agreement with the The City of Wakefield Metropolitan District Council

In the opinion of the Directors the aggregate value of the investment is not less than the amount stated in the balance sheet

10 DEBTORS

	Group		Company	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Due within one year				
Finance debtor	884	793	-	-
Trade debtors	470	475	-	-
Amounts due from subsidiary undertaking	-	-	207	164
Prepayments and accrued income	15	9	-	-
Other financial assets	507	504	-	-
	1,876	1,781	207	164
Due after more than one year				
Finance debtor	19,549	20,375	-	-
Amounts due from subsidiary undertaking	-	-	1,846	1,961
	19,549	20,375	1,846	1,961

Notes to the financial statements for the year ended 31 December 2012 (continued)

10 DEBTORS (continued)

The finance debtor includes cumulative net interest costs of £953,000 (2011 - £987,000)

Amounts due from subsidiary undertaking comprises of loans of £1,990,000 (2011- £2,060,000) and accrued interest of £63,000 (2011 - £65,000) The loans are subject to interest rates at an agreed arms length rate of 12 5% per ammum and are repayable by 2026 in line with the agreed repayment schedules

Other financial assets include amounts held within deposit accounts with a maturity of not less than 3 months from the initial deposit

11 CREDITORS

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Amounts falling due within one year				
Bank loans (note 12)	**903**	824	-	-
Less unamortised debt issue costs	**(9)**	(9)	-	-
Amounts due to shareholders	**207**	164	**207**	164
Trade creditors	**197**	33	-	-
Corporation tax	**54**	46	-	-
Other taxation and social security	**106**	126	-	-
Accruals and deferred income	**111**	205	-	-
	1,569	1,389	**207**	164
Amounts falling due after more than one year				
Bank loans (note 12)	**18,014**	18,917	-	-
Less unamortised debt issue costs	**(119)**	(128)	-	-
Amounts due to shareholders	**1,846**	1,961	**1,846**	1,961
	19,741	20,750	**1,846**	1,961
Analysis of debt				
Debt can be analysed as falling due				
In one year or less	**1,047**	923	**144**	99
Between one and two years	**1,240**	1,019	**137**	116
Between two and five years	**4,432**	4,080	**451**	426
In five years or more	**14,188**	15,779	**1,258**	1,419
	20,907	21,801	**1,990**	2,060
Less unamortised debt issue costs	**(128)**	(137)	-	-
	20,779	21,664	**1,990**	2,060

Amounts due to shareholders comprises of loans of £1,990,000 (2011 - £2,060,000) and accrued interest of £63,000 (2011 - £65,000) The loans are subject to interest rates at an agreed arms length rate of 12 5% per ammum and are repayable by 2026 in line with the agreed repayment schedules

12 LOANS

The bank loan is provided by Bank of Scotland and is to be used to finance the operation of the project over its remaining life The loan is repayable in instalments based on an agreed percentage amount of the total facility per annum through to 2026

The loan is secured by a fixed and floating charge over all the assets of the Group and a charge over the shares of the Group

Interest on the facility is charged at rates linked to LIBOR The Group has entered into fixed interest rate swaps to mitigate its interest rate exposure which have a negative fair value at 31 December 2012 of £4,833,978 (2011 - £4,747,527) The fixed interest rate on the facility, including all margins, is 6 1% The Group does not hold or issue derivative financial instruments for speculative purposes

Notes to the financial statements for the year ended 31 December 2012 (continued)

13 CALLED UP SHARE CAPITAL

	Group / Company 2012 £'000	2011 £'000
Allotted, called up and fully paid		
25,000 ordinary shares of £1 each	25	25

14 MOVEMENT IN RESERVES

	Group Profit and loss account £000	Company Profit and loss account £000
At 1 January 2012	140	-
Profit for the financial year,	292	164
Dividends paid on equity shares (note 8)	(164)	(164)
At 31 December 2012	268	-

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Company	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Profit for the financial year	292	226	164	181
Dividends paid on equity shares (note 8)	(164)	(181)	(164)	(181)
Net increase in shareholders' funds	128	45	-	-
Opening shareholders' funds	165	120	25	25
Closing shareholders' funds	293	165	25	25

16 TRANSACTIONS WITH RELATED PARTIES

There were related party transactions between the Group and the following parties

	2012 £'000	2011 £'000
Amey LG Limited		
Operating and Maintenance costs	2,254	2,021
Balance payable at 31 December	170	-
Amey Ventures Management Services Limited		
Company concession overheads	46	25
Directors' fees	3	3
Balance payable at 31 December	-	8
DIF Infrastructure II UK Limited		
Directors' fees	3	3
Balance payable at 31 December	-	-
Amey Ventures Investments Limited		
Loan note interest charged	127	131
Loan notes owed at 31 December	995	1,030
John Laing Infrastructure Fund Limited and subsidiaries		
Directors' fees	7	3
Balance payable at 31 December	2	2
Loan note interest charged	127	131
Loan notes owed at 31 December	995	1,030

Notes to the financial statements for the year ended 31 December 2012 (continued)

16 TRANSACTIONS WITH RELATED PARTIES (continued)

Amey LG Limited, Amey Ventures Management Services Limited are fellow subsidiaries of Amey plc Amey plc and DIF Infrastructure II UK Limited are equal shareholders of Amey Ventures Investments Limited, one of the shareholders of AHL Holdings (Wakefield) Limited

On 29 November 2010 John Laing Infrastructure Limited, a subsidiary of John Laing plc, sold its shares in the Company to the JLIF Limited Partnership, the limited partner of which is JLIF LuxCo 2 Sàrl The limited partner is a wholly owned subsidiary of the John Laing Infrastructure Fund Limited Group

17 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012 £'000	2011 £'000
Operating profit	447	411
Decrease in debtors	2,112	2,111
Increase/(decrease) in creditors	54	(5)
Net cash inflow from operating activities	2,613	2,517

18 RECONCILIATION OF MOVEMENT IN NET DEBT

	At 1 January 2012 £'000	Cash flow £'000	Other non-cash changes £'000	At 31 December 2012
Cash in hand and at bank	148	30	-	178
Debt due within one year	(914)	894	(1,018)	(1,038)
Debt due after one year	(20,750)	-	1,009	(19,741)
Current asset investments	504	3	-	507
Net Group Debt	(21,012)	927	(9)	(20,094)

19 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2012 £'000
Increase in cash in hand and at bank	30
Cash outflow from decrease in debt	894
Other non cash movements	(9)
Cash outflow from increase in liquid resources	3
Decrease in net debt	918
Net debt at 1 January	(21,012)
Net debt at 31 December	(20,094)

20 ULTIMATE PARENT UNDERTAKING

The Company is a joint venture between JLIF Limited Partnership (50%) and Amey Ventures Investments Limited (50%) JLIF Limited Partnership is a limited partnership established in England under the Limited Partnership Act 1907 Amey Ventures Investments Limited is incorporated in Great Britain and registered in England and Wales The Directors consider there to be no ultimate controlling entity

21 CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

At 31 December 2012 and 31 December 2011, the Company had a charge over its shareholding in AHL Holdings (Wakefield) Limited, together with a fixed and floating charge over all the assets of the Company, with Bank of Scotland (acting as Security Trustee for itself and the other Finance Parties) to secure all present and future obligations and liabilities of AHL Holdings (Wakefield) Limited under the Finance Documents of the Finance Parties