

REGISTERED NUMBER: 05277300 (England and Wales)

Directors' Report and

Financial Statements

for the Year Ended 31 December 2020

for

THAMESWEY CENTRAL MILTON KEYNES LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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THAMESWEY CENTRAL MILTON KEYNES LIMITED

**Company Information
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTORS: W Prescott
Dr B M Maunders
Cllr A Azad
P J Grimshare
G C Framalicco
Cllr C S Kemp
G D Mcmanus

SECRETARY: Clyde Secretaries Limited

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

REGISTERED NUMBER: 05277300 (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

THAMESWEY CENTRAL MILTON KEYNES LIMITED

**Company Information
FOR THE YEAR ENDED 31 DECEMBER 2020**

SOLICITORS:

Clyde & Co LLP
The St Botolph Building
138 Houndsditch
London
EC3A 7AR

**Directors' Report
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

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 for the production and supply of electricity, heat and cooling.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

W Prescott
Dr B M Maunders
Cllr A Azad

Other changes in directors holding office are as follows:

P J Grimshare , G C Framalocco , Cllr C S Kemp and G D Mcmanus were appointed as directors after 31 December 2020 but prior to the date of this report.

D J Spinks and P N Bryant ceased to be directors after 31 December 2020 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.

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

Date: October 2021

**Statement of Directors' Responsibilities
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 Thamesway Central Milton Keynes Limited

Opinion

We have audited the financial statements of Thamesway Central Milton Keynes Limited (the 'company') for the year ended 31 December 2020 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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.

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.

Material uncertainty related to going concern

We draw attention to Note 2 which indicates that the company is solely supported by way of loans from Woking Borough Council. Further to this the entity has been continuously loss making with liabilities exceeding its total assets.

These conditions, along with other matters as set forth in Note 2 indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 Thamesway Central Milton Keynes 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 or in preparing the Directors' 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.

Auditors' 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.

The objectives of our audit in respect of fraud are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks, and to respond accordingly to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are the Companies Act 2006, the reporting framework of the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and UK taxation legislation.

We understood how the company is complying with those frameworks by discussions with management and those charged with governance. Where the risk was considered to be higher we performed audit procedures to address each identified fraud risk. These procedures included confirming group balances, verifying existence and ownership of fixed assets along with their efficiency, and testing completeness and accuracy of income. In addition, we completed procedures to conclude on the compliance of the disclosures in the financial statements with all applicable requirements.

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.

**Independent Auditor's Report to the Members of
Thameswey Central Milton Keynes Limited**

Use of our report

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.

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

Date:

Note:

The maintenance and integrity of the Thameswey Central Milton Keynes 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 2020

	Notes	2020 £	2019 £
TURNOVER		2,738,753	3,033,440
Cost of sales		<u>1,578,557</u>	<u>1,806,985</u>
GROSS PROFIT		1,160,196	1,226,455
Administrative expenses		<u>1,390,330</u>	<u>1,440,403</u>
		(230,134)	(213,948)
Other operating income		<u>274,035</u>	<u>273,443</u>
OPERATING PROFIT	6	43,901	59,495
Interest receivable and similar income		<u>299</u>	<u>799</u>
		44,200	60,294
Interest payable and similar expenses	7	<u>1,874,003</u>	<u>1,847,227</u>
LOSS BEFORE TAXATION		(1,829,803)	(1,786,933)
Tax on loss	8	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(1,829,803)</u>	<u>(1,786,933)</u>

The notes on pages 13 to 21 form part of these financial statements

**Other Comprehensive Income
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
LOSS FOR THE YEAR		(1,829,803)	(1,786,933)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,829,803)</u>	<u>(1,786,933)</u>

The notes on pages 13 to 21 form part of these financial statements

Balance Sheet
31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		10,403		-
Tangible assets	11		16,956,046		17,380,610
			<u>16,966,449</u>		<u>17,380,610</u>
CURRENT ASSETS					
Stocks	12	113,327		104,970	
Debtors	13	869,202		863,185	
Cash at bank		264,932		174,583	
			<u>1,247,461</u>	<u>1,142,738</u>	
CREDITORS					
Amounts falling due within one year	14	1,976,583		1,827,496	
NET CURRENT LIABILITIES			<u>(729,122)</u>	<u>(684,758)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			16,237,327		16,695,852
CREDITORS					
Amounts falling due after more than one year	15		(31,815,687)		(30,525,603)
ACCRUALS AND DEFERRED INCOME	16		(5,352,952)		(5,271,758)
NET LIABILITIES			<u>(20,931,312)</u>		<u>(19,101,509)</u>
CAPITAL AND RESERVES					
Called up share capital	17		1,110,000		1,110,000
Retained earnings	18		(22,041,312)		(20,211,509)
SHAREHOLDERS' FUNDS			<u>(20,931,312)</u>		<u>(19,101,509)</u>

