

**REGISTERED NUMBER: 03772150 (England and Wales)**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
THAMESWEY ENERGY LIMITED**

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for the Year Ended 31 December 2015**

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**THAMESWEY ENERGY LIMITED**

**COMPANY INFORMATION  
for the Year Ended 31 December 2015**

<b>DIRECTORS:</b>	D J Spinks W Prescott Cllr R J Kingsbury Dr B M Maunders P N Bryant
<b>SECRETARY:</b>	Clyde Secretaries Limited
<b>REGISTERED OFFICE:</b>	The St Botolph Building 138 Houndsditch London EC3A 7AR
<b>REGISTERED NUMBER:</b>	03772150 (England and Wales)
<b>AUDITOR:</b>	Hamlyns LLP Statutory Auditor and Chartered Accountants Sundial House High Street Horsell Woking Surrey GU21 4SU
<b>BANKERS:</b>	National Westminster Bank Plc PO Box 358 1 High Street Woking Surrey GU21 1ZS
<b>SOLICITORS:</b>	Clyde & Co LLP The St Botolph Building 138 Houndsditch London EC3A 7AR

**DIRECTORS' REPORT**  
**for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of building, financing and operating combined heat and power plant and photovoltaic plant for the production and supply of electricity, heat and chilled water.

**REVIEW OF BUSINESS**

There has been a significant increase in developer activity in both Woking and Milton Keynes in 2015. This has meant that both Thameswey Energy Limited and its subsidiary Thameswey Central Milton Keynes Limited have been involved in extended negotiations on new connections for the main heat networks in both locations, with the outlook for new customers looking positive going forward. The company has also been working with the Council on the upgrade of the Pool in the Park and Leisure Centre sites.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

D J Spinks  
W Prescott  
Cllr R J Kingsbury  
Dr B M Maunders

Other changes in directors holding office are as follows:

M Rolt - resigned 3 July 2015  
J P Thorp - resigned 30 June 2015  
P N Bryant - appointed 10 September 2015

The board of directors must be comprised of both elected members of Woking Borough Council and executive officers of Woking Borough Council. In addition there must be at least one non-executive director who is neither an elected member of Woking Borough Council or employee of the council who is referred to as an independent non-executive director.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each 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 auditor is aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

Dr B M Maunders - Director

21 April 2016

**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
for the Year Ended 31 December 2015**

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THAMESWEY ENERGY LIMITED**

We have audited the financial statements of Thameswey Energy Limited for the year ended 31 December 2015 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the related notes. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THAMESWEY ENERGY LIMITED**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

David Cooper (Senior Statutory Auditor)  
for and on behalf of Hamlyn's LLP  
Statutory Auditor and  
Chartered Accountants  
Sundial House  
High Street  
Horsell  
Woking  
Surrey  
GU21 4SU

21 April 2016

**Note:**

The maintenance and integrity of the Thameswey Energy Limited website is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**INCOME STATEMENT**  
for the Year Ended 31 December 2015

	Notes	2015 £	2014 £
<b>TURNOVER</b>	2	<b>3,335,834</b>	3,307,838
Cost of sales		<u>1,535,111</u>	<u>1,855,038</u>
<b>GROSS PROFIT</b>		<b>1,800,723</b>	1,452,800
Administrative expenses		<u>1,323,807</u>	<u>935,168</u>
		<b>476,916</b>	517,632
Other operating income		<u>36,281</u>	<u>36,281</u>
<b>OPERATING PROFIT</b>	4	<b>513,197</b>	553,913
Interest receivable and similar income		<u>6,542</u>	<u>2,524</u>
		<b>519,739</b>	556,437
Interest payable and similar charges		<u>818,656</u>	<u>679,052</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(298,917)</b>	(122,615)
Tax on loss on ordinary activities	5	<u>-</u>	<u>(93,811)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b><u>(298,917)</u></b>	<b><u>(28,804)</u></b>

