THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2010/11

HC 1122 £14.25

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ANNUAL REPORT and ACCOUNTS 2010/11

Presented to Parliament pursuant to paragraph 13(3) of Schedule 31 to the Local Government, Planning and Land Act 1980.

Ordered by the House of Commons to be printed on 18th July 2011

HC 1122 London: The Stationery Office £14.25

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This publication is also available for download at www.official-documents.gov.uk and this document is also available from our website at www.thurrocktgdc.org.uk

ISBN: 9780102973068

Printed in the UK by The Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office

ID 2436154 07/11

Printed on paper containing 75% recycled fibre content minimum.

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William McKee (Chair)
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Sunny Crouch
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Christopher Paveley
Grahame Thomas (to end December 2010)
Garry Hague
John Kent
Richard Reynolds
Deep Sagar (to end December 2010)
Benjamin Stoneham (to end December 2010)

Chief Executive
and Accounting Officer
Niall Lindsay

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External Auditor
The Comptroller and Auditor General

Introduction

The twelve months of 2010/11 has been an eventful period for the future of the Corporation. As the year began the Corporation was working on the then Government's programme for transition to becoming part of the Homes and Communities Agency (HCA) with effect from 1st April 2011. Following the general election in May 2010 the new coalition government indicated it would reconsider this decision and would look at alternative future arrangements for the Corporation. In September 2010, the Minister of State for the Department for Communities and Local Government announced that the Corporation would close on 31st March 2012 and its assets and functions would transfer to Thurrock Council at that date.

The decision to transfer the Corporation to Thurrock Council is part of the government's localisation agenda enabling local people to make their own decisions for their area. The Corporation has over its life laid the foundations for securing the future prosperity of Thurrock providing a significant opportunity for Thurrock Council to build on these foundations as it takes over the work of the Corporation.

As I write, the Corporation is entering the last twelve months of its life. It is important that in that remaining period the Corporation is able to work with its partners, in particular Thurrock Council, to ensure that its legacy will last to the benefit of both present and future generations. This legacy is considerable as shown by the Corporation's key achievements over the five and half years since it became operational in October 2005 which lay the foundation for real change in Thurrock.

First, by proactively acquiring land and negotiating with landowners, relocating and remediating where needed, the Corporation has begun to reshape Thurrock from a fragmented and incongruent pattern of conflicting land uses in which poor quality residential housing sits alongside industrial sites, to a coherent landscape, where sustainable communities are linked together by green spaces that the public can use and enjoy. For example our transformational place making plans for Purfleet are now moving from concept to real action on the ground with the construction and opening of the Royal Opera House Production facility, the refurbishment of the Listed Farm Buildings and Walled Garden and construction starting on the National Skills Academy for Performing Arts. Linked with our detailed plans for a new Purfleet Centre, the ROH Production Park and ongoing developments at the RSPB Rainham Marshes established by the Corporation in 2006 ensure Purfleet's growth and regeneration is now on a positive and sustainable trajectory.

Second, the Corporation has put in place a clear planning policy framework to guide growth and regeneration and to inform, and provide, confidence to investors. This policy framework includes a series of Master Plans and more detailed design and viability work through a selection of Development and Design Briefs. To date, the Development Corporation has approved Master Plans for Purfleet, Aveley and South Ockendon, Lakeside and West Thurrock, Grays town centre, South East Thurrock, East Thurrock and North Grays. All Master Plans have been subject to at least two stages of public consultation, and will inform Thurrock Council's Local Development Framework.

Third, with the plans complete and the land assembled, we have begun to deliver perhaps the most challenging phase of Thurrock's growth and regeneration – the delivery of homes, growing existing businesses and attracting new sectors to the area. The Royal Opera House Production Park in Purfleet is an early example of our approach: by bringing in a major brand (the ROH) we have been able to establish a creative and cultural hub that will provide the catalyst for growth in this sector across Thurrock. Over time, we expect to draw more creative

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and cultural businesses to Thurrock, making it a natural home for one of the UK's fast growing sectors. Complementary to this is work to develop the skills we need among Thurrock's young people. A further significant milestone to this skills development will be the National Skills Academy for Performing Arts, now under construction on the Production Park site.
Over the past year the Corporation has developed and run the 'Next Top Boss' programme in co-operation with local businesses and colleges to develop aspiration, employment skills and confidence in young people in the area, and the programme is being taken forward for a second year in partnership with Thurrock Borough Council.

The Corporation's strategy has been to identify key areas for growth and put in place mechanisms that will enable that growth to occur. From April 2012 continuing support by Thurrock Council for this strategy is essential if the full benefits from this growth are to be realised for Thurrock and its communities.

These key areas are:

Lakeside/ West Thurrock – The Corporation has recognised the economic importance of Lakeside and the potential that it creates and has identified strong opportunities for transformational change. Through the Corporation's intervention provision for an additional 50,000m² net of retail floor space has been included in the plans for the area. This could provide up to 6,500 new jobs and improved leisure facilities, together with a real 'sense of place'

Grays – The Corporation's development of the New Generation Community Hospital site in partnership with the South West Essex PCT and proposals together with securing the development of the Thurrock Learning Campus in partnership with South Essex College, Thurrock Council and other key partners will buttress its plans for a revitalised town centre and river front. This will ensure that the town is transformed into a vibrant, lively and economically sustainable place, firmly establishing the town's role as Thurrock's municipal centre.

Purfleet – We are procuring a private sector partner to help us create a proper 'heart' to the community, with a new centre including a primary school and health facility together with significant new housing and employment to support major Gateway initiatives, particularly the London Gateway Port and Lakeside. The Royal Opera House production facility is now open and fully operating and construction has begun on the National Skills Academy for Performing Arts. These key elements will enable the Royal Opera House Production Park to become a national centre of excellence for the creative and cultural industries.

South East Thurrock – We plan to improve the housing mix, regenerate the town centre, provide better access to the river and secure the future growth of the Port of Tilbury. The Port of Tilbury is integral to the town and is forecast to expand in the future. The Port is an important logistics base and entry point for London and the South East, including supplying materials to the Olympic Park site in Stratford.

East Thurrock – A £1.5bn world-class container port and logistics park is being provided in East Thurrock. We are working with the owner, DP World, to maximise the benefits for Thurrock's businesses and residents.

Driving quality development ahead in this market has not been easy and will continue to be a challenge not just in the last year of the Corporation's life, but in the years ahead. The Corporation's work will not be completed by March 2012, so it is essential that Thurrock

Introduction

Council grasps the opportunity of building on the Corporation's work. While there will be funding constraints over the next few years I firmly believe a planned and measured approach, which continues to focus efforts on a select number of key transformational projects that have multiple benefits for the local community and beyond, will continue to yield results. This is a once in lifetime opportunity for Thurrock Council to achieve a lasting legacy for the local community.

I would like to thank our dedicated staff, board members and partners, whose hard work made this year's progress possible.

William McKee C.B.E.
Chair
Thurrock Thames Gateway Development Corporation
7TH July 2011

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1. Statutory Background

The Thurrock Thames Gateway Development Corporation was established by Statutory Instrument (2003 No. 2896) on the 29 October 2003 pursuant to the provisions of sections 134 and 135 of, and Schedule 26 to, the Local Government, Planning and Land Act 1980 to bring about the regeneration of Thurrock. The Thurrock Development Corporation (Area and Constitution) Order also determined the Corporation's operational boundary as being coterminous with that of Thurrock Council and the broad composition of the Corporation's Board (thirteen members including Chair and Deputy Chair). The Corporation became fully operational in October 2005 when it received its statutory planning powers.

