

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011
FOR
THAMESWEY LIMITED**

THAMESWEY LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2011**

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THAMESWEY LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

DIRECTORS: D J Spinks
R N Morgan
B M Maunders
M Rolt
S Bonsor
R J Kingsbury
S Barham
T Price
G Elson
B Hunwicks
R Wilson
B Prescott

SECRETARY: Clyde Secretaries Limited

REGISTERED OFFICE: The St Botolph Building
138 Houndsditch
London
EC3A 7AR

REGISTERED NUMBER: 03702545 (England and Wales)

AUDITORS: Hamlyns LLP
Chartered Accountants & Statutory Auditors
Sundial House
High Street
Horsell
Woking
Surrey
GU21 4SU

THAMESWEY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report with the financial statements of the company for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of the furtherance of Woking Borough Council's energy and environmental objectives, to enable other Local Councils to participate in schemes which provide energy efficiency, its affordable housing objective through the provision of intermediate market rent properties and property development for investment.

REVIEW OF BUSINESS

During the year the Thameswey Group continued with the construction of its combined heat and power programme with the completion of an extension of its network to the new national headquarters of Network Rail in Milton Keynes and commenced a £5 million renewal project on equipment in Woking. The Group continued with plans to provide an economic stimulus to the Borough of Woking as well as to assist with housing needs by the purchase of two properties and the letting of ten homes at Brookwood Farm on a shared ownership basis, continued with the expansion of the low carbon homes and schools programmes and completed the majority of the flood alleviation and development work of the Hoe Valley.

DIVIDENDS

No dividends were distributed for the year ended 31 December 2011.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report.

D J Spinks
R N Morgan
B M Maunders
M Rolt
S Bonsor
R J Kingsbury
S Barham
T Price

Other changes in directors holding office are as follows:

G Elson , B Hunwicks , R Wilson and B Prescott were appointed as directors after 31 December 2011 but prior to the date of this report.

J P Thorp ceased to be a director after 31 December 2011 but prior to the date of this report.

FIXED ASSET INVESTMENTS

X2WP Limited is to be wound up in 2012.

SHARE CAPITAL

Thameswey Limited issued the following ordinary shares of £1 each to Woking Borough Council for the purposes listed below:

28th December 2011 - 1,000,000 - to purchase the remaining 10% of shares in Thameswey Energy Limited and 80% of shares in Xergi Services Limited (now Thameswey Services Limited) both from Xergi Limited.

30th December 2011 - 500,000 - for investment in Thameswey Energy Limited

On 15th March 2012, after the balance sheet date, 887,015 ordinary shares of £1 each were issued for investment in Thameswey Solar Limited.

The Board of Directors have previously authorised a further 1,770,000 ordinary shares of £1 each as required by the Directors for investment in Woking Borough Homes Limited.

THAMESWEY LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

.....*B. Maunders*.....
B M Maunders - Director

Date:*23 May 2012*.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THAMESWEY LIMITED**

We have audited the financial statements of Thameswey Limited for the year ended 31 December 2011 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 a Report of the Auditors 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 Report of the Directors to identify material inconsistencies with 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 company's affairs as at 31 December 2011 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 matter prescribed by the Companies Act 2006

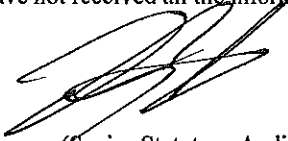
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THAMESWEY 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.



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

Date: *23 May 2012*

THAMESWEY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011	2010
		£	£
TURNOVER		352,440	502,211
Cost of sales		<u>294,928</u>	<u>357,569</u>
GROSS PROFIT		57,512	144,642
Administrative expenses		<u>79,336</u>	<u>97,210</u>
OPERATING (LOSS)/PROFIT	3	(21,824)	47,432
Income from shares in group undertakings		36,000	3,500,000
Interest receivable and similar income		<u>363</u>	<u>555,102</u>
		<u>36,363</u>	<u>4,055,102</u>
		14,539	4,102,534
Interest payable and similar charges	4	<u>-</u>	<u>4,438,199</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		14,539	(335,665)
Tax on profit/(loss) on ordinary activities	5	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>14,539</u></u>	<u><u>(335,665)</u></u>

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 profit for the current year and the loss for the previous year.