**OTHER COMPREHENSIVE INCOME**  
**for the Year Ended 31 December 2015**

	Notes	2015 £	2014 £
<b>LOSS FOR THE YEAR</b>		<b>(298,917)</b>	<b>(28,804)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(298,917)</u></b>	<b><u>(28,804)</u></b>

**BALANCE SHEET**  
**31 December 2015**

		2015		2014	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		<b>13,785,724</b>		14,794,270
Investments	7		<b>1,110,000</b>		1,110,000
			<u><b>14,895,724</b></u>		<u>15,904,270</u>
<b>CURRENT ASSETS</b>					
Stocks		<b>59,044</b>		65,256	
Debtors	8	<b>694,803</b>		806,325	
Investments	9	<b>148,206</b>		148,010	
Cash at bank		<b>1,589,397</b>		1,239,016	
			<u><b>2,491,450</b></u>	<u>2,258,607</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<b>1,094,372</b>		1,604,943	
			<u><b>1,397,078</b></u>	<u>653,664</u>	
<b>NET CURRENT ASSETS</b>					
			<u><b>16,292,802</b></u>	<u>16,557,934</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u><b>1,370,467</b></u>	<u>1,669,384</u>	
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		<b>(14,346,556)</b>		(14,276,490)
<b>ACCRUALS AND DEFERRED INCOME</b>					
	13		<b>(575,779)</b>		(612,060)
<b>NET ASSETS</b>					
			<u><b>1,370,467</b></u>	<u>1,669,384</u>	
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		<b>5,050,450</b>		5,050,450
Retained earnings	15		<b>(3,679,983)</b>		(3,381,066)
<b>SHAREHOLDERS' FUNDS</b>					
			<u><b>1,370,467</b></u>	<u>1,669,384</u>	

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 21 April 2016 and were signed on its behalf by:

D J Spinks - Director

STATEMENT OF CHANGES IN EQUITY  
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2014</b>	5,050,450	(3,352,262)	1,698,188
<b>Changes in equity</b>			
Total comprehensive income	-	(28,804)	(28,804)
<b>Balance at 31 December 2014</b>	<u>5,050,450</u>	<u>(3,381,066)</u>	<u>1,669,384</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(298,917)	(298,917)
<b>Balance at 31 December 2015</b>	<u><u>5,050,450</u></u>	<u><u>(3,679,983)</u></u>	<u><u>1,370,467</u></u>

**CASH FLOW STATEMENT**  
for the Year Ended 31 December 2015

	Notes	2015 £	2014 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	18	<b>1,236,647</b>	1,084,710
Interest paid		<b>(818,656)</b>	(679,052)
Net cash from operating activities		<b>417,991</b>	405,658
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(57,528)</b>	(870,706)
Sale of tangible fixed assets		<b>63,224</b>	912,955
Interest received		<b>6,542</b>	2,365
Net cash from investing activities		<b>12,238</b>	44,614
<b>Cash flows from financing activities</b>			
New loans in year		<b>320,000</b>	450,000
Loan repayments in year		<b>(399,848)</b>	-
Increase in loan on restructuring		<b>-</b>	188,476
Net cash from financing activities		<b>(79,848)</b>	638,476
<b>Increase in cash and cash equivalents</b>		<b>350,381</b>	1,088,748
<b>Cash and cash equivalents at beginning of year</b>	19	<b>1,239,016</b>	150,268
<b>Cash and cash equivalents at end of year</b>	19	<b>1,589,397</b>	1,239,016

The notes on pages 11 to 17 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Preparation of consolidated financial statements**

The financial statements contain information about Thameswey Energy Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Thameswey Limited, a company registered in England and Wales.

**Turnover**

Turnover represents the net invoiced sales of services, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings	- Straight line over 60 years
Plant and machinery	- Straight line over 60 years, Straight line over 30 years and Straight line over 20 years

The company capitalises all directly attributable costs relating to the purchase or construction of a fixed asset.

The directors undertake an annual impairment review in order to consider whether any tangible fixed asset are impaired.

**Stocks**

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

**Deferred tax**

Deferred taxation 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.