The statutory objectives and powers of the Corporation are set out in section 136 of the Local Government, Planning and Land Act 1980. The Corporation's broad statutory objective is to secure the regeneration of its area, by:

- bringing land and buildings into effective use;
- encouraging the development of existing and new industry and commerce;
- creating an attractive environment; and
- ensuring that housing and social facilities are available to encourage people to live and work in the area.

For the purpose of achieving the regeneration of its area, the Corporation may:

- acquire, hold, manage, reclaim and dispose of land and other property;
- carry out building and other operations;
- seek to ensure the provision of water, electricity, gas, sewerage and other services;
- carry on any business or undertaking for the purposes of regenerating its area; and
- generally do anything necessary or expedient for this purpose, or for purposes incidental to those purposes.

Within the founding legislation, the then First Secretary of State defined the overall objective of the Thurrock Thames Gateway Development Corporation:

"To promote and deliver the sustainable regeneration and growth of Thurrock, within the context of the national policy set out in the Sustainable Communities Plan, the plans for the wider Thames Gateway sub-region, and for the eastern region as a whole"

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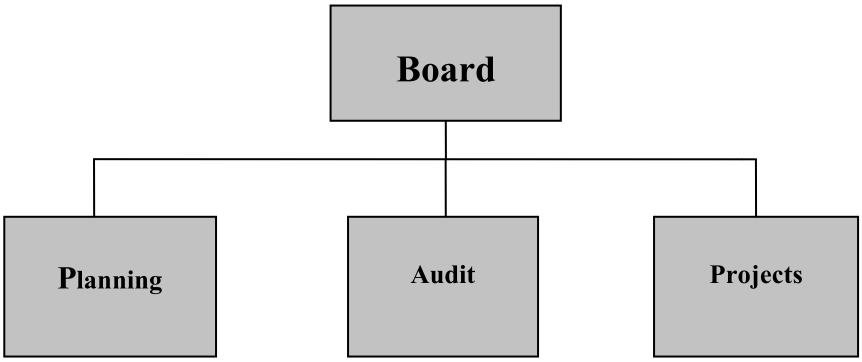
2. The Board



Since 1st January 2011 the Board of the Thurrock Thames Gateway Development Corporation has been made up of 8 members (including Chair and Deputy Chair). Up to 31st December 2010 the Board comprised 13 members (albeit two posts were vacant throughout the year). All members were selected through a competitive process supervised by the Office of the Commissioner for Public Appointments (OCPA) and appointed by the Secretary of State. Two out of the 8 board member positions are reserved for elected members from Thurrock Borough Council. Board members are collectively responsible for the conduct of all business undertaken by the Corporation. Consequently, in addition to the statutory powers and duties of the Corporation, members have both fiduciary duties and general duties of skill and care. This means that they are not only responsible for the Board's strategic direction and policies but also for ensuring that it is properly and effectively managed. In particular, members are responsible for the stewardship of the public funds entrusted to the Board. The Board meets on a six-weekly cycle. The Board has created a number of committees to manage its key functional areas. With the exception of the Planning Committee, which meets four-weekly, and the Audit Committee, which meets quarterly, the committees meet on the same six-weekly cycle as the Board. The committees and their membership up to 31st December 2010 are set out in the table below:

Committee Memberships	Planning	Audit	Marketing & Communications	Resources & Co-ordination	Projects
William McKee (Chair of Board)	■	■	■	■	■
William Samuel (Deputy Chair of Board)	Chair			■	
Sunny Crouch	■		Chair	■	
Martin Leigh-Pollitt				Chair	■
Christopher Paveley	■			■	Chair
Grahame Thomas (to end December 2010)	■	Chair	■		
Garry Hague		■	■		■
John Kent			■	■	■
Richard Reynolds	■	■			■
Deep Sagar (to end December 2010)	■	■			
Ben Stoneham (to end December 2010)	■	■			

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With the reduction in Board members the number of committees was also reduced. From 1st January 2011 the Marketing & Communications and the Resources & Co-ordination Committees were abolished with their functions either reverting to the Board or added to the responsibilities of the remaining committees. The committees and their membership at 31st March 2011 are set out in the table below:

Committee Memberships	Planning	Audit	Projects
William McKee (Chair of Board)	■	■	■
William Samuel (Deputy Chair of Board)	Chair		■
Sunny Crouch	■	■	
Martin Leigh-Pollitt	■		■
Christopher Paveley	■		Chair
Garry Hague		■	■
John Kent		■	■
Richard Reynolds	■	Chair	■

3. The Executive

The Executive is led by Niall Lindsay who is the Chief Executive and Accounting Officer. The Executive is responsible for delivering the strategy set by the Board.

4. Vision and Strategic Goals

Vision

“To secure the comprehensive and sustainable housing, economic and social growth of Thurrock, through the structured development and regeneration of the borough for the benefit of new and existing communities and for visitors to the area.”

Strategic Goals

The Corporation has developed nine Strategic Goals, which have been established to guide the organisation’s strategic direction and to inform its investment decisions. These are:

1. Contribute to the provision of sufficient capacity to meet strategic growth targets including 26,000 new jobs and 18,500 new homes in a sustainable way by 2021;
2. Increase participation and attainment in lifelong education and skills development;
3. Create a wide range of jobs with a future;
4. Increase the choice and quality of housing provision for everyone;
5. Provide modern community infrastructure and service delivery;
6. Enhance the quality and use of valuable green space;
7. Increase opportunities for entertainment, leisure and culture;
8. Ensure that all parts of Thurrock are accessible to, from and within the borough; and
9. Ensure that development and regeneration take place in an environmentally sensitive way.

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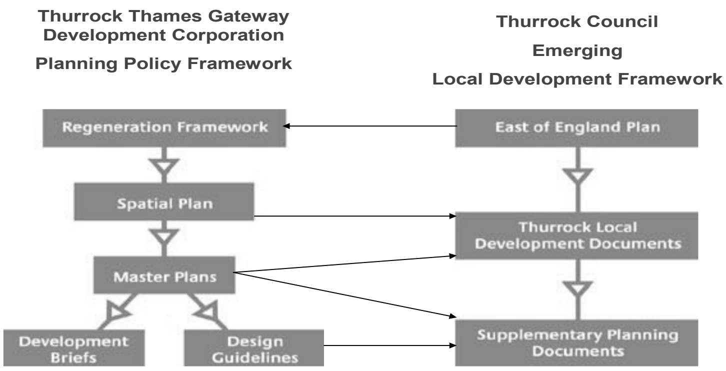
5. Planning Policy Framework

The Corporation continues to work closely with Thurrock Council in order to ensure that its Planning Policy Framework is in alignment with the local authority's emerging Local Development Framework and associated Development Plan and Supplementary Planning Documents. This policy alignment is depicted in the graphic below:



6. Review of Progress on Principal Activities in 2010/11

During the year we made important progress in our key areas of activity: completing strategic and detailed plans, assembling land, beginning the construction and delivery of projects and providing grants or other incentives for regeneration.

6.1 Planning

The North Grays Masterplan was published in June 2010.

The Development Corporation has now approved seven Masterplans covering all the areas identified for significant change within Thurrock. Additional, more detailed Development and Design Briefs are being produced. The Tilbury Marshes and Riverfront Development Brief was published in October 2010 and the Bata Factory Design Brief has been approved for public consultation.