THAMESWEY LIMITED

BALANCE SHEET
31 DECEMBER 2011

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		76,511		83,648
Investments	7		81,533,122		79,920,622
			<u>81,609,633</u>		<u>80,004,270</u>
CURRENT ASSETS					
Debtors	8	635,975		402,203	
Cash at bank		294,183		619,554	
		<u>930,158</u>		<u>1,021,757</u>	
CREDITORS					
Amounts falling due within one year	9	68,705,708		68,706,483	
			<u>(67,775,550)</u>		<u>(67,684,726)</u>
NET CURRENT LIABILITIES					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>13,834,083</u>		<u>12,319,544</u>
CAPITAL AND RESERVES					
Called up share capital	10		13,831,216		12,331,216
Profit and loss account	11		2,867		(11,672)
			<u>13,834,083</u>		<u>12,319,544</u>
SHAREHOLDERS' FUNDS					

The financial statements were approved by the Board of Directors on its behalf by:

23 May 2012

and were signed on



S Bonsor - Director

THAMESWEY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Net cash outflow from operating activities	15	(249,234)	(60,469)
Returns on investments and servicing of finance	16	36,363	(383,097)
Capital expenditure and financial investment	16	(1,612,500)	(75,776,924)
		<u>(1,825,371)</u>	<u>(76,220,490)</u>
Financing	16	1,500,000	76,645,000
(Decrease)/increase in cash in the period		<u>(325,371)</u>	<u>424,510</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	17		
(Decrease)/increase in cash in the period		<u>(325,371)</u>	<u>424,510</u>
Change in net funds resulting from cash flows		<u>(325,371)</u>	<u>424,510</u>
Movement in net funds in the period		(325,371)	424,510
Net funds at 1 January		<u>619,554</u>	<u>195,044</u>
Net funds at 31 December		<u>294,183</u>	<u>619,554</u>

The notes on pages 9 to 16 form part of these financial statements

THAMESWEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of goods and 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.

Plant and machinery	-	Straight line over 24 years
Fixtures and fittings	-	10% on cost
Computer equipment	-	25% on cost

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Administrative expenses

Administrative expenses include amounts paid to third parties to manage various projects on behalf of the company as well as grants made to third parties to install and manage equipment in furtherance of the company's energy and environmental objectives.

2. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	182,262	175,168
Social security costs	22,038	19,708
Other pension costs	6,666	6,712
	<u>210,966</u>	<u>201,588</u>

The average monthly number of employees during the year was as follows:

	2011	2010
Cost of sales	2	2
Administration	1	1
	<u>3</u>	<u>3</u>

THAMESWEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011

3. OPERATING (LOSS)/PROFIT

The operating loss (2010 - operating profit) is stated after charging:

	2011	2010
	£	£
Hire of plant and machinery	4,861	-
Depreciation - owned assets	7,137	7,137
Auditors' remuneration	16,750	17,395
	<u> </u>	<u> </u>
Directors' remuneration	79,746	79,681
Directors' pension contributions to money purchase schemes	789	760
	<u> </u>	<u> </u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Other interest	-	4,438,199
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2011 nor for the year ended 31 December 2010.

Factors affecting the tax charge

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

	2011	2010
	£	£
Profit/(loss) on ordinary activities before tax	14,539	(335,665)
	<u> </u>	<u> </u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.247% (2010 - 21%)	2,944	(70,490)
Effects of:		
Depreciation in excess of capital allowances	1,445	1,499
Group relief for nil consideration	-	815,450
Trading losses carried forward	-	22,127
Income from shares in group undertaking	(7,289)	(735,000)
Trading losses utilised	2,900	(33,586)
	<u> </u>	<u> </u>
Current tax charge	-	-
	<u> </u>	<u> </u>

THAMESWEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2011 and 31 December 2011	56,380	42,563	2,126	101,069
DEPRECIATION				
At 1 January 2011	11,746	5,143	532	17,421
Charge for year	2,349	4,256	532	7,137
At 31 December 2011	14,095	9,399	1,064	24,558
NET BOOK VALUE				
At 31 December 2011	42,285	33,164	1,062	76,511
At 31 December 2010	44,634	37,420	1,594	83,648

7. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2011	79,920,622
Additions	1,612,500
At 31 December 2011	81,533,122
NET BOOK VALUE	
At 31 December 2011	81,533,122
At 31 December 2010	79,920,622

THAMESWEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. FIXED ASSET INVESTMENTS - continued

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

Thameswey Energy Limited

Country of incorporation: England and Wales

Nature of business: Production of electricity and heat.

	%		
Class of shares:	holding		
£1 Ordinary 'Class A' Shares	100.00		
£1 Ordinary 'Class B' Shares	100.00		
		2011	2010
		£	£
Aggregate capital and reserves		1,146,344	1,171,155
Loss for the year		<u>(524,811)</u>	<u>(572,069)</u>

The Thameswey Energy Limited 'Class A' and 'Class B' shares rank pari passu in all respects but constitute separate classes of share.

During the year the company acquired 355,045 'Class A' shares from Xergi Limited and 500,000 'Class B' issued shares. The company now owns 100% of the total share capital.