**Interest capitalisation**

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The capitalisation begins when both finance costs and expenditure for the assets are incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when the construction of the asset has reached the stage of practical completion.

**Government grants**

Government grants relating to fixed assets are treated as deferred income and released to the profit and loss account over the expected useful life of the asset concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

**Investments**

Current asset investments are stated at the lower of cost and net realisable value. Investments in subsidiaries are valued at cost less any provisions for any impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

2. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2015 £	2014 £
Electricity, heat & cooling	1,757,774	1,827,818
Service charges	1,578,060	1,480,020
	<u>3,335,834</u>	<u>3,307,838</u>

3. **DIRECTORS' EMOLUMENTS**

	2015 £	2014 £
Directors' remuneration and other benefits etc	9,443	9,822
	<u>9,443</u>	<u>9,822</u>

Directors remuneration relates to fees paid to the independent non-executive directors. An explanation of the composition of the board of directors can be found in the directors' report.

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation - owned assets	1,002,850	656,868
Auditors' remuneration	7,500	8,750
	<u>1,010,350</u>	<u>665,618</u>

5. **TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	-	(93,811)
	<u>-</u>	<u>(93,811)</u>
Tax on loss on ordinary activities	-	(93,811)
	<u>-</u>	<u>(93,811)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

5. TAXATION - continued

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(298,917)</u>	<u>(122,615)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	(59,783)	(24,523)
Effects of:		
Income not taxable for tax purposes	(7,256)	(7,256)
Capital allowances in excess of depreciation	-	(62,541)
Depreciation in excess of capital allowances	200,570	-
Utilisation of tax losses	(133,531)	509
	<hr/>	<hr/>
Total tax credit	<u>-</u>	<u>(93,811)</u>

6. TANGIBLE FIXED ASSETS

	Buildings £	Plant and machinery £	Assets under construction £	Totals £
<b>COST</b>				
At 1 January 2015	505,192	19,902,028	42,504	20,449,724
Additions	-	-	57,528	57,528
Disposals	-	(59,874)	(3,350)	(63,224)
Reclassification/transfer	-	25,559	(25,559)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	505,192	19,867,713	71,123	20,444,028
<b>DEPRECIATION</b>				
At 1 January 2015	129,675	5,525,779	-	5,655,454
Charge for year	8,339	994,511	-	1,002,850
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	138,014	6,520,290	-	6,658,304
<b>NET BOOK VALUE</b>				
At 31 December 2015	<u>367,178</u>	<u>13,347,423</u>	<u>71,123</u>	<u>13,785,724</u>
At 31 December 2014	<u>375,517</u>	<u>14,376,249</u>	<u>42,504</u>	<u>14,794,270</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

7. **FIXED ASSET INVESTMENTS**

	<b>Unlisted investments £</b>
<b>COST</b>	
At 1 January 2015	
and 31 December 2015	<b>1,110,000</b>
<b>NET BOOK VALUE</b>	
At 31 December 2015	<b>1,110,000</b>
At 31 December 2014	<b>1,110,000</b>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Thameswey Central Milton Keynes Limited**

Country of incorporation: England & Wales

Nature of business: Supply of electricity, heat and chilled water.

	%		
Class of shares:	holding	2015	2014
Ordinary	100.00	£	£
Aggregate capital and reserves		(12,343,828)	(10,725,948)
Loss for the year		(1,617,880)	(1,784,275)

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade debtors	124,851	236,209
Amounts owed by group undertakings	160,405	91,182
Tax	-	93,811
Prepayments and accrued income	409,547	385,123
	<b>694,803</b>	<b>806,325</b>

9. **CURRENT ASSET INVESTMENTS**

	2015	2014
	£	£
Short term deposits	148,206	148,010

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade creditors	194,849	215,541
Amounts owed to group undertakings	452,944	627,447
VAT	89,036	264,904
Accruals and deferred income	357,543	497,051
	<b>1,094,372</b>	<b>1,604,943</b>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015 £	2014 £
Amounts owed to group undertakings	<u>14,346,556</u>	<u>14,276,490</u>

12. **SECURED DEBTS**

Amounts owed to group undertakings comprise of loans from the ultimate parent undertaking Woking Borough Council. On 1 January 2015 all past loans were consolidated into one loan at an interest rate of 5.50% per annum. Interest is charged on new loans at an annual interest rate of 5%.