6.2 Planning Applications

During 2010/11 the Development Corporation determined 89 planning applications of which 30 were categorised as "major" developments. In addition, 15 Listed Building consents have been determined, 80% within 8 weeks.

The Development Corporation has granted, or resolved to approve, planning applications which will provide in approximately 1,600 new homes and 2,900 new jobs.

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The Development Corporation has worked closely with developers to ensure that 93% of determined planning applications were approved.

Since receiving its planning powers in October 2005, only one planning appeal has been upheld providing a 93% success rate of appeals dismissed.

Developer Contributions

During 2010/11 the Development Corporation received approximately £684,000 in developer contributions. In addition, approximately £15 million will be released at specified times.

6.3 Land Acquisition

Acquiring land is vital to our success as we were established without any land asset base to deliver the growth and regeneration agenda required by central government. We acquired a further 20.6 acres of land in 2010/11, bringing our total land ownership to over 129 acres. In addition, the Corporation has secured under option and/or through creating a special purpose vehicle a further 92 acres.

The land acquisitions in 2010/11 comprise:

- the acquisition of approximately 10.6 acres of brownfield and commercial land plus other interests in Purfleet in support of the Corporation's plans for a new Purfleet Centre; and
- the acquisition of a further 10 acres of various landholdings in Purfleet and West Thurrock surplus to London & Continental Railway's requirements for the high speed railway line that runs through this part of Thurrock to provide alternative sites for businesses that may have to relocate because of the Corporation's developments elsewhere..

In the financial year 2011/12 we will continue to acquire land for the Purfleet Centre project funded by receipts from the disposal of surplus land.

6.4 General Development Approach

We are developing new partnerships with the private sector which use our capital (and other public assets) to encourage a higher level of private sector investment. The first of these partnerships in Purfleet will enable us to create a new centre for Purfleet as well as bring additional jobs and houses.

In this difficult market it is very important that we come up with imaginative ways of ensuring that we engage developers effectively, particularly in the challenging housing market. We are working with house builders and housing associations to achieve this in order to bring forward our developable housing sites. An example is Schoolfield Road where an innovative approach by the Corporation to assisting the market to bring forward housing development is resulting in the development of 89 new homes.

We continue to work with Thurrock Council, South West Essex Primary Care Trust, South Essex College and other key stakeholders on plans to transform Thurrock's health and social care facilities and to improve opportunities for learning and skills development across the

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borough. The Community Hospital, temporary Learning Campus facility, the Learning Shop and the National Skills Academy for Creative and Cultural Skills provide examples of our approach and dedication to delivery.

6.5 Construction and Project Delivery

Our work focuses on delivering transformational projects in the five key hubs set out in our Corporate Plan. Highlights of work this year and priorities in the immediate future are:

6.5.1 Grays

On 31st March 2010 the Corporation acquired a strategically important site (Marston House) which occupies land in South Grays destined to accommodate the Thurrock Learning Campus, a development led by South Essex College and scheduled to open in September 2014. Working with its partners (Thurrock Council and Springboard Housing Association) the Corporation has re-housed residents from the 90 unit medium rise block, which is now vacant. The building will be demolished later this year as part of the Corporation's contribution to the project.

When fully operational the Campus will provide capacity for circa 3,000 students and 500 professional, support and administrative staff. A green book compliant economic assessment commissioned by the Corporation demonstrates that the Campus will have a significant and enduring impact on the economic growth and regeneration of Grays town centre. The Campus will also have a positive impact on the economic fortunes of the borough, matching skills to the needs of Thurrock's indigenous businesses and to those sectors the Corporation and its partners are seeking to attract to the area (as defined within the Corporation's Economic Development Strategy and Implementation Plan).

Complementing the Corporation's aspirations for the Campus, the Corporation acquired and refurbished the former post office in the Grays town centre. Phase one of the development (the Thurrock Learning Shop) opened in December 2009 and now provides valuable access to information, advice and guidance on learning, training and skills development. The facility is leased to and managed by the University of East London. The second phase of the refurbishment has enabled the Corporation to open a new Business Centre in the town providing business support and guidance, incubation space and accommodation for new micro businesses. The facility opened in November 2010 and is leased to and managed by NWES.

Working alongside the NHS South West Essex PCT the Corporation continues its work to assemble land at Hogg Lane South to accommodate a new community hospital. The Corporation has already acquired land from Defence Estates (Grays Territorial Army Centre) and has reached agreement with other land owners with respect to their relocation to alternative premises. In February 2010 the Secretary of State approved the use of the Corporation's compulsory purchase powers to secure the assembly of the site. The prevailing economic downturn and a reduction in the financial resources available to the health sector have together led to a delay in the hospital development coming to fruition. In the meantime the Corporation has moved to progress the assembly of the site through the partial implementation of the Compulsory Purchase Order and through the development of the replacement Delivery Office (Royal Mail Group), Cadets Centre (Reserve Forces and Cadets Association) and service and access roads. The new facilities, which are being constructed by Morgan Sindall, the Corporation's appointed contractors, will be ready for occupation in November 2011.

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6.5.2 Lakeside and West Thurrock

The Corporation has recognised the importance of Lakeside, and the potential it creates for a sense of place that it creates and has indentified strong opportunities for transformational change. Through the Corporation's intervention provision for an additional 50,000m² net of retail floorspace has been included in the plans. There is also greater scope for increased leisure facilities within the Lakeside Basin which, combined with the increased retail floorspace, could create up to 6,500 new jobs.

The Corporation has secured land in South Stifford for residential development in line with the South Stifford Framework for Change. The Framework promotes a balanced neighbourhood of residential/mixed use development in South Stifford, creating a new local centre, improving access to the river front and identifying capacity for circa 2,000 new homes.

In September 2010 the Corporation secured outline planning consent (resolution to grant, subject to S:106) for a 154 unit residential development on land in the Corporation's ownership. It is expected that the assembled site will be offered to the market later this year.

Elsewhere in West Thurrock the Corporation has disposed of a 3.16 acre site to Bellway Homes (working in partnership with Family Mosaic, a registered social landlord) on terms that will enable the residential development of 89 new homes.

6.5.3 Purfleet

The Corporation has made substantial progress in the delivery of the High House Production Park, a state of the art centre of excellence for the creative and cultural sector. Phase one of the Production Park development, which includes the refurbished listed farm buildings and the new Royal Opera House Bob and Tamar Manoukian Production Workshops, opened in December 2010.

The Corporation has successfully managed the assembly of the site, and completed the ground and infrastructure works, providing the building platform for the Royal Opera House Workshops, SME Units, Costume Archive, Artists Studios and the National Skills Academy. The various building contracts for the refurbishment of the listed farm buildings and landscaping were concluded on schedule in October 2010. The Royal Opera House commenced development of their building at the beginning of March 2010 and took occupation of their new facility in November 2010.

The building contract to secure the second phase of development (the National Skills Academy for Creative and Cultural Skills) commenced in March 2010. It is anticipated that the building will be ready for occupation in May 2012.

The High House site is owned and managed by an arms' length subsidiary of the Corporation (High House Production Park Limited). It is the Corporation's expectation that, with the necessary approvals, the company will transfer to the charitable sector later this year.

