

REGISTERED NUMBER: 05637552 (England and Wales)

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
THAMESWEY MAINTENANCE SERVICES LIMITED**

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for the Year Ended 31 December 2014**

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THAMESWEY MAINTENANCE SERVICES LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2014

| | |
|---------------------------|--|
| DIRECTORS: | R N Morgan M Rolt Cllr R J Kingsbury Dr B M Maunders |
| SECRETARY: | Clyde Secretaries Limited |
| REGISTERED OFFICE: | The St Botolph Building 138 Houndsditch London London EC3A 7AR |
| REGISTERED NUMBER: | 05637552 (England and Wales) |
| AUDITOR: | Hamlyns LLP Statutory Auditor and Chartered Accountants Sundial House High Street Horsell Woking Surrey GU21 4SU |
| BANKERS: | National Westminster Bank Plc PO Box 358 1 High Street Woking Surrey GU21 1ZS |
| SOLICITORS: | Clyde & Co LLP The St Botolph Building 138 Houndsditch London EC3A 7AR |

**DIRECTORS' REPORT
for the Year Ended 31 December 2014**

The directors present their report with the financial statements of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of installation, commissioning, servicing, maintaining and operating total energy systems.

REVIEW OF BUSINESS

Following the loss in 2013 overheads were reduced to minimum levels and the company was without a general manager for most of the year. As a result sales dropped below breakeven levels and a further loss of £118,704 was incurred although gross profit margins were restored to 28% on sales of £1.5m for the year. Working capital levels have been reduced in 2014 and the company has recently been successful in winning another boiler replacement contract. A general manager is now running the business.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

R N Morgan
M Rolt
Cllr R J Kingsbury
Dr B M Maunders

The board of directors must comprise of at least one elected members of Woking Borough Council and at least one executive officers of Woking Borough Council. In addition there must be 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 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 special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Dr B M Maunders - Director

20 May 2015

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
for the Year Ended 31 December 2014**

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 MAINTENANCE SERVICES LIMITED**

We have audited the financial statements of Thameswey Maintenance Services Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the 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).

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 2014 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 MAINTENANCE SERVICES 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 Hamlyns LLP
Statutory Auditor and
Chartered Accountants
Sundial House
High Street
Horsell
Woking
Surrey
GU21 4SU

20 May 2015

Note:

The maintenance and integrity of the Thameswey Maintenance Services 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.

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2014

| | Notes | 2014 £ | 2013 £ |
|--|-------|------------------|------------------|
| TURNOVER | | 1,525,484 | 5,147,665 |
| Cost of sales | | <u>1,110,867</u> | <u>4,707,224</u> |
| GROSS PROFIT | | 414,617 | 440,441 |
| Administrative expenses | | <u>553,891</u> | <u>977,197</u> |
| OPERATING LOSS | 3 | (139,274) | (536,756) |
| Interest receivable and similar income | | <u>439</u> | <u>1,125</u> |
| | | (138,835) | (535,631) |
| Interest payable and similar charges | | <u>-</u> | <u>5,839</u> |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (138,835) | (541,470) |
| Tax on loss on ordinary activities | 4 | <u>(20,131)</u> | <u>(118,995)</u> |
| LOSS FOR THE FINANCIAL YEAR | | (118,704) | (422,475) |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year.

BALANCE SHEET
31 December 2014

| | Notes | 2014 £ | 2013 £ |
|--|-------|------------------|-----------|
| FIXED ASSETS | | | |
| Tangible assets | 5 | 95,451 | 125,437 |
| CURRENT ASSETS | | | |
| Stocks | | 90,959 | 105,503 |
| Debtors | 6 | 347,078 | 946,796 |
| Cash at bank and in hand | | 100,155 | 29,593 |
| | | 538,192 | 1,081,892 |
| CREDITORS | | | |
| Amounts falling due within one year | 7 | 294,890 | 899,872 |
| NET CURRENT ASSETS | | 243,302 | 182,020 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 338,753 | 307,457 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | 560,000 | 410,000 |
| Profit and loss account | 10 | (221,247) | (102,543) |
| SHAREHOLDERS' FUNDS | 13 | 338,753 | 307,457 |

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

The financial statements were approved by the Board of Directors on 20 May 2015 and were signed on its behalf by:

R N Morgan - Director

CASH FLOW STATEMENT
for the Year Ended 31 December 2014

| | Notes | 2014 £ | 2013 £ |
|---|-------|------------------|-----------|
| Net cash outflow from operating activities | 14 | (188,082) | (319,160) |
| Returns on investments and servicing of finance | 15 | 439 | (4,714) |
| Taxation | | 118,995 | - |
| Capital expenditure | 15 | (10,790) | (68,867) |
| | | (79,438) | (392,741) |
| Financing | 15 | 150,000 | 400,000 |
| Increase in cash in the period | | 70,562 | 7,259 |
| <hr/> | | | |
| Reconciliation of net cash flow to movement in net funds | 16 | | |
| Increase in cash in the period | | 70,562 | 7,259 |
| Change in net funds resulting from cash flows | | 70,562 | 7,259 |
| Movement in net funds in the period | | 70,562 | 7,259 |
| Net funds at 1 January | | 29,593 | 22,334 |
| Net funds at 31 December | | 100,155 | 29,593 |

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales excluding value-added-tax.

Turnover is recognised on long-term contracts, only where the final outcome can be assessed with reasonable certainty, by including turnover and related costs in the profit and loss account as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract. Where a loss is expected on the contract as a whole it will be recognised as soon as it is foreseen.

Tangible fixed assets

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

- Land and buildings - over remaining term of lease
- Plant and machinery etc - Straight line over 4 years, Straight line over 2 years and Straight line over 3 years

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Long term contracts

Long-term contracts are assessed on a contract by contract basis.

The amount by which recorded turnover is in excess of payments on account is classified as "amounts recoverable on contracts" and is included within debtors.

The balance of payments on account is classified as "payments on account" and is included within creditors.

Long term contract costs are total costs incurred, net of amounts transferred to the profit and loss account in respect of work carried out to date, less foreseeable losses and applicable payments on account. This balance is classified as "long term contract balances" and is included within stock.

2. DIRECTORS' EMOLUMENTS

| | 2014 | 2013 |
|--|--------------|--------------|
| | £ | £ |
| Directors' remuneration and other benefits etc | <u>5,630</u> | <u>4,217</u> |

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

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

3. OPERATING LOSS

The operating loss is stated after charging:

| | 2014 | 2013 |
|----------------------------------|--------------|--------------|
| | £ | £ |
| Hire of plant and machinery | 12,921 | 40,216 |
| Depreciation - owned assets | 38,232 | 41,143 |
| Loss on disposal of fixed assets | 2,544 | 6,526 |
| Auditors' remuneration | 7,500 | 7,500 |
| | <u>7,500</u> | <u>7,500</u> |

4. TAXATION

Analysis of the tax credit

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

| | 2014 | 2013 |
|------------------------------------|-----------------|------------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | (20,131) | (118,995) |
| | <u>(20,131)</u> | <u>(118,995)</u> |
| Tax on loss on ordinary activities | <u>(20,131)</u> | <u>(118,995)</u> |

Factors affecting the tax credit

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

| | 2014 | 2013 |
|--|------------------|------------------|
| | £ | £ |
| Loss on ordinary activities before tax | <u>(138,835)</u> | <u>(541,470)</u> |
| Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 23.246%) | (31,932) | (125,870) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 509 | - |
| Depreciation in excess of capital allowances | 11,292 | 6,875 |
| | <u>(20,131)</u> | <u>(118,995)</u> |
| Current tax credit | <u>(20,131)</u> | <u>(118,995)</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

5. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|------------------------|----------------------------|------------------------------------|----------------|
| COST | | | |
| At 1 January 2014 | 80,363 | 150,604 | 230,967 |
| Additions | - | 11,699 | 11,699 |
| Disposals | - | (8,099) | (8,099) |
| | <u>80,363</u> | <u>154,204</u> | <u>234,567</u> |
| At 31 December 2014 | 80,363 | 154,204 | 234,567 |
| DEPRECIATION | | | |
| At 1 January 2014 | 7,144 | 98,386 | 105,530 |
| Charge for year | 8,143 | 30,089 | 38,232 |
| Eliminated on disposal | - | (4,646) | (4,646) |
| | <u>15,287</u> | <u>123,829</u> | <u>139,116</u> |
| At 31 December 2014 | 15,287 | 123,829 | 139,116 |
| NET BOOK VALUE | | | |
| At 31 December 2014 | <u>65,076</u> | <u>30,375</u> | <u>95,451</u> |
| At 31 December 2013 | <u>73,219</u> | <u>52,218</u> | <u>125,437</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2014 £ | 2013 £ |
|---------------------------------|----------------|----------------|
| Trade debtors | 219,965 | 350,575 |
| Amounts recoverable on contract | 75,174 | 430,391 |
| Other debtors | 51,939 | 165,830 |
| | <u>347,078</u> | <u>946,796</u> |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2014 £ | 2013 £ |
|------------------------------|----------------|----------------|
| Payments on account | 3,056 | 38,447 |
| Trade creditors | 178,663 | 677,814 |
| Taxation and social security | 39,154 | 45,829 |
| Other creditors | 74,017 | 137,782 |
| | <u>294,890</u> | <u>899,872</u> |

8. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

| | Land and buildings | | Other operating leases | |
|----------------------------|--------------------|--------------|------------------------|---------------|
| | 2014 £ | 2013 £ | 2014 £ | 2013 £ |
| Expiring: | | | | |
| Between one and five years | <u>20,800</u> | <u>8,667</u> | <u>8,000</u> | <u>15,892</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

9. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | Nominal | 2014 | 2013 |
|----------------------------------|----------|---------|----------------|----------------|
| Number: | Class: | value: | £ | £ |
| 560,000 | Ordinary | £1 | <u>560,000</u> | <u>410,000</u> |

150,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

10. RESERVES

| | Profit and loss account £ |
|----------------------|------------------------------------|
| At 1 January 2014 | (102,543) |
| Deficit for the year | <u>(118,704)</u> |
| At 31 December 2014 | <u>(221,247)</u> |

11. 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

12. RELATED PARTY DISCLOSURES

The company's immediate parent company Thameswey Limited is 100% (2013 - 100%) owned by Woking Borough Council. Thameswey Limited owns the share capital of the following companies:

| | 2014 | 2013 |
|---|------|------|
| 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% | 0% |

Thameswey Energy Limited owns 100% (2013 - 100%) of Thameswey Central Milton Keynes Limited. Thameswey Housing Limited owns 98% (2013 - 98%) of Brunswick Road (Pirbright) Residents Company Limited, 100% (2013 - 100%) of Thameswey Guest Houses Limited and 50% (2013 - 0%) of Rutland Woking (Westminster Court) Limited. Thameswey Developments Limited owns 50% (2013 - 50%) of Rutland (Woking) Limited and 50% (2013 - 50%) of Rutland Woking (Carthouse Lane) Limited. Woking Necropolis and Mausoleum Limited owns 100% (2013 - 0%) of Brookwood Park Limited. Brookwood Park Limited owns 100% (2013 - 0%) of Brookwood Cemetery Limited.

Therefore, no transactions with these related parties are to be disclosed for either year under the provisions of Financial Reporting Standard number 8.

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2014 | 2013 |
|--|----------------|-----------------|
| | £ | £ |
| Loss for the financial year | (118,704) | (422,475) |
| New share capital subscribed | 150,000 | 400,000 |
| Net addition/(reduction) to shareholders' funds | 31,296 | (22,475) |
| Opening shareholders' funds | 307,457 | 329,932 |
| Closing shareholders' funds | 338,753 | 307,457 |

14. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| | 2014 | 2013 |
|---|------------------|------------------|
| | £ | £ |
| Operating loss | (139,274) | (536,756) |
| Depreciation charges | 38,233 | 41,143 |
| Loss on disposal of fixed assets | 2,544 | 6,526 |
| Decrease/(increase) in stocks | 14,544 | (19,821) |
| Decrease/(increase) in debtors | 500,853 | (247,010) |
| (Decrease)/increase in creditors | (604,982) | 436,758 |
| Net cash outflow from operating activities | (188,082) | (319,160) |

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

15. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

| | 2014 £ | 2013 £ |
|--|-----------------|-----------------|
| Returns on investments and servicing of finance | | |
| Interest received | 439 | 1,125 |
| Interest paid | - | (5,839) |
| | <u>439</u> | <u>(4,714)</u> |
| Net cash inflow/(outflow) for returns on investments and servicing of finance | <u>439</u> | <u>(4,714)</u> |
| Capital expenditure | | |
| Purchase of tangible fixed assets | (11,699) | (66,161) |
| Sale of tangible fixed assets | 909 | (2,706) |
| | <u>(10,790)</u> | <u>(68,867)</u> |
| Net cash outflow for capital expenditure | <u>(10,790)</u> | <u>(68,867)</u> |
| Financing | | |
| Share issue | 150,000 | 400,000 |
| | <u>150,000</u> | <u>400,000</u> |
| Net cash inflow from financing | <u>150,000</u> | <u>400,000</u> |

16. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.1.14 £ | Cash flow £ | At 31.12.14 £ |
|--------------------------|----------------|----------------|---------------------|
| Net cash: | | | |
| Cash at bank and in hand | 29,593 | 70,562 | 100,155 |
| | <u>29,593</u> | <u>70,562</u> | <u>100,155</u> |
| Total | <u>29,593</u> | <u>70,562</u> | <u>100,155</u> |