Borrowings are repayable as follows:

	2015 £	2014 £
On demand or within one year	452,944	627,447
Between one and two years	901,256	832,124
Between two and five years	1,176,982	2,063,912
After five years	12,116,787	11,228,923
	<u>14,647,969</u>	<u>14,752,406</u>

Loan facilities not exceeding £2,000,000 made available by Lombard North Central plc to the company's subsidiary, Thameswey Central Milton Keynes Limited are secured by a charge dated 2 June 2008 over two of the company's bank accounts, the Operating Account and the Security Account.

13. **ACCRUALS AND DEFERRED INCOME**

	2015 £	2014 £
Accruals and deferred income	479,266	499,479
Deferred government grants	96,513	112,581
	<u>575,779</u>	<u>612,060</u>

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
5,050,450	£1 Ordinary 'Class B' Shares	£1	<u>5,050,450</u>	<u>5,050,450</u>

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distribution, including a distribution arising from a winding up of the company. The shares are not redeemable.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

15. RESERVES

	Retained earnings £
At 1 January 2015	(3,381,066)
Deficit for the year	(298,917)
	<hr/>
At 31 December 2015	<u>(3,679,983)</u>

16. ULTIMATE PARENT COMPANY

The company's immediate parent company is Thameswey Limited, a company incorporated in England and Wales.

The company's ultimate parent undertaking is considered to be Woking Borough Council.

The largest group into which the company is consolidated is headed by Woking Borough Council, and the smallest group into which the company is consolidated is Thameswey Limited. Copies of both sets of group accounts are available from the Company Secretary, Clyde Secretaries Limited, The St Botolph Building, 138 Houndsditch, London, EC3A 7AR.

17. RELATED PARTY DISCLOSURES

The company's immediate parent company Thameswey Limited is 100% (2014 - 100%) owned by Woking Borough Council. Thameswey Limited owns the share capital of the following companies:

	2015	2014
Thameswey Energy Limited	100%	100%
Thameswey Housing Limited	100%	100%
Thameswey Sustainable Communities Limited	100%	100%
Thameswey Developments Limited	100%	100%
Thameswey Solar Limited	75%	75%
Thameswey Maintenance Services Limited	100%	100%
Woking Necropolis and Mausoleum Limited	100%	100%

Thameswey Energy Limited owns 100% (2014 - 100%) of Thameswey Central Milton Keynes Limited. Thameswey Housing Limited owns 98% (2014 - 98%) of Brunswick Road (Pirbright) Residents Company Limited, 100% (2014 - 100%) of Thameswey Guest Houses Limited and 50% (2014 - 50%) of Rutland Woking (Residential) Limited. Thameswey Developments Limited owns 50% (2014 - 50%) of Rutland (Woking) Limited and 50% (2014 - 50%) of Rutland Woking (Carthouse Lane) Limited. Rutland (Woking) Limited owns 50% (2014: 50%) of Rutland Woking (Residential) Limited. Woking Necropolis and Mausoleum Limited owns 99.98% (2014 - 99.98%) of Brookwood Park Limited. Brookwood Park Limited owns 100% (2014 - 100%) of Brookwood Cemetery Limited.