We are procuring a private sector partner to work with the Corporation to comprehensively develop the centre of Purfleet. This will involve completing the acquisition of in excess of 40 sites totalling about 100 acres inside Botany Way, west of the railway station and along the Thames river front in Purfleet. At the end of 2010/11 more than half of the total land required had been purchased. Once all the land has been assembled, the Corporation will be able to

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begin development in the area and implement the Purfleet Centre Development Framework to deliver 3,500 new homes and 1,100 new jobs through this public/private development partnership. It is anticipated that a private sector partner will be on board before the end of 2011.

6.5.4 Aveley and South Ockendon

The Corporation has prepared outline proposals for land (over which the Corporation has secured options) at Sandy Farm Lane comprising circa 86,112 sq m of employment development. The proposals make provision for a mixed scheme of : 30,878 sq m office space, 10,164 sq m office space, 42,755 sq m industrial space and 2,315 sq m of other uses which will include space for a hotel/café' and crèche.

The Sandy Lane Farm scheme is expected to generate some 2,400 new jobs, which will play a significant role in supporting the vitality and economic viability of Thurrock. Under the direction of the Secretary of State, the scheme is currently the subject of a Planning Inquiry.

6.6 Grant Funding

The Corporation's **Community Fund** had another successful year, fully committing its budget of £240,000 by 31st March 2011. Applications were received for 65 projects compared to 71 in 2010 of which 41 were supported. The total value of grants applied for was £622,809, an increase of 35% on 2010. The Community Team with the support of the Grants Panel worked with the groups to support their applications to other funding organisations, building capacity within the community to develop and manage projects.

The Community Fund has continued to assist a wide range of projects including the second *Theatre Is* programme in partnership with the Council; and funding for premises improvements at North Stafford Village Hall, the new premises for the Aveley Village Forum youth project, the Orsett and Bulphan Scout group and a replacement community building at St John the Evangelist. We were pleased to support local singing talent with grants to musical societies including Golden Voices and the Choral Society. Sporting activities benefited from grants to the Harriers Athletics Club towards a new spectator stand, a dehumidifier for a PTA-run swimming pool, cricket facilities for children's coaching for the Horndon Cricket club working with St Clere's school, equipment for the Thurrock Tigers and Bridge Road Short Mat Bowls, team clothing for the Aveley Youth Football Club, and a grant to the new Aveley Twirlers Group. We funded several environmental and heritage projects at Davy Down, the Purfleet Heritage Centre, Tilbury Riverside Project, the Kingsley Walk Allotment Association and SUSTRANS cycle routes at Tilbury and along the Mardyke. Two of the groups we funded this year received awards at the annual Thurrock Business Awards for environmental sustainability.

We are very pleased this year to celebrate five years of support to Thurrock's community infrastructure, recalling around £10m of grants we had given in the Development Corporation's first year of operating for a host of larger scale projects such as the RSPB, the Thameside Centre and local leisure facilities. To mark our five years and to celebrate the award of over £1m of Community Fund grants we held a popular Community Event at the end of February. Around 30 groups set up stands and displays at the local South Essex College and over 150 attendees enjoyed a stage show. Representatives from local groups talked about their work and some took to the performance stage and demonstrated their talents. The ROH ran

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workshops with the Golden Voices and gave us a fitting finale to our five years contributing to community well being in Thurrock.

7. Economic and Business Development and Marketing

A thriving and sustainable economy is vital for Thurrock's future. Supporting the needs of business is a key plank of regeneration. During the year we continued to develop good working relationships with the major businesses in Thurrock and with SME's through our contribution to the Low Carbon Competitiveness project funded by European money and led by Thurrock Council.

We completed with great success the innovative Next Top Boss skills and brand building project that targeted young people in Thurrock. We engaged with over 20 major local organisations in a-the four-part challenge competition that helped to prepare young people for work, developing their skills and confidence. The project secured considerable benefit to and from the private sector including job, placements and work experience opportunities for winners.

Next Top Boss successfully promoted Thurrock as a proactive vibrant place to do business and has won plaudits from the business community as a vehicle for uniting organisations and facilitating networking. It also won an award from BIS for Business Innovation. The Next Top Boss programme was capped by a highly successful Awards evening and will be continued in partnership within the Council next year.

We have retained our database of key Thurrock businesses that the Marketing team developed last year. It fills a gap for quality information for Thurrock businesses and inward investors and has also been welcomed by the Council and the business community. It will sit alongside the work of 'Invest Essex' with whom we confirmed a service level agreement for the encouragement of inward investment to the Thurrock area.

Skills are one of Thurrock's most important challenges. Across a range of areas, particularly in terms of land assembly at Marston House for the new Learning Campus, the Corporation continued to work with local agencies like Business Link and with local colleges and the Council to help build skills and develop people to meet the needs of Thurrock's economy. We signed a two year lease with NWES to operate the new Thurrock Centre for Business providing a range of business support services in the Old Post Office in Grays. The Development Corporation completed the conversion of the building with assistance from the Council's EEDA-sourced Economic Participation Programme funding. We are pleased to report that the centre is highly successful and operates at full capacity with new businesses including the ERDF business development and social enterprise officers.

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8. Stakeholder Relationships

Close working relationships with our key stakeholders in Thurrock and the region is vital to deliver the regeneration effort. These include Thurrock Council, community groups, private and public partners as well as the various statutory agencies and government departments that have an interest in our work.

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In particular, we need to build on partnership working with Thurrock Council following relocation to the Civic offices in March 2011. There is much joint working to be done within the planning and delivery sections as we prepare to hand over our projects to the Council.

The Development Corporation hosted a table for a sixth year at the Thurrock Business Awards in March, with officers judging the category for the most significant growth. We were pleased to be joined at our table by the Chief Executive of Thurrock Council and to see a strong entry in which we awarded companies in the logistics business and service sectors. We were particularly honoured that Sunny Crouch, Chair of the Marketing Committee, was invited to Chair the Panel of Judges and Ceremony and to oversee the proceedings, providing also the opportunity to celebrate our contribution to the regeneration of Thurrock's economy.

We have continued to work with the Local Strategic Partnership (LSP), particularly the economic development Working Group and have fostered a good and productive working relationship with Thurrock Council, Royal Opera House, Arts Council, South Essex College, National Skills Academy (for Creative and Cultural Skills), East of England Development Agency, UEL, and other key local, regional and national partners in the public, private and voluntary sectors. The Corporation's partnership working has demonstrated through action on the ground how structured partnerships can secure and deliver the growth and regeneration of Thurrock.

We value the co-operation of our partners, our staff and Board Members highly, in taking forward our shared agenda for improving the physical, environmental, economic and social outlook for Thurrock and its people.

Niall Lindsay

Niall Lindsay
Chief Executive
Thurrock Thames Gateway Development Corporation
7TH July 2011

Management Commentary

Overview

The Annual Accounts cover both the Corporation and the consolidated position of both the Corporation and the High House Production Park Ltd (HHPP) - the Group.

High House Production Park Ltd

High House Production Park Ltd (HHPP) is a wholly owned subsidiary set up by the Corporation. The Certificate of Incorporation is dated 28th August 2008. The company was registered at Companies House on 30th October 2008. The company forms the landholding entity for a project that will ultimately comprise a campus consisting of the Royal Opera House (ROH) Production Facility, a training/educational facility run by the National Skills Academy, a number of artists' studios and warehouse/office space for small and medium enterprises operating in fields related to the cultural sector. The Corporation is a short life entity, but it is envisaged that the HHPP will continue over the life of the campus. During 2011/12 it is envisaged that HHPP will change its status from a wholly owned subsidiary of the Corporation to that of a charity.

