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Company registration number: 01532803

**JGC CORPORATION (UK) LIMITED**

**Financial statements**

**31 December 2018**



## **JGC CORPORATION (UK) LIMITED**

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## **JGC CORPORATION (UK) LIMITED**

### **Directors and other information**

<b>Directors</b>	Mr. H Suzuki Mr. K Muto
<b>Secretary</b>	Mr. H Suzuki
<b>Company number</b>	01532803
<b>Registered office</b>	4th Floor, Hyde Park Hayes Building 3, 11 Millington Road Hayes Middlesex, ENGLAND UB3 4AZ
<b>Auditor</b>	Sidikies Chartered Accountants 1 Sun Street London EC2A 2EP
<b>Bankers</b>	Barclays Bank 1 Churchill Palace London E14 5HP  Sumitomo Mitsui Banking Corporation 99 Victoria Street London EC4V EH
<b>Solicitors</b>	Debenhams Ottaway Ivy House 107 St Peter's Street St Albans Hertfordshire AL1 3EW

## JGC CORPORATION (UK) LIMITED

### Strategic report Year ended 31 December 2018

The directors present their report for JGC Corporation (UK) Limited ('the company') for the year ended 31 December 2018.

#### Principal activities

The principal activity of the Company continues to be provision of services, including engineering and procurement as well as manpower supply, to JGC Corporation, Japan. The Company is a wholly owned subsidiary company of JGC Corporation, Japan.

Changes to the activities of the company are expected in foreseeable future, to provide project management and construction management services.

#### Review of the business

The directors report a profit before tax of £2,812,367 during 2018 (2017: £354,934). Due to a completion of a major project in 2017 revenue has decreased. However due an increase in demand on the other projects and as a result of improving efficiencies in the end of 2017, there was an increase in operating profit as can be seen below.

#### Key performance indicators

The Company's key performance indicators to measure accountability and growth of its operation are turnover and revenue and operating profit.

	2018	2017	Change	Percentage change
Revenue	7,423,086	9,687,312	(2,255,226)	-23%
Operating profit	2,812,367	354,394	2,457,973	62%

#### Principal risk and uncertainties

The principal risks and uncertainties facing the Company are summarised below:

- Increased competitive pressure;
- Delays in customers' investment decisions and a reduced number of projects in the oil and gas industries.

The Company manages these risks and uncertainties by optimizing operations and providing customers with value added and high quality services, and further through business development in areas other than the oil and gas industries.

#### Further developments

The directors expect the general level of activity to increase in the forthcoming year and will try to minimise the operational cost and expenses at the same time. The directors believe the Company will be well prepared for further growth and will have sufficient capability to meet future business opportunities.

This report was approved by the board of directors on 20 September 2019 and signed on behalf of the board by:



Mr. H Suzuki  
Director

## **JGC CORPORATION (UK) LIMITED**

### **Directors report Year ended 31 December 2018**

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

#### **Directors**

The directors who served the company during the year were as follows:

Mr. H Suzuki  
Mr. K Muto

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **Directors responsibilities statement**

The directors are responsible for preparing the strategic report, 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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

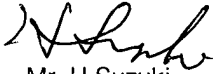
#### **Approval of reduced disclosures**

The Company, as qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

**JGC CORPORATION (UK) LIMITED**

**Directors report (continued)**  
**Year ended 31 December 2018**

This report was approved by the board of directors on 20 September 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'H. Suzuki', written in a cursive style.

Mr. H Suzuki  
Director

## **JGC CORPORATION (UK) LIMITED**

### **Independent auditor's report to the members of JGC CORPORATION (UK) LIMITED Year ended 31 December 2018**

#### **Opinion**

We have audited the financial statements of JGC CORPORATION (UK) LIMITED for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity 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 FRS 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 auditors 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 2018 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's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

## **JGC CORPORATION (UK) LIMITED**

### **Independent auditor's report to the members of JGC CORPORATION (UK) LIMITED (continued) Year ended 31 December 2018**

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **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 strategic report or 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 the 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 is 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.