The financial statements were approved by the Board of Directors and authorised for issue on October 2021 and were signed on its behalf by:

.....
Dr B M Maunders - Director

**Statement of Changes in Equity
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	1,110,000	(18,424,576)	(17,314,576)
Changes in equity			
Total comprehensive income	-	(1,786,933)	(1,786,933)
Balance at 31 December 2019	<u>1,110,000</u>	<u>(20,211,509)</u>	<u>(19,101,509)</u>
Changes in equity			
Total comprehensive income	-	(1,829,803)	(1,829,803)
Balance at 31 December 2020	<u><u>1,110,000</u></u>	<u><u>(22,041,312)</u></u>	<u><u>(20,931,312)</u></u>

The notes on pages 13 to 21 form part of these financial statements

Cash Flow Statement
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	21	984,322	345,752
Interest paid		<u>(1,874,003)</u>	<u>(1,847,227)</u>
Net cash from operating activities		<u>(889,681)</u>	<u>(1,501,475)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(13,871)	-
Purchase of tangible fixed assets		(424,877)	(138,953)
Interest received		299	799
Net cash from investing activities		<u>(438,449)</u>	<u>(138,154)</u>
Cash flows from financing activities			
New loans in year		2,520,000	2,038,000
Loan repayments in year		(1,101,521)	(972,273)
Contribution from other bodies		-	2,812
Net cash from financing activities		<u>1,418,479</u>	<u>1,068,539</u>
Increase/(decrease) in cash and cash equivalents		<u>90,349</u>	<u>(571,090)</u>
Cash and cash equivalents at beginning of year	22	174,583	745,673
Cash and cash equivalents at end of year	22	<u><u>264,932</u></u>	<u><u>174,583</u></u>

The notes on pages 13 to 21 form part of these financial statements

**Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Thameswey Central Milton Keynes 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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 historical cost convention.

Going Concern

The financial statements have been prepared on a going concern basis. The directors have acknowledged the latest guidance on going concern and financial reporting published by the Financial Reporting Council. The going concern basis adopted for preparing the financial statements is contingent upon the continued financial support of the company's ultimate controlling party, Woking Borough Council.

The company is financed by way of share capital and loans from the ultimate parent undertaking, Woking Borough Council (the Council). The council's return on its loan investment is achieved by way of a margin on the interest it receives from the company over the interest that it pays on the council's own borrowing. A return on the investment in the shares is not forecast until 2064 by way of dividends.

As part of the Director's review of the going concern status of the company they have carried out a funding commitment review to identify the loans required for the balance of 2021 and 2022 financial year. The funding identified is included within the ultimate parent entity's Medium Term Financial Strategy and all funding has been authorised by the parent entity. If, in the unforeseen event funding is withdrawn the Directors have obtained assurances that the loan liabilities can be supported from the council's reserves.

The Directors and the parent entity are aware that in the coming years the entity needs to be supported by the parent entity in terms of cashflow funding and that in order to meet current liabilities and interest costs this funding will exceed in-year profits generated by the company. The Directors have gained the necessary assurances from the ultimate parent entity that they will support the company and not demand the repayment of loans and interest to the detriment of the company and have assessed the parent entity's ability to provide the required funding.

For these reasons the directors believe that it is appropriate to prepare the accounts on a going concern basis.

The company has experienced the effect of COVID-19 with a reduction in energy consumption from customers. In addition the company has made adjustments to working practices in order to keep employees safe.

The directors continue to monitor the impact of the consequences of the virus on the business. At the time of approving the financial statements the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

RELATED PARTY EXEMPTION

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. **ACCOUNTING POLICIES - continued**

TURNOVER

Turnover includes the sales value of units of energy supplied to domestic and commercial customers. Energy supplied includes sustainable electricity, gas, heating, cooling as well as surplus energy units supplied to the grid.

Turnover relating to the sales value of units of energy is recognised at the time at which energy is supplied, this is based on periodic meter readings and includes estimates of the value of units supplied to customers between the date of the last meter reading and the year end.

Turnover also includes the sales value of service charges relating to the maintenance and supply of energy meters. Turnover relating to the sales value of service charges is recognised at the point at which the service is performed.