Format of Accounts

The accounts on pages 35-72 have been prepared in a form notified by the Secretary of State with the consent of HM Treasury in accordance with the Local Government, Planning and Land Act 1980.

Background Information

As part of its broad delivery agenda for the Thames Gateway, the Government set out proposals in the Communities Plan (February 2003) to establish a development corporation in Thurrock, to oversee the regeneration and development of the borough. The Thurrock Development Corporation was established by Statutory Instrument (2003 No. 2896) on 29 October 2003, and became fully operational with Planning Powers transferred to it in October 2005.

Principal Activities of the Corporation

The Corporation is a non-departmental public body, which is sponsored by the Department for Communities and Local Government (CLG). The principal activities of the Corporation during the period from 1 April 2010 to 31 March 2011 are detailed under "Review of Principal Activities" within this Annual Report.

Changes in Non-current Assets

The movement in property, plant and equipment and intangible assets is shown in Notes 7 and 8 to the Annual Accounts.

Research and Development

During the period under review, the North Grays Masterplan was published in June 2010. The Tilbury Marshes and Riverfront Development Brief was completed and published in October 2010 and in March 2011 the Bata Factory Design Brief was approved for public consultation.

Management Commentary

Results

The net expenditure for the year to 31st March 2011 for the Corporation was £37,843,000 (2009/10 £26,037,000). Net expenditure for the Group for the same period was £40,277,000 (2009/10 £22,879,000). The net expenditure, after taking account of non-cash costs such as inventory impairment and depreciation, is not a loss but instead will be met in full by "grant-in-aid". Gross expenditure by the Corporation for the year to 31st March 2011 totalled £39,146,000 (2009/10 £27,768,000). Gross expenditure for the Group for the same period was £45,080,000 (2009/10 £26,907,000). The financial position of the Corporation at the end of 2010/11 was consistent with its approved revenue budget and capital programme for the year.

Pension Scheme and Pension Liabilities

The Corporation offers membership of the Local Government Pension Scheme (LGPS) to all permanent and temporary staff. More information on pensions and pension liabilities can be found in the Remuneration Report and in Note 5 to the Accounts.

Resources Available

The Corporation is funded principally by grant-in-aid by CLG. A key strength of the Corporation is the professional skills of its workforce.

Review of Development of Business and Future Developments

The majority of work undertaken by the Corporation in 2010/11 related to the acquisition of land with the intention of development and subsequent resale. A key challenge over the remaining life of the Corporation is to work with partners, in particular Thurrock Council, to ensure that the Corporation's legacy will last to the benefit of both present and future generations.

Principal Risks and Uncertainties

The Corporation has reviewed, updated and approved its risk management policy in 2010/11 and adopted a new strategy to deal with the key risks it faces leading up to its demise. The principal risks and uncertainties include the announcement in September 2010 that the Corporation is to close and its assets and functions will transfer to Thurrock Council in April 2012. This brings a risk of uncertainty to the impact closure will have on the Corporation's operations up to April 2012 and those projects that continue beyond that date:

- loss of key staff before Corporation closure as not all will transfer to Thurrock Council
- investor and stakeholder confidence in the Corporation's key projects may be shaken
- effective governance and systems controls may be compromised.

The Corporation over the remainder of its life will put measures in place to mitigate these key risks to minimise any impacts.

Management Commentary

Social and Community Issues

As part of the process of creating its strategic plan framework the Corporation has consulted extensively with stakeholders including the local community. Plans forming part of the strategic plan framework undergo a sustainability appraisal and strategic environmental assessment.

Charitable Donations

During the period under review, the Corporation did not make or receive any charitable donations.

Board Membership

Membership of the Corporation's Board is detailed under "General Information" on page 2 of the Corporation's Annual Report.

Board Member Responsibilities

The responsibilities of the Corporation's Board members are to:

- contribute to the direction of the Corporation to ensure that regeneration is achieved, while having regard to the need to ensure the highest standards of regularity, propriety and value for money in the use of public funds;
- contribute to the formulation of strategies and programmes to achieve regeneration;
- contribute to the direction of the Corporation in the production of the Corporate Plan strategy which will make economic and effective use of public funds;
- represent the Corporation in public, promote its interests and communicate its aims to CLG, Corporation staff and others;
- make full use of any property or commercial experience, special local knowledge or other relevant skills in reaching decisions;
- help to ensure the Corporation's activities conform to legislative requirements and bear in mind the collective responsibility of the Board for the conduct of Corporation business;
- help to ensure the Corporation achieves maximum value for money from its administrative expenditure; and
- avoid bringing discredit to the Corporation or its relations with Government.

Employer Responsibilities and Employee Relations

The Corporation aims to be a responsible employer and to this end has produced and distributes to all staff a guidance document (the Corporation's "Employee Handbook") modelled on the terms and conditions of employment of other non-departmental public bodies and CLG.

The Corporation is fully committed to a policy of equal opportunities in all respects of employment. The aim of the policy is to ensure that all job applicants and employees receive fair treatment regardless of their age, gender, sexual orientation, race, nationality, ethnic origin, colour, creed, disability, mental status, and trade union membership, religious or political beliefs.

Management Commentary

Payment Policies

The Corporation's policy is to pay a supplier within 10 working days of the submission date of a valid invoice unless the terms of contract stipulate otherwise. During the period under report the Corporation performed largely within its 10 working day policy. The Corporation did not incur any interest charges with respect to late payments against submitted invoices (as defined by the Payment of Commercial Debts (Interest) Act 1988).The Corporation is to consider in 2011/12 how it might achieve a faster payment target of 5 days for small and medium sized enterprises.

Environmental Issues

The Corporation is committed to creating a sustainable and green environment in the Thurrock area both in the delivery of its front line services and within the administration of the Corporation itself. This approach is reflected in the Corporation's work on the Regeneration Framework, Spatial Plan and area Master Plans, each of which have been subject to a sustainability appraisal and a strategic environmental assessment.

Corporate Governance

The Corporation has a full set of key corporate policies in place, including a Governance Statement that accords closely with the conclusions of the Independent Commission for Good Governance in Public Services as well as the relevant guidance of the Cabinet Office, CLG and the Audit Commission. The Governance Statement is kept under review and amended from time to time by the Board as required. The Corporation has an annual internal audit programme, which is provided under a service contract by the internal audit division of CLG and carried out according to Government Internal Audit Standards. Progress on the internal audit programme is monitored regularly by the Audit Committee.

A Risk Management Strategy has been developed and approved. A corporate risk register is maintained and formally reviewed on a quarterly basis. In addition individual risk registers are maintained for all projects incurring significant expenditure.

Further details on the Corporation's Corporate Governance can be found on page 7 and 8 (Board and committee structure and role) and on pages 23 to 27 (Statement on Internal Control).

Key Performance Indicators

Key performance indicators have been established for indirect numbers of jobs created and indirect numbers of dwellings consented by planning permissions. The Development Corporation's published Corporate Plan for the period 2008/09 to 2010/11 identifies targets of 3,900 jobs delivered and 2,820 dwellings completed over the plan period. However, we are aware that in the current economic climate that the dwellings and employment creation targets will be challenging.

The performance over the three year period from 2008/09 to 2010/11 is detailed in the tables below. The Development Corporation "approved" or "resolved to approve" planning applications in excess of the Corporate Plan targets for the three years.