#### **Auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

**JGC CORPORATION (UK) LIMITED**

**Independent auditor's report to the members of  
JGC CORPORATION (UK) LIMITED (continued)  
Year ended 31 December 2018**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Amir Siddiqi FCA FCCA (Senior Statutory Auditor)

For and on behalf of  
Sidikies Chartered Accountants  
1 Sun Street  
London  
EC2A 2EP

20 September 2019

**JGC CORPORATION (UK) LIMITED**

**Statement of comprehensive income  
Year ended 31 December 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Turnover</b>	<b>4</b>	7,423,086	9,678,312
Cost of sales		<u>(4,895,276)</u>	<u>(9,240,277)</u>
<b>Gross profit</b>		2,527,810	438,035
Administrative expenses		<u>284,557</u>	<u>(83,101)</u>
<b>Operating profit</b>	<b>5</b>	2,812,367	354,934
<b>Profit before taxation</b>		<u>2,812,367</u>	<u>354,934</u>
Tax on profit	<b>9</b>	<u>(538,480)</u>	<u>(77,524)</u>
<b>Profit for the financial year and total comprehensive income</b>		<u><u>2,273,887</u></u>	<u><u>277,410</u></u>

All the activities of the company are from continuing operations.

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

**JGC CORPORATION (UK) LIMITED**

**Statement of financial position  
31 December 2018**

	Note	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10	<u>2,887</u>		<u>6,773</u>	
			2,887		6,773
<b>Current assets</b>					
Debtors	11	2,423,057		1,727,501	
Cash at bank and in hand		<u>3,983,125</u>		<u>662,837</u>	
		6,406,182		2,390,338	
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,747,947)</u>		<u>(1,009,877)</u>	
<b>Net current assets</b>		<u>3,658,235</u>		<u>1,380,461</u>	
<b>Total assets less current liabilities</b>		<u>3,661,122</u>		<u>1,387,234</u>	
<b>Net assets</b>		<u><u>3,661,122</u></u>		<u><u>1,387,234</u></u>	
<b>Capital and reserves</b>					
Called up share capital	14	30,000		30,000	
Profit and loss account		<u>3,631,122</u>		<u>1,357,234</u>	
<b>Shareholders funds</b>		<u><u>3,661,122</u></u>		<u><u>1,387,234</u></u>	

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 20 September 2019, and are signed on behalf of the board by:



Mr. H Suzuki  
Director

Company registration number: 01532803

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

**JGC CORPORATION (UK) LIMITED**

**Statement of changes in equity  
Year ended 31 December 2018**

	Called up share capital	Profit and loss account	<b>Total</b>
	£	£	£
<b>At 1 January 2017</b>	30,000	1,079,824	1,109,824
Profit for the year	<u>          </u>	<u>277,410</u>	<u>277,410</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>277,410</u>	<u>277,410</u>
<b>At 31 December 2017 and 1 January 2018</b>	<u>30,000</u>	<u>1,357,235</u>	<u>1,387,235</u>
Profit for the year	<u>          </u>	<u>2,273,887</u>	<u>2,273,887</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>2,273,887</u>	<u>2,273,887</u>
<b>At 31 December 2018</b>	<u><u>30,000</u></u>	<u><u>3,631,122</u></u>	<u><u>3,661,122</u></u>

## **JGC CORPORATION (UK) LIMITED**

### **Notes to the financial statements Year ended 31 December 2018**

#### **1. General information**

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is 4th Floor, Hyde Park Hayes, Building 3, 11 Millington Road, Hayes, Middlesex, ENGLAND, UB3 4AZ.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Disclosure exemptions**

The Company meets the definition of a qualified entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, JGC Corporation, which may be obtained at JGC Corporation, 3-1 Minato Mirai 2-1 Chrome, Nishi-Ku, Yokohama 220-6001, Japan. Exceptions have been taken in these separate Company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

##### **Judgements and key sources of estimation uncertainty**

In the application of company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about carrying amounts of asset and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. No critical accounting judgements or sources of estimation uncertainty have been identified.

##### **Turnover**

Turnover is stated net of VAT and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. JGC Corporations (UK) Limited sells services to customers in the UK, which are mainly engineering and procurement services.

## **JGC CORPORATION (UK) LIMITED**

### **Notes to the financial statements (continued)** **Year ended 31 December 2018**

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all significant timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Foreign exchange**

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at the date. These translation differences are dealt with in the profit and loss account.

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### **Tangible assets**

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment in value. depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, net of residual value, evenly over its expected useful life, as follows:

#### **Depreciation**

Fittings fixtures and equipment	- 10%	straight line
Motor vehicles	- 25%	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

# JGC CORPORATION (UK) LIMITED

## Notes to the financial statements (continued) Year ended 31 December 2018

### Financial instruments

All financial assets and liabilities are initially measured at transaction price (including transaction costs). Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 4. Turnover

Turnover arises from:

	2018	2017
	£	£
Fees	7,423,086	9,678,312

Turnover represents fees invoiced to and expenses reimbursed by JGC Corporation, Japan, for services provided, net of value added tax where applicable. All turnover is derived in the United Kingdom.