All turnover is stated net of VAT and discounts.

INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. Subsequently intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised at 25% on cost.

TANGIBLE FIXED ASSETS

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

Buildings - Straight line over 60 years

Plant and Machinery - Straight line over a period between 15 and 60 years

Assets under construction are not depreciated until the asset is completed and commissioned

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.

Cost is defined as the average cost of stock items, and includes all purchase, transport and handling costs in bringing stock to its present location and condition.

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. **ACCOUNTING POLICIES - continued**

FINANCIAL INSTRUMENTS

Financial instruments are accounted for according to the substance of the contractual arrangements as either financial assets, financial liabilities or equity instruments, rather than their legal form.

The company only has basic financial instruments.

Financial assets are initially measured at transaction price and subsequently held at cost, less any impairment.

Financial liabilities are measured initially at transaction price and subsequently at amortised cost.

An equity instrument is any contract that evidences a residual interest in the net assets of the company.

Finance costs are charged to the profit and loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

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.

HIRE PURCHASE AND LEASING COMMITMENTS

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

GRANTS

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. Deferred income relating to these grants amounted to £5,351,028 (2019: £5,271,758).

Other grants are credited to the profit and loss account as the related expenditure is incurred.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In preparing the accounts, the company is required to make estimates and assumptions that impact on the reported amounts of revenues, expenses, assets and liabilities of the company. Actual results may differ from these estimates. This critical accounting judgement and key source of estimation uncertainty should be read in conjunction with the full accounting policy for turnover in Note 2.

Revenue

Energy sales to all customers are based on meter readings, which are carried out on a systematic basis throughout the year. When a meter reading had not been undertaken at the year end, an estimate of the value of units supplied to customers between the date of the last meter reading and the period end is included in revenue.

Unbilled revenue is included within accrued income in the balance sheet. At 31 December 2020 this amounted to £310,716 (2019: £379,839)

4. **EMPLOYEES AND DIRECTORS**

There were no staff or employees directly employed by the company for the year ended 31 December 2020 or for the year ended 31 December 2019. The independent directors are remunerated by parent undertakings for the current and preceding financial years. Staff costs are reallocated from parent undertakings.

5. **DIRECTORS' EMOLUMENTS**

	2020	2019
	£	£
Directors' remuneration	<u>9,275</u>	<u>9,289</u>

Directors remuneration relates to fees paid to the independent non-executive directors.

6. **OPERATING PROFIT**

The operating profit is stated after charging:

	2020	2019
	£	£
Hire of plant and machinery	90,000	90,000
Depreciation - owned assets	849,441	838,150
Computer software amortisation	3,468	-
Auditors' remuneration	<u>11,065</u>	<u>7,877</u>

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
Other interest	<u>1,874,003</u>	<u>1,847,227</u>

8. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. TAXATION - continued

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:

	2020 £	2019 £
Loss before tax	<u>(1,829,803)</u>	<u>(1,786,933)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(347,663)	(339,517)
Effects of:		
Expenses not deductible for tax purposes	299,643	-
Income not taxable for tax purposes	(299)	(51,954)
Depreciation in excess of capital allowances	69,434	159,248
Utilisation of tax losses	299	152
Losses carried forward	-	232,071
Other movements	<u>(21,414)</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

9. LOANS AND OVERDRAFTS

Amounts owed to group undertaking

	2020 £	2019 £
Repayable within one year	1,216,097	1,087,854
Amounts falling due between one and two years	2,659,055	1,155,260
Amounts falling due between two and five years	2,994,125	3,914,499
Amounts falling due after more than five years	26,162,507	25,455,692
	<u>33,031,784</u>	<u>31,613,305</u>

A debenture was created on 24 March 2006 by Thameswey Central Milton Keynes Limited for securing £2,500,000 due to Woking Borough Council.

Amounts owed to group undertaking comprises loans from the ultimate parent undertaking Woking Borough Council. Interest is charged on the above loans at an annual interest rate of between 4% and 7%.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	13,871
At 31 December 2020	<u>13,871</u>
AMORTISATION	
Amortisation for year	3,468
At 31 December 2020	<u>3,468</u>
NET BOOK VALUE	
At 31 December 2020	<u><u>10,403</u></u>