Management Commentary

Homes

Financial Year	2008/2009	2009/2010	2010/2011	Total
Consents	1,407	260	1,034	2,701
Minded to Grant Resolutions	-	-	1,567	1,567
Total	1,407	260	2,601	4,268

Jobs

Financial Year	2008/2009	2009/2010	2010/2011	Total
Consents	1,047	954	382	2,383
Minded to Grant Resolutions	-	900	2,418	3,318
Total	1,047	1,854	2,800	5,701

The Regional Spatial Strategy targets set for Thurrock equate to an average of 1,300 jobs and 1,317 dwellings per year and it is the Corporation's intention to achieve or exceed these in 2011/12.

Staff Sickness

The total number of sickness days taken by staff in 2010/11 totalled 140.5 (224 in 2009/10), an average of 2.9 days per member of staff (5 days in 2009/10). Recently published national comparisons undertaken by the CBI based on the calendar year 2010 show an average of 6.5 days across the all employment sectors breaking down into an average of 8.1 days in the public sector and 5.9 days in the private sector.

Personal Data Related Incidents

There were no personal data related incidents in 2010/11. Full details can be found within the Statement on Internal Control on pages 23 to 27.

Register of Interests

A Register of Interests is maintained by the Corporation which is open to the public and can be obtained from the Principal Office of Thurrock Thames Gateway Development Corporation. There were no interests held by Board members that were in conflict with their management responsibilities.

Going Concern

On 8th September 2010, Thames Gateway Minister, Bob Neill, announced plans to close the Corporation. On 14th October 2010, Cabinet Office Minister, Sir Francis Maude, announced plans to substantially reform hundreds of public bodies as part of the Government's commitment to radically increase the transparency and accountability of all public services and enable the Government to operate in a more efficient way. For Thurrock Thames Gateway

Management Commentary

Development Corporation, the proposed reforms, which are subject to Parliamentary approval, are:

- it will no longer be a Non Departmental Public Body and will be abolished; and
- its functions will be transferred to Thurrock Council.

The proposed transfer date is 1 April 2012.

The Corporation has considered its continuing operations as a going concern. After making enquiries and discussing the situation with its sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2011-12. Indeed the Corporation has received confirmation of funding from CLG for not only 2011/12, but also for 2012/13 to enable the Corporation to complete the statutory closure process. While funding for 2011/12 is less than ideal, the Board and Executive are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. In addition the Statutory Instrument (SI) that would be required under the Local Government Planning and Land Act 1980 to dissolve the Corporation has yet to be drafted. From enquiries of CLG the earliest the SI would be drafted would be autumn 2011. For these reasons, the Corporation continues to adopt the going concern basis in preparing the annual report and financial statements.

Disclosure

a. So far as the Accounting Officer is aware, there is no relevant audit information of which the Corporation's auditors are unaware; and
b. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Corporation's auditors are aware of that information.

Auditors

The Comptroller and Auditor General is the statutorily appointed auditor under the Government Resources and Accounts Act 2000.

The cost of work performed by the auditors in respect of the year ended 31 March 2011 is as follows:

Statutory Audit Fee	**£30,000**
Fee for grant certification	**£3,000**
Fee for HHPP Ltd	**£6,000**

Signed by Accounting Officer
Niall Lindsay
Chief Executive
7th July 2011

and on behalf of the Board
William McKee
Chair
7th July 2011

Statement of Accounting Officer's Responsibilities

The Accounts were prepared on 31 March 2011 in accordance with the Accounts Direction provided by the Secretary of State. A copy of the Accounts Direction is provided on pages 73 to 77 of this document.

On 29 October 2004, Niall Lindsay was appointed as Chief Executive and the designated Accounting Officer of Thurrock Thames Gateway Development Corporation. The relevant responsibilities of the Accounting Officer, including the responsibilities for the propriety and regularity of the public finances for which an Accounting Officer is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum.

The accounts were prepared on an accruals basis and show a true and fair view of the Corporation's state of affairs at the period-end and of its income and expenditure and cash flows for the financial period.

In drawing up these accounts, the Board is required to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government's Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare financial statements on a going concern basis, unless it is inappropriate to presume that the Corporation will continue in operation.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Corporation's assets, are set out in Managing Public Money published by HM Treasury.

Statement on Internal Control

1 Scope of responsibility

As Accounting Officer, and Chief Executive of the Corporation, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible in accordance with the responsibilities assigned to me in "Managing Public Money". The Accounting Officer of CLG has delegated to me the responsibility for management of the Corporation. I am accountable both to the Accounting Officer of CLG and, in my Accounting Officer role, directly to Parliament.

2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives; and
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Corporation for the year ended 31st March 2011 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The Corporation has agreed a risk management policy and strategy for identifying, mitigating and managing key risks. This includes a corporate risk register with assigned responsibilities and a process of risk assessment for all projects that the Corporation undertakes. All reports to the Board and its committees require consideration of risk and indicate whether an assessment of risk has been undertaken.

3 Capacity to handle risk

As Accounting Officer, I have ultimate responsibility for the risk management process. All projects involving significant expenditure include an individual project risk register. A template of this project risk register has been produced and all appropriate staff members have been trained and apprised of the requirement to complete this template which identifies the key risk headings that have to be considered. In addition a risk register covering the whole Corporation is maintained and updated regularly by an appropriately qualified risk manager. All reports to the Board and committees require a statement of confirmation that a proper risk assessment has been undertaken. All staff members are aware of this requirement. At Board level responsibility for the risk management process, on an ongoing basis, is included within the terms of reference of the Resources and Co-ordination Committee (following a re-organisation of the Corporation's committee structure from 1st January 2011 this responsibility was transferred to the Board and Audit Committee). The Corporate Risk Register is monitored by the Resources and Co-ordination Committee (from 1st January 2011 by the Board and the Audit Committee) on a quarterly basis and annually reviewed each autumn.

4 The risk and control framework

The risk management policy and strategy, including the way in which risk (or change in risk) is identified, evaluated and controlled, is reviewed and audited by the Audit Committee. This role is included in the Audit Committee's terms of reference and forms a key part of the assurance framework for the Corporation. Internal Audit (a service provided by CLG) undertakes an

Statement on Internal Control

annual programme of audits that are determined on the degree of perceived risk. During 2010/11 all reports from these audits gave a marking of at least “substantial assurance” under the risk management category. These reports are considered by the Audit Committee.

Internal Audit has also produced an annual audit report and opinion for 2010/11 which is considered by the Audit Committee. The report provides the Head of Internal Audit’s conclusion on the adequacy and effectiveness of risk management, control and governance within the Corporation. The Head of Internal Audit’s opinion is ’that the risk management, control and governance structures that have been put in place are adequate and effective within TTGDC with a few moderate enhancements required. My opinion concluded that there were no significant control issues that required disclosure in the Corporation’s Statement on Internal Control”. The response by the Corporation to audit findings has been prompt, with the majority of recommendations being dealt with within a month of issue of the final audit report.

