

REGISTERED NUMBER: 06646380 (England and Wales)

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
THAMESWEY DEVELOPMENTS LIMITED**

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Page
Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4
Income Statement	6
Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Financial Statements	11

THAMESWEY DEVELOPMENTS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTORS: T Price
S Barham
P N Bryant
Clr D J Bittleston

SECRETARY: Clyde Secretaries Limited

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

REGISTERED NUMBER: 06646380 (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 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development.

DIVIDENDS

The total distribution of dividends for the year ended 31st December 2017 will be £250,000 (2016: £Nil)

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

T Price
S Barham
P N Bryant

Other changes in directors holding office are as follows:

Cllr G Cundy - resigned 6 April 2017
Cllr D J Bittleston - appointed 13 April 2017

Cllr R J Kingsbury ceased to be a director after 31 December 2017 but prior to the date of this report.

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 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 auditor is aware of that information.

ON BEHALF OF THE BOARD:



T Price - Director

31 May 2018

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

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.

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

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

Opinion

We have audited the financial statements of Thameswey Developments Limited (the 'company') for the year ended 31 December 2017 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Directors' Report and the Statement of Directors' Responsibilities, but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's 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

Date: 31 May 2015

Note:

The maintenance and integrity of the Thameswey Developments 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.

THAMESWEY DEVELOPMENTS LIMITED (REGISTERED NUMBER: 06646380)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017		2016	
		£	£	£	£
TURNOVER			2,337,463		1,545,065
Cost of sales			2,181,134		1,105,313
GROSS PROFIT			156,329		439,752
Administrative expenses			33,551		45,112
			122,778		394,640
Other operating income			205,390		58,220
OPERATING PROFIT	5		328,168		452,860
Income from participating interests		-		172,518	
Interest receivable and similar income		631		5,943	
			631		178,461
			328,799		631,321
Interest payable and similar expenses	6		149,586		57,059
PROFIT BEFORE TAXATION			179,213		574,262
Tax on profit	7		34,507		43,369
PROFIT FOR THE FINANCIAL YEAR			144,706		530,893

The notes on pages 11 to 18 form part of these financial statements

THAMESWEY DEVELOPMENTS LIMITED (REGISTERED NUMBER: 06646380)

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		144,706	530,893
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>144,706</u>	<u>530,893</u>

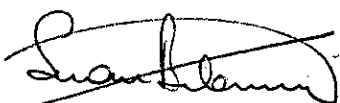
The notes on pages 11 to 18 form part of these financial statements

THAMESWEY DEVELOPMENTS LIMITED (REGISTERED NUMBER: 06646380)

BALANCE SHEET
31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		8,981		-
Investments	10		99,727		99,727
Investment property	11		11,235,366		827,491
			<u>11,344,074</u>		<u>927,218</u>
CURRENT ASSETS					
Stocks	12	48,380,214		25,284,647	
Debtors	13	853,231		4,774,574	
Cash at bank		1,023,372		1,314,621	
		<u>50,256,817</u>		<u>31,373,842</u>	
CREDITORS					
Amounts falling due within one year	14	6,130,030		3,474,905	
NET CURRENT ASSETS			<u>44,126,787</u>		<u>27,898,937</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>55,470,861</u>		<u>28,826,155</u>
CREDITORS					
Amounts falling due after more than one year	15		54,065,135		27,315,135
NET ASSETS			<u><u>1,405,726</u></u>		<u><u>1,511,020</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		10,001		10,001
Retained earnings	17		1,395,725		1,501,019
SHAREHOLDERS' FUNDS			<u><u>1,405,726</u></u>		<u><u>1,511,020</u></u>

The financial statements were approved by the Board of Directors on 31 May 2018 and were signed on its behalf by:



S Barham - Director

THAMESWEY DEVELOPMENTS LIMITED (REGISTERED NUMBER: 06646380)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2016	10,001	970,126	980,127
Changes in equity			
Total comprehensive income	-	530,893	530,893
Balance at 31 December 2016	<u>10,001</u>	<u>1,501,019</u>	<u>1,511,020</u>
Changes in equity			
Dividends	-	(250,000)	(250,000)
Total comprehensive income	-	144,706	144,706
Balance at 31 December 2017	<u>10,001</u>	<u>1,395,725</u>	<u>1,405,726</u>