11. TANGIBLE FIXED ASSETS

	Buildings £	Plant and machinery £	Assets under construction £	Motor vehicles £	Totals £
COST					
At 1 January 2020	1,886,800	23,280,761	515,346	13,605	25,696,512
Additions	-	58,998	365,879	-	424,877
Transfer to ownership	-	116,552	(116,552)	-	-
At 31 December 2020	<u>1,886,800</u>	<u>23,456,311</u>	<u>764,673</u>	<u>13,605</u>	<u>26,121,389</u>
DEPRECIATION					
At 1 January 2020	387,843	7,926,763	-	1,296	8,315,902
Charge for year	31,447	814,107	-	3,887	849,441
At 31 December 2020	<u>419,290</u>	<u>8,740,870</u>	<u>-</u>	<u>5,183</u>	<u>9,165,343</u>
NET BOOK VALUE					
At 31 December 2020	<u><u>1,467,510</u></u>	<u><u>14,715,441</u></u>	<u><u>764,673</u></u>	<u><u>8,422</u></u>	<u><u>16,956,046</u></u>
At 31 December 2019	<u><u>1,498,957</u></u>	<u><u>15,353,998</u></u>	<u><u>515,346</u></u>	<u><u>12,309</u></u>	<u><u>17,380,610</u></u>

12. STOCKS

	2020 £	2019 £
Stocks	<u><u>113,327</u></u>	<u><u>104,970</u></u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2020	2019
			£	£	
	Trade debtors		307,959	235,047	
	Amounts owed by group undertakings		200,947	200,947	
	Other debtors		19,640	-	
	VAT		4,071	16,640	
	Prepayments and accrued income		336,585	410,551	
			<u>869,202</u>	<u>863,185</u>	
14.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2020	2019
			£	£	
	Trade creditors		373,865	378,927	
	Amounts owed to group undertakings		1,216,097	1,087,702	
	Accruals and deferred income		386,621	360,867	
			<u>1,976,583</u>	<u>1,827,496</u>	
15.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			2020	2019
			£	£	
	Amounts owed to group undertakings		31,815,687	30,525,603	
16.	ACCRUALS AND DEFERRED INCOME			2020	2019
			£	£	
	Accruals and deferred income		5,352,952	5,271,758	
17.	CALLED UP SHARE CAPITAL				
	Allotted, issued and fully paid:				
	Number:	Class:	Nominal value:	2020	2019
				£	£
	1,110,000	Ordinary	£1	<u>1,110,000</u>	<u>1,110,000</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 2020

18. RESERVES

	Retained earnings £
At 1 January 2020	(20,211,509)
Deficit for the year	(1,829,803)
	<hr/>
At 31 December 2020	(22,041,312)
	<hr/> <hr/>

19. ULTIMATE PARENT COMPANY

The company's immediate parent company is Thameswey Energy 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.

20. RELATED PARTY DISCLOSURES

The company's immediate parent company Thameswey Energy Limited is 100% (2019 - 100%) owned by Thameswey Limited, which is itself owned by Woking Borough Council.

Thameswey Limited owns the share capital of the following companies:

	2020	2019
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%	100%
Thameswey Maintenance Services Limited	100%	100%

Thameswey Energy Limited owns 100% (2019 - 100%) of Thameswey Central Milton Keynes Limited. Thameswey Housing Limited owns 100% (2019 - 100%) of Thameswey Guest Houses Limited and 50% (2019 - 50%) of Rutland Woking (Residential) Limited. Thameswey Developments Limited owns 50% (2019 - 50%) of Rutland (Woking) Limited and 50% (2019 - 50%) of Rutland Woking (Carthouse Lane) Limited. Rutland (Woking) Limited owns 50% (2019: 50%) of Rutland Woking (Residential) Limited.

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 2020

21.	RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS		
		2020	2019
		£	£
	Loss before taxation	(1,829,803)	(1,786,933)
	Depreciation charges	852,909	838,150
	Contribution amortised	(274,035)	(273,443)
	Finance costs	1,874,003	1,847,227
	Finance income	(299)	(799)
		<hr/>	<hr/>
		622,775	624,202
	Increase in stocks	(8,357)	(36,440)
	(Increase)/decrease in trade and other debtors	(6,017)	161,922
	Increase/(decrease) in trade and other creditors	375,921	(403,932)
		<hr/>	<hr/>
	Cash generated from operations	984,322	345,752
		<hr/> <hr/>	<hr/> <hr/>

22. **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 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	264,932	174,583
	<hr/>	<hr/>

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	174,583	745,673
	<hr/>	<hr/>

23. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank	174,583	90,349	264,932
	<hr/>	<hr/>	<hr/>
	174,583	90,349	264,932
	<hr/>	<hr/>	<hr/>
Total	174,583	90,349	264,932
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>