The risk and control framework which provides evidence to support this statement on internal control includes:

- preparation of monthly management accounts for examination by the Executive. This ensures the Corporation’s finances are within acceptable parameters and identifies any areas of concern requiring attention;
- regular reporting of the Corporation’s financial position to each meeting of the Resources and Co-ordination Committee and the Board (Board only from 1st January 2011);
- a Governance Statement including a Code of Conduct and a Statement of Roles and Responsibilities was first approved by the Board in November 2005 and is regularly reviewed (latest review December 2009);
- a Resources and Co-ordination Committee (Board and Audit Committee from 1st January 2011) that regularly monitors and reviews the corporate risk register;
- an Audit Committee that reports annually on its work to the Board including its review of the risk management process as well as receiving the reports of the internal auditors and overseeing their implementation;
- an internal audit function (part of CLG) which sets its work programme based on an analysis of risks and which reports on its findings directly to the Audit Committee;
- a multi-disciplinary Project Review Group who review and assess all Corporation projects through each gateway stage to determine and manage risks and issues that may need addressing; and
- boards for all major projects and programmes that manage and monitor project and programme risks.

5 Other key risks and events that have been considered within the risk and control framework for 2010/11.

There are a number of other key risks and events that are relevant to the consideration of the Corporation’s risk and control framework. These and how the Corporation has dealt with them (or where relevant proposes to deal with them) have been identified as follows:

- following the general election in May 2010 the new coalition government indicated it would review the previous government’s decision that from 1st April 2011 the Corporation would become part of the Homes and Communities Agency (HCA). On 8th September 2010, the Minister of State for Communities and Local Government announced the closure of the Corporation with effect from 31st March 2012 and the

Statement on Internal Control

transfer of its powers and functions to Thurrock Council from that date. A Localisation Board was created following the Minister's announcement chaired by CLG to oversee the transfer process. Its membership comprises senior officers of CLG, Thurrock Council and the Corporation. The transfer process has been managed in two stages: the first stage is to oversee the relocation of the Corporation to the Council's offices by the end of March 2011. This stage is complete with the relocation achieved on 21st March 2011. The second stage is to close down the Corporation and transfer its responsibilities to Thurrock Council. This second stage is still in progress.

- a key risk arising from the decision to transfer the Corporation to Thurrock Council is the ability of its governance arrangements to function effectively during the remainder of its life – in particular its statutory functions as a local planning authority and adequate staffing resources to oversee this transition period. Board appointments have been confirmed for the period to the end of July 2012. CLG has also confirmed funding in 2012/13 for a skeleton staff complement to manage the closure of the Corporation. However, there are currently no retention incentives for such key staff to stay to the final wind up of the Corporation and thus the loss of such key staff remains a major unmitigated risk for the Corporation.

- the Corporation maintains a system of risk registers in order to record and manage the risks it faces. These range from individual project risk registers to a corporate risk register that considers the key risks faced by the organisation. These key corporate risks have been identified and regularly reviewed by the Board and the Audit Committee (and Resources & Co-ordination Committee up to 31st December 2010). Mitigation measures have been put in place to reduce these key corporate risks and, where the risks are still identified as significant, actions have been identified to manage their impact. At the end of 2010/11 the key risks identified were: the closure of the Corporation and the transfer of its functions and responsibilities to Thurrock Council and the impact of these changes on its work programmes, key stakeholders (in particular key investors) and staff (including the impact on its organisational capacity and capability); significant budget reductions from 2011/12 resulting in a 35% reduction to the revenue budget (resulting in a reduction in its staffing by one-third) and no capital programme funding other than for the National Skills Academy;

- in September 2010 CLG indicated that the Corporation's budget for 2011/12 would be reduced to £4 million from £6.2 million (a reduction of 35%). In order to manage this severe reduction and minimise the potential risks, the Corporation reviewed its work priorities and resolved that it would from April 2011 concentrate its resources on the following only:

  - an effective statutory planning function;
  - its five key delivery projects of Purfleet Centre, Ponds Farm 2, High House Production Park, the Grays Community Hospital and the Grays Learning Campus; and
  - an effective governance operation.
  - an orderly handover and closure process

  Work outside these limited areas was to stop after 31st March 2011. A review of the Corporation's staffing structure produced a reduction in staffing from 50 to 33 and resulted in a large number of staff redundancies at 31 March 2011.

Statement on Internal Control

- as part of its response to government's requirements for effective IT security management, the Corporation was successful in obtaining ISO27001 certification. The Corporation was the first within the CLG family of organisations to achieve this accreditation and one of the first in central government.

6 Information Risk

During 2010/11 the Corporation successfully received certification in the International standard for Information Security Management Systems (ISO27001:2005); where the auditing body, the Bsi, stated that the overall understanding of Information Security by staff interviewed was extremely high and the controls and risks were found to be appropriately assessed and applied in all cases. No major non-conformities were found throughout the audit process and the Corporation met all registration requirements.

Also during the 2010/11 a submission was presented to CLG based on the Cabinet Office's Security Policy Framework which denoted that out of 70 mandatory requirements for information security:

- 17 were not applicable due to the Corporation's status
- 0 were not compliant
- 4 were partially compliant
- 12 were largely compliant
- 37 were fully compliant

The Corporation was also 100% compliant with the Data Handling Requirements Level 1 mandatory measures within the same report.

It is a requirement to report information risk related incidents to the Information Commissioner's Office and the Corporation takes a serious approach to the way it handles the information that is generated and received by the organisation.

There were no information related incidents in 2010/11, including no protected personal data related incidents

The Corporation is also required to report the number of protected personal data related incidents in the previous three years (2007/08, 2008/09 and 2009/10). The total number in this period was three.

7 Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the Executive managers within the Corporation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Resources & Co-ordination Committee (the Committee responsible for risk management) and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Statement on Internal Control

The Board has responsibility for the Corporation's strategic and financial policies and oversees the effective corporate governance of the Corporation.

The Resources & Co-ordination Committee is responsible for the oversight of all financial aspects of the Corporation's business including risk management and it regularly monitors the financial performance of the Corporation (from 1st January covered by the Board and the Audit Committee).

The Audit Committee reviews the Corporation's financial management arrangements including the corporate risk register.

The Head of Internal Audit of CLG provides me with comments on the overall arrangements for gaining assurance through the assurance framework and on the controls reviewed as part of the internal audit work. The Director of Resources who has responsibility for the development and maintenance of the system of internal control provides me with the necessary assurance to support my conclusion that adequate controls are in place and are operating effectively. The assurance framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the work of CLG and the National Audit Office (NAO).

I am satisfied that the system of internal control is operating effectively.

8 Significant control issues

There are no significant control issues to report on this occasion.

Signed by the Accounting Officer
Niall Lindsay
Chief Executive
7th July 2011

Remuneration Report

Unaudited information

The remuneration of the Chair and Board is set by the Corporation's sponsor, CLG. The terms and conditions of employment of the Chief Executive Officer and Directors are determined by the Board and subject to the approval of the Secretary of State for Communities and Local Government.

In reaching its determination the Board has regard to the following considerations:

- the need to recruit, retain and motivate suitably qualified people to exercise their different responsibilities;
- the regional/local labour market and its effect on the recruitment and retention of staff;
- Government policies for improving public services including the requirement to meet output targets for the delivery of the Corporation's objectives; and
- the funds available to the Corporation as outlined by the sponsor's resource allocations.

Board appointments are for a fixed term (until 31st March 2012 for one member, the remainder to 31st July 2012). Two members of the Board are Thurrock Councillors, the Leader of the Council and the Leader of the Opposition, and they serve as ex-officio members of the Board. All the other members are recruited independently through CLG which by means of interview assess candidates' suitability for the post following public advertisement in accordance with commonly accepted best practice in Corporate Governance. In addition Board members are appraised annually on their performance.