The notes on pages 11 to 18 form part of these financial statements

THAMESWEY DEVELOPMENTS LIMITED (REGISTERED NUMBER: 06646380)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	20	(18,225,360)	(26,355,709)
Interest paid		(149,586)	(57,059)
Net cash from operating activities		<u>(18,374,946)</u>	<u>(26,412,768)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,059)	-
Purchase of investment property		(10,407,875)	(6,868)
Interest received		631	5,943
Dividends received		-	172,518
Net cash from investing activities		<u>(10,416,303)</u>	<u>171,593</u>
Cash flows from financing activities			
New loans in year		28,750,000	26,815,126
Equity dividends paid		(250,000)	-
Net cash from financing activities		<u>28,500,000</u>	<u>26,815,126</u>
(Decrease)/increase in cash and cash equivalents		(291,249)	573,951
Cash and cash equivalents at beginning of year	21	1,314,621	740,670
Cash and cash equivalents at end of year	21	<u>1,023,372</u>	<u>1,314,621</u>

The notes on pages 11 to 18 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. STATUTORY INFORMATION

Thameswey Developments Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. 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.

The financial statements are presented in Pound Sterling (£).

Preparation of consolidated financial statements

The financial statements contain information about Thameswey Developments 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, The St Botolph Building, 138 Houndsditch, London, EC3A 7AR.

Turnover

Turnover represents the value of invoiced sales of services net of 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.

Rental income from investment properties is recognised in other income.

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 - 33% on cost

Investment property

Investment properties are properties held to earn rentals and capital appreciation.

Investment properties are measured at fair value.

Gains and losses arising from changes in the fair value of investment properties are included in the income statement in the period in which they arise.

Investment properties are not depreciated.

Stocks

Work in progress is valued at the lower of cost and net realisable value. Work in progress comprises direct materials, sub-contract work, labour costs, site overheads, associated professional fees, other attributable overheads and interest costs.

Financial instruments

Financial instruments are classified as accounted for according to the substance of the contractual arrangements as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the net assets of the company.

Basic financial instruments are recognised at amortised cost. The company has no non-basic financial instruments.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

3. EMPLOYEES AND DIRECTORS

No employees are directly employed by the company. The independent director is remunerated by the parent undertaking in both the current and preceding year. The cost of which is reimbursed.

4. DIRECTORS' EMOLUMENTS

	2017	2016
	£	£
Directors' remuneration	5,403	5,404

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.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	78	-
Auditors' remuneration	6,020	7,500

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Loan interest	<u>149,586</u>	<u>57,059</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2017	2016
	£	£
Current tax:		
UK corporation tax	<u>34,507</u>	<u>43,369</u>
Tax on profit	<u>34,507</u>	<u>43,369</u>

Reconciliation of total tax charge 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:

	2017	2016
	£	£
Profit before tax	<u>179,213</u>	<u>574,262</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	34,499	114,852
Effects of:		
Income not taxable for tax purposes	-	(34,504)
Depreciation in excess of capital allowances	8	-
Utilisation of tax losses	-	<u>(36,979)</u>
Total tax charge	<u>34,507</u>	<u>43,369</u>

8. DIVIDENDS

	2017	2016
	£	£
Ordinary shares of £1 each		
Interim	<u>250,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

9. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
Additions	9,059
At 31 December 2017	<u>9,059</u>
DEPRECIATION	
Charge for year	78
At 31 December 2017	<u>78</u>
NET BOOK VALUE	
At 31 December 2017	<u><u>8,981</u></u>

10. FIXED ASSET INVESTMENTS

	Interest in joint venture £
COST	
At 1 January 2017 and 31 December 2017	<u>99,727</u>
NET BOOK VALUE	
At 31 December 2017	<u><u>99,727</u></u>
At 31 December 2016	<u><u>99,727</u></u>

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

Joint ventures

Rutland (Woking) Limited

Registered office: Dunsfold Park, Stovolds Hill, Cranleigh, Surrey GU6 8TB

Nature of business: Property development

Class of shares:	%		
Ordinary	holding		
	50.00	2017	2016
		£	£
Aggregate capital and reserves		246,100	303,258
(Loss)/profit for the year		<u>(57,158)</u>	<u>342,288</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

10. FIXED ASSET INVESTMENTS - continued

Rutland Woking (Carthouse Lane) Limited

Registered office: Dunsfold Park, Stovolds Hill, Cranleigh, Surrey GU6 8TB

Nature of business: Property development

Class of shares:	% holding	2017	2016
Ordinary	50.00	£	£
Aggregate capital and reserves		320,533	330,832
(Loss)/profit for the year		(10,299)	44

11. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2017	827,491
Additions	10,407,875
At 31 December 2017	11,235,366
NET BOOK VALUE	
At 31 December 2017	11,235,366
At 31 December 2016	827,491

As at 31st December 2017 the properties fair value was reviewed by the directors and it was determined that there was no movement in fair value in the year.