Thameswey Energy Limited owns 100% of the share capital of Thameswey Central Milton Keynes Limited a company which produces electricity and heat and is incorporated in England and Wales.

Woking Borough Homes Limited

Country of incorporation: England and Wales

Nature of business: Provision of affordable housing.

	%		
Class of shares:	holding		
£1 Ordinary Shares	100.00		
		2011	2010
		£	£
Aggregate capital and reserves		7,624,860	8,162,983
Loss for the year		<u>(538,123)</u>	<u>(679,161)</u>

Thameswey Maintenance Services Limited

Country of incorporation: England and Wales

Nature of business: Maintenance of power installation.

	%		
Class of shares:	holding		
£1 Ordinary Shares	100.00		
		2011	2010
		£	£
Aggregate capital and reserves		245,143	340,119
Profit for the year		<u>85,024</u>	<u>72,618</u>

On the 31 December 2011 the company acquired 8,000 ordinary shares of £1 each in Xergi Services Limited. After the balance sheet date on 11th January 2012, Xergi Services Limited changed its name to Thameswey Maintenance Services Limited. The company now owns 100% of the total share capital of Thameswey Maintenance Services Limited.

THAMESWEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. FIXED ASSET INVESTMENTS - continued

Energy Centre for Sustainable Communities Limited

Country of incorporation: England and Wales

Nature of business: Promoting energy efficiency.

	%		
Class of shares:	holding		
£1 Ordinary	100.00	2011	2010
		£	£
Aggregate capital and reserves		255,271	234,451
Profit for the year		20,820	21,494

Thameswey Developments Limited

Country of incorporation: England and Wales

Nature of business: Property Development

	%		
Class of shares:	holding		
£1 Ordinary	100.00	2011	2010
		£	£
Aggregate capital and reserves		767,862	272,828
Profit for the year		495,034	149,257

Thameswey Developments Limited has a 50% joint venture in venture in Rutland (Woking) Limited, a property development company incorporated in England and Wales.

During the year ended 31 December 2011 Thameswey Developments Limited entered into a 50% joint venture in Rutland Woking (Carthouse Lane) Limited, a property development company incorporated in England and Wales.

X2WP Limited

Country of incorporation: England and Wales

Nature of business: Property investment

	%		
Class of shares:	holding		
£1 Ordinary 'Class A' Shares	100.00		
£1 Ordinary 'Class B' Shares	100.00		
		2011	2010
		£	£
Aggregate capital and reserves		68,501,578	68,063,467
Profit for the year		438,111	5,642,357

The 'Class A' Ordinary shares have no rights to participate in any distribution of the company other than on winding up.

On winding up, the distribution should be firstly to the holders of the 'Class B' Ordinary shares in respect of their called up paid share capital and share premium account, secondly to the holders of 'Class A' Ordinary shares and thirdly in paying to the holders of 'Class B' Ordinary shares all further monies available for distribution.

In all other respects 'Class A' and 'Class B' Ordinary shares rank pari passu.

THAMESWEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. FIXED ASSET INVESTMENTS - continued

Thameswey Solar Limited

Country of incorporation: England and Wales

Nature of business: Provision of solar photovoltaic panels.

Class of shares:	%	
£1 Ordinary	holding	
	100.00	2011
		£
Aggregate capital and reserves		(1,027)
Loss for the year		<u>(1,028)</u>

During the year ended 31 December 2011 the company acquired 1 ordinary share of £1 in Thameswey Solar Limited.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	181,383	35
Other debtors	44,165	-
Prepayments and accrued income	410,427	402,168
	<u>635,975</u>	<u>402,203</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade creditors	105,609	29,877
Amounts owed to group undertakings	68,500,000	68,500,000
Social security and other taxes	6,558	5,801
VAT	9,590	12,045
Other creditors	46	100,763
Accruals and deferred income	83,905	57,997
	<u>68,705,708</u>	<u>68,706,483</u>

Included within group loans is a loan of £68.5 million from X2WP Limited (formerly Wolsey Place Limited). This loan is interest free and repayable on the winding up of the company.

10. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2011	2010
		£	£	£
13,831,216	Ordinary	£1	13,831,216	12,331,216
(2010 - 12,331,216)			<u> </u>	<u> </u>

1,500,000 Ordinary shares of £1 each were allotted during the year.

1,455,835 Ordinary shares of £1 each were fully paid for cash at par during the year. 44,165 Ordinary shares of £1 each were unpaid at the year end.

THAMESWEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

11. RESERVES

	Profit and loss account £
At 1 January 2011	(11,672)
Profit for the year	14,539
	2,867
At 31 December 2011	2,867

12. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is 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.