Therefore, no transactions with these related parties are to be disclosed for either year under the provisions of section 33 of Financial Reporting Standard 102.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2015

18.	<b>RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Loss before taxation	(298,917)	(122,615)
	Depreciation charges	1,002,849	656,868
	Grants amortised	(36,281)	(36,281)
	Finance costs	818,656	679,052
	Finance income	(6,542)	(2,524)
		<u>1,479,765</u>	<u>1,174,500</u>
	Decrease/(increase) in stocks	6,212	(19,600)
	Decrease in trade and other debtors	86,738	321,825
	Decrease in trade and other creditors	(336,068)	(392,015)
	<b>Cash generated from operations</b>	<u><u>1,236,647</u></u>	<u><u>1,084,710</u></u>

19. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2015**

	<b>31.12.15</b>	<b>1.1.15</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<u><u>1,589,397</u></u>	<u><u>1,239,016</u></u>

**Year ended 31 December 2014**

	31.12.14	1.1.14
	£	£
Cash and cash equivalents	<u><u>1,239,016</u></u>	<u><u>150,268</u></u>

**RECONCILIATION OF EQUITY**  
**1 January 2014**  
**(DATE OF TRANSITION TO FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Intangible assets		15,493,387	-	15,493,387
Investments		1,110,000	-	1,110,000
		<u>16,603,387</u>	<u>-</u>	<u>16,603,387</u>
<b>CURRENT ASSETS</b>				
Stocks		45,656	-	45,656
Debtors		1,034,340	-	1,034,340
Investments		147,851	-	147,851
Cash at bank		150,268	-	150,268
		<u>1,378,115</u>	<u>-</u>	<u>1,378,115</u>
<b>CREDITORS</b>				
Amounts falling due within one year		(1,381,902)	-	(1,381,902)
<b>NET CURRENT LIABILITIES</b>				
		<u>(3,787)</u>	<u>-</u>	<u>(3,787)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		16,599,600	-	16,599,600
<b>CREDITORS</b>				
Amounts falling due after more than one year		(14,253,071)	-	(14,253,071)
<b>ACCRUALS AND DEFERRED INCOME</b>				
		(648,341)	-	(648,341)
<b>NET ASSETS</b>				
		<u>1,698,188</u>	<u>-</u>	<u>1,698,188</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		5,050,450	-	5,050,450
Retained earnings		(3,352,262)	-	(3,352,262)
<b>SHAREHOLDERS' FUNDS</b>				
		<u>1,698,188</u>	<u>-</u>	<u>1,698,188</u>

**RECONCILIATION OF EQUITY - continued**  
**31 December 2014**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		14,794,270	-	14,794,270
Investments		1,110,000	-	1,110,000
		15,904,270	-	15,904,270
<b>CURRENT ASSETS</b>				
Stocks		65,256	-	65,256
Debtors		806,325	-	806,325
Investments		148,010	-	148,010
Cash at bank		1,239,016	-	1,239,016
		2,258,607	-	2,258,607
<b>CREDITORS</b>				
Amounts falling due within one year		(1,604,943)	-	(1,604,943)
<b>NET CURRENT ASSETS</b>				
		653,664	-	653,664
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		16,557,934	-	16,557,934
<b>CREDITORS</b>				
Amounts falling due after more than one year		(14,276,490)	-	(14,276,490)
<b>ACCRUALS AND DEFERRED INCOME</b>				
		(612,060)	-	(612,060)
<b>NET ASSETS</b>				
		1,669,384	-	1,669,384
<b>CAPITAL AND RESERVES</b>				
Called up share capital		5,050,450	-	5,050,450
Retained earnings		(3,381,066)	-	(3,381,066)
<b>SHAREHOLDERS' FUNDS</b>				
		1,669,384	-	1,669,384

**RECONCILIATION OF LOSS  
for the Year Ended 31 December 2014**

	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>TURNOVER</b>	3,307,838	-	3,307,838
Cost of sales	(1,855,038)	-	(1,855,038)
	<hr/>	<hr/>	<hr/>
<b>GROSS PROFIT</b>	1,452,800	-	1,452,800
Administrative expenses	(935,168)	-	(935,168)
Other operating income	36,281	-	36,281
	<hr/>	<hr/>	<hr/>
<b>OPERATING PROFIT</b>	553,913	-	553,913
Interest receivable and similar income	2,524	-	2,524
Interest payable and similar charges	(679,052)	-	(679,052)
	<hr/>	<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(122,615)	-	(122,615)
Tax on loss on ordinary activities	93,811	-	93,811
	<hr/>	<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>	(28,804)	-	(28,804)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>