### 5. Operating profit

Operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	3,886	3,968
Operating lease rentals	190,190	172,999
Foreign exchange differences	(337,889)	32,070

### 6. Auditors remuneration

	2018	2017
	£	£
<b>Fees payable to SIDIKIES</b>		
Fees payable for the audit of the financial statements	9,750	15,500
Fees payable to the company's auditor for other services:		
Other non-audit services	2,850	-

**JGC CORPORATION (UK) LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2018**

**7. Staff costs**

The average number of persons employed by the company during the year, including the directors, amounted to:

	<b>2018</b>	<b>2017</b>
Administrative staff	<u>9</u>	<u>25</u>

The aggregate payroll costs incurred during the year were:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,772,993	2,561,664
Social security costs	<u>86,727</u>	<u>79,886</u>
	<u>2,859,720</u>	<u>2,641,550</u>

**8. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Remuneration	<u>103,352</u>	<u>145,920</u>

**JGC CORPORATION (UK) LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2018**

**9. Tax on profit**

**Major components of tax expense**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	538,315	64,429
Adjustments in respect of previous periods	-	(1,139)
Total current tax	<u>538,315</u>	<u>63,290</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	165	14,419
Impact of change in tax rate	-	(185)
Total deferred tax	<u>165</u>	<u>14,234</u>
<b>Tax on profit</b>	<u><u>538,480</u></u>	<u><u>77,524</u></u>

**Reconciliation of tax expense**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<u>2,812,367</u>	<u>354,934</u>
Profit multiplied by rate of tax	534,350	68,325
Adjustments in respect of prior periods	-	(1,139)
Effect of expenses not deductible for tax purposes	3,487	10,535
Effect of capital allowances and depreciation	478	-
Tax rate changes	-	(197)
Reversal of timing difference	165	-
Tax on profit	<u><u>538,480</u></u>	<u><u>77,524</u></u>

**JGC CORPORATION (UK) LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2018**

**10. Tangible assets**

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2018	70,461	23,348	93,809
Disposals	(47,439)	-	(47,439)
<b>At 31 December 2018</b>	<u>23,022</u>	<u>23,348</u>	<u>46,370</u>
<b>Depreciation</b>			
At 1 January 2018	63,688	23,348	87,036
Charge for the year	3,886	-	3,886
Disposals	(47,439)	-	(47,439)
<b>At 31 December 2018</b>	<u>20,135</u>	<u>23,348</u>	<u>43,483</u>
<b>Carrying amount</b>			
<b>At 31 December 2018</b>	<u>2,887</u>	<u>-</u>	<u>2,887</u>
At 31 December 2017	<u>6,773</u>	<u>-</u>	<u>6,773</u>

**11. Debtors**

	2018 £	2017 £
Trade debtors	-	32,250
Amounts owed by group undertakings	2,329,197	1,591,153
Deferred tax asset	-	159
Prepayments and accrued income	55,088	56,517
Other debtors	38,772	47,422
	<u>2,423,057</u>	<u>1,727,501</u>

**12. Creditors: amounts falling due within one year**

	2018 £	2017 £
Trade creditors	159,542	756,036
Amounts owed to group undertakings	1,584,649	146,078
Accruals and deferred income	8,669	18,736
Corporation tax	538,315	3,405
Social security and other taxes	456,772	85,622
	<u>2,747,947</u>	<u>1,009,877</u>

**JGC CORPORATION (UK) LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2018**

**13. Deferred tax**

The deferred tax included in the statement of financial position is as follows:

	<b>2018</b>	2017
	£	£
Included in debtors (note 11)	-	159
	<u>          </u>	<u>          </u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	<b>2018</b>	2017
	£	£
Accelerated capital allowances	-	159
	<u>          </u>	<u>          </u>

**14. Called up share capital**

	<b>2018</b>		2017	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	30,000	30,000	30,000	30,000
	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

**15. Operating leases**

**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2018</b>	2017
	£	£
Not later than 1 year	116,919	126,688
Later than 1 year and not later than 5 years	153,321	263,727
	<u>270,240</u>	<u>390,415</u>

**16. Related party transactions**

FRS 102 paragraph 33.1A provides exemption for disclosure of transactions between two or more members of a group, provided that all subsidiaries which are party to the transaction are wholly-owned by the group. The Company has taken advantage of this exemption.

**JGC CORPORATION (UK) LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2018**

**17. Ultimate Parent Company**

The company's immediate and ultimate parent company is JGC Corporation, incorporated in Japan. The smallest and the largest group to consolidate these financial statements is JGC Corporation. Copies of the consolidated group accounts are available from JGC Corporation, 3-1 Minato Mirai 2-Chrome, Nishi-Ku, Yokohama 220-6001, Japan.