Two properties are included in investment properties. One property was purchased in the final quarter of 2017 so the cost price has been deemed to be the fair value of the property as at the year end.

The other property was purchased in 2014 and due to the nature of the property the directors have determined that there has been no change in fair value since its purchase.

12. STOCKS

	2017	2016
Work-in-progress	£ 48,380,214	£ 25,284,647

Stock recognised in cost of sales during the year as an expense was £1,986,219 (2016: £Nil).

During the year interest of £1,108,821 (2016: £121,468) was capitalised and included in work in progress.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	185,604	323,152
Other debtors	-	172,518
Other debtors	51,831	51,831
VAT	501,023	3,793,732
Prepayments and accrued income	114,773	433,341
	<u>853,231</u>	<u>4,774,574</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	1,124,772	474,118
Amounts owed to group undertakings	3,420,621	2,395,176
Other creditors	288	-
Accruals and deferred income	475,965	-
Accrued expenses	1,108,384	605,611
	<u>6,130,030</u>	<u>3,474,905</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	-£	£
Amounts owed to group undertakings	<u>54,065,135</u>	<u>27,315,135</u>

Amounts owed to group undertaking (Woking Borough Council)

	2017	2016
	£	£
Repayable within one year	2,000,000	
Amounts falling due between one and five years	44,250,000	
Amounts falling due after more than five years	9,000,000	26,500,000
	<u>55,250,000</u>	<u>26,500,000</u>

Amounts owed to group undertakings comprises loans from the ultimate parent undertaking Woking Borough Council. Interest is charged on the above loans at an annual interest rate of between 2% and 4%.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
10,001	Ordinary	£1	<u>10,001</u>	<u>10,001</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 2017

17. RESERVES

	Retained earnings £
At 1 January 2017	1,501,019
Profit for the year	144,706
Dividends	(250,000)
	<hr/>
At 31 December 2017	<u>1,395,725</u>

18. 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.

19. RELATED PARTY DISCLOSURES

The company's immediate parent company Thameswey Limited is 100% (2016 - 100%) owned by Woking Borough Council. Thameswey Limited owns the share capital of the following companies:

	2017	2016
Thameswey Energy Limited	100%	100%
Thameswey Housing Limited	100%	100%
Thameswey Sustainable Communities Limited	100%	100%
Thameswey Developments Limited	100%	100%
Thameswey Solar Limited	100%	75%
Thameswey Maintenance Services Limited	100%	100%
Woking Necropolis and Mausoleum Limited	0%	100%

Thameswey Energy Limited owns 100% (2016 - 100%) of Thameswey Central Milton Keynes Limited. Thameswey Housing Limited owns 100% (2016 - 100%) of Thameswey Guest Houses Limited and 50% (2016 - 50%) of Rutland Woking (Residential) Limited. Thameswey Developments Limited owns 50% (2016 - 50%) of Rutland (Woking) Limited and 50% (2016 - 50%) of Rutland Woking (Carthouse Lane) Limited. Rutland (Woking) Limited owns 50% (2016: 50%) of Rutland Woking (Residential) 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 2017

20. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit before taxation	179,213	574,262
Depreciation charges	78	-
Finance costs	149,586	57,059
Finance income	(631)	(178,461)
	<u>328,246</u>	<u>452,860</u>
Increase in stocks	(23,095,567)	(24,974,551)
Decrease/(increase) in trade and other debtors	3,921,343	(2,271,792)
Increase in trade and other creditors	620,618	437,774
	<u>620,618</u>	<u>437,774</u>
Cash generated from operations	<u><u>(18,225,360)</u></u>	<u><u>(26,355,709)</u></u>

21. 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 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u>1,023,372</u>	<u>1,314,621</u>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u>1,314,621</u>	<u>740,670</u>