13. RELATED PARTY DISCLOSURES

Throughout the current and preceding financial years the company was 100% owned by Woking Borough Council.

The company owns the share capital of the following companies:

	2011	2010
Thameswey Energy Limited	100%	90%
Woking Borough Homes Limited	100%	100%
Energy Centre for Sustainable Communities Limited	100%	100%
Thameswey Developments Limited	100%	100%
X2WP Limited	100%	100%
Thameswey Solar Limited	100%	n/a
Thameswey Maintenance Services Limited	100%	20%

Thameswey Energy Limited owns 100% (2010: 100%) of Thameswey Central Milton Keynes Limited. Woking Borough Homes Limited owns 98% (2010: 98%) of Brunswick Road (Pirbright) Residents Company Limited. Thameswey Developments Limited owns 50% (2010: 50%) of Rutland (Woking) Limited and 50% (2010: n/a) of Rutland Woking (Carthouse Lane) Limited.

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

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit/(loss) for the financial year	14,539	(335,665)
Ordinary shares issued	1,500,000	8,255,000
	1,514,539	7,919,335
Net addition to shareholders' funds	1,514,539	7,919,335
Opening shareholders' funds	12,319,544	4,400,209
	13,834,083	12,319,544
Closing shareholders' funds		

THAMESWEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011

15. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2011	2010
	£	£
Operating (loss)/profit	(21,824)	47,432
Depreciation charges	7,137	7,137
Increase in debtors	(233,772)	(96,722)
Decrease in creditors	(775)	(18,316)
Net cash outflow from operating activities	(249,234)	(60,469)

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

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	363	555,102
Interest paid	-	(4,438,199)
Dividends received	36,000	3,500,000
Net cash inflow/(outflow) for returns on investments and servicing of finance	36,363	(383,097)
Capital expenditure and financial investment		
Purchase of fixed asset investments	(1,612,500)	(75,776,924)
Net cash outflow for capital expenditure and financial investment	(1,612,500)	(75,776,924)
Financing		
Share issue	1,500,000	8,255,000
New loans in year	-	68,500,000
Loan repayments in year	-	(400,000)
ECSC Loan converted to share capital	-	240,000
Release from ESCROW account	-	50,000
Net cash inflow from financing	1,500,000	76,645,000

17. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.11	Cash flow	At
	£	£	31.12.11
			£
Net cash:			
Cash at bank	619,554	(325,371)	294,183
	<u>619,554</u>	<u>(325,371)</u>	<u>294,183</u>
Total	<u>619,554</u>	<u>(325,371)</u>	<u>294,183</u>

THAMESWEY LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011		2010	
	£	£	£	£
Turnover				
Sales		352,440		502,211
Cost of sales				
Hybrolight maintenance	-		6,829	
ECSC low carbon homes	50,000		110,107	
Administrative expenses	44,786		49,367	
Trade mark licence fees	10,000		10,000	
Directors' salaries	66,588		66,534	
Directors' social security	8,259		7,906	
Directors' pensions paid	3,995		3,847	
Wages	94,087		87,516	
Social security	11,601		9,779	
Pensions	5,612		5,684	
		<u>294,928</u>		<u>357,569</u>
GROSS PROFIT		57,512		144,642
Other income				
Shares in group undertakings	36,000		3,500,000	
Deposit account interest	363		-	
Interest on investments	-		555,102	
		<u>36,363</u>		<u>4,055,102</u>
		93,875		4,199,744
Expenditure				
Rent	7,700		5,775	
Rates and water	-		3,169	
Insurance	2,820		(3,023)	
Directors' salaries	13,158		13,147	
Directors' social security	1,632		1,562	
Directors' pension contributions	789		760	
Wages	4,434		4,124	
Social security	546		461	
Pensions	265		268	
Hire of plant and machinery	4,861		-	
Telephone	588		-	
Advertising	634		1,408	
Travelling	6,181		864	
Motor expenses	568		-	
Subscription	3,411		1,225	
Sundry expenses	98		3,435	
Consultancy fees	1,263		17,458	
Legal and professional fees	5,353		21,516	
Auditors' remuneration	16,750		17,395	
Bad debts	-		11	
		<u>71,051</u>		<u>89,555</u>
Carried forward		22,824		4,110,189

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THAMESWEY LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011		2010	
	£	£	£	£
Brought forward		22,824		4,110,189
Finance costs				
Bank charges	1,148		518	
Other interest	-		4,438,199	
	-	1,148	4,438,199	4,438,717
		21,676		(328,528)
Depreciation				
Plant and machinery	2,349		2,349	
Fixtures and fittings	4,256		4,256	
Computer equipment	532		532	
	-	7,137	-	7,137
NET PROFIT/(LOSS)		14,539		(335,665)

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