The Chief Executive and Directors are appointed on permanent contracts of employment. These contracts contain a performance element which is dependent upon the achievement of objectives set each year by the Chairman with advice, in the case of the Directors, from the Chief Executive.

Board members commit to devoting 3 days of their time per month with the exception of the Chair and Deputy Chair whose commitment is 2 days per week. Most Board members – and committee Chairs in particular – significantly exceeded this commitment during the year.

Audited information

The following table shows the salaries of the members during the year under review. The Corporation paid benefits in kind to Board Members during the year in respect of their home to Gateway House journeys and for refreshments for Board and committee meetings. The total taxable benefit of these payments in 2010/11 amounted to £9,700 (£9,200 in 2009/10). No Board member received any performance pay, bonus or other allowance during the year.

Remuneration Report

Audited information (continued)

Salary	2010-11		2009-10	
	£		£	
Board Members:				
	Salary		Salary	
WA McKee	48,897		48,897	
WE Samuel	36,732		36,732	
SJ Crouch	12,364		12,364	
G Hague	12,364		12,364	
JG Kent	12,364		12,364	
MJ Leigh-Pollitt	12,364		12,364	
VD Liddiard	-	*	9,273	*
CJ Paveley	12,364		12,364	
R Reynolds	12,364		12,364	
D Sagar	9,273	*	12,364	
BR Stoneham	9,273	*	12,364	
GE Thomas	9,273	*	12,364	
TOTALS	**187,632**		**206,178**	

* Members' salaries were £12,364 for the whole year (£12,364 2009/10). Where reduced amounts are shown the members concerned were not in post throughout the year and their salaries were earned pro-rata to this figure. VD Liddiard's term of office ended on 31st December 2009 and the terms of office for D Sagar, BR Stoneham and GE Thomas ended on 31st December 2010.

No bonuses or benefits in kind were paid to Board members in either 2009/10 or 2010/11.

No member of the Board accrued pension benefits during the year except the Chairman. Employers' pension contributions of £7,383 were accrued during the year (2009-10: £7,383) and paid into a personal pension scheme in the name of the Chairman. Personal pension schemes are defined benefit-type schemes which do not accrue liabilities in respect of future benefits payable to scheme members.

Salaries, bonuses and, where applicable, benefits in kind, paid to the directors are shown in the following table. The Directors' bonus scheme provides for an unconsolidated payment of up to 10% of salary subject to the achievement of set objectives identified at the start of the year.

The Directors' contracts of employment provide for 6 months' notice by both employer and employee. The terms of any compensation for early termination of employment are determined by the Local Government Pension Scheme (LGPS) and depend upon the age and length of service of the employee at the point of termination.

Remuneration Report

Audited information (continued)

Salary information

Directors:		2010/11 Salary	2010/11 Bonuses	2009/10 Salary	2009/10 Bonuses
		£000s	£000s	£000s	£000s
Niall Lindsay	*Chief Executive Officer*	130-135	10-15	130-135	10-15
Sean O'Donnell	*Director of Resources*	110-115	10-15	110-115	10-15
Peter Bassett	*Director of Planning*	110-115	10-15	110-115	10-15
Tom Gardiner	*Director of Delivery*	105-110	10-15	105-110	10-15
Juliet Sychrava	*Director of Marketing*	110-115	0	100-105	10-15

No benefits in kind were paid to Directors in 2009/10 or 2010/11.The salaries shown include a taxable £1,000 per annum travel allowance. The Director's salaries are spot salaries, that is, they are fixed at a precise amount. They change only for cost of living adjustments or if there is an overall salary review. In line with government policy the Corporation has frozen its salaries in 2010/11. The levels paid are consistent with the latest pay remit approved by CLG. All Directors are on permanent contracts. Their contracts can be terminated by six months notice by either the employer or employee.

Pension information

The Directors are entitled to join the LGPS along with all other members of staff on temporary and permanent contracts of employment.

The LGPS is a funded "final salary" pension scheme, meaning that the scheme's liabilities are backed by investment assets. The Corporation and its employees pay contributions into the fund at rates intended to meet the growth in pension liabilities over the longer term. The scheme is subjected to an independent, triennial valuation conducted by the scheme's actuaries. The main features of the scheme are outlined in Note 5 to the accounts.

The following table shows the accrued pension entitlements, Cash Equivalent Transfer Values and related information in respect of each of the Directors as at 31 March 2011. The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The figures shown represent the values that would be paid by the LGPS should the member leave and choose to transfer his or her accrued benefits into another pension scheme. The figures include amounts accrued as a result of the individual's total membership of the scheme, not just their service in the capacity to which the disclosure applies.

Remuneration Report

Audited information (continued)

	Niall Lindsay £000's	Peter Bassett £000's	Tom Gardiner £000's	Sean O'Donnell £000's	Juliet Sychrava £000's
Accrued pension as at 31 March 2011	10-15	45-50	35-40	50-55	0-5
Accrued related lump sum	15-20	120-125	95-100	140-145	0
Real increase in pension over the year	0-2.5	0-2.5	0-2.5	0-2.5	2.5-5
Real increase in related lump sum over the year	0	0	0	0	0
CETV at 31 March 2010	173	1,104	614	1,127	25
CETV at 31 March 2011	190	1,073	574	1,084	55
Real Increase in CETV	20	10	4	2	23

The real increase in pension and related lump sum figure represents the increase in the value of the pension over the year after taking into account the effect of inflation.

The real increase in the CETV figure represents the increase in the value of the CETV over the year after taking account of the effect of inflation, investment returns and contributions made by the member and by the employer.

The above figures for members' salaries, directors' salaries and directors' pensions have been audited.

Signed by Accounting Officer
Niall Lindsay
Chief Executive
7th July 2011

and on behalf of the Board
William McKee
Chair
7th July 2011

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Thurrock Thames Gateway Development Corporation (the Corporation) for the year ended 31 March 2011 under the Government Resources and Accounts Act 2000. These comprise the Group Statement of Comprehensive Net Expenditure, the Group and Corporation Statement of Financial Position, the Group and Corporation Statement of Cash Flows, the Group and Corporation Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Corporation, the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Corporation and the Chief Executive as Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Corporation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Corporation; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on Financial Statements

In my opinion:

- the financial statements give a true and fair view of the state of the Corporation's and the Group's affairs as at 31 March 2011 and of the Group's net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions issued thereunder with the consent of the Treasury.

Emphasis of Matter - Going Concern Uncertainty

Without qualifying my opinion, I draw attention to the disclosures made in note 1 to the financial statements concerning the application of the going concern principle in light of the announcement to abolish the Thurrock Thames Gateway Development Corporation, which is subject to Parliamentary approval. Whilst funding has been confirmed to 31 March 2012, these proposed reforms indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Thurrock Thames Gateway Development Corporation to continue in its current form and with its current functions beyond that date.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions made thereunder with the consent of the Treasury; and
- the information given in the Introduction, Annual Report, and the Management Commentary included within the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria, London. SW1W 9SP

Group Statement of Comprehensive Net Expenditure for the year ended 31 March 2011

	Notes	GROUP 2010-11 £000	TTGDC 2010-11 £000	GROUP 2009-10 £000	TTGDC 2009-10 £000
Expenditure					
Staff costs	3	4,064	4,041	3,231	3,180
Depreciation	5	325	316	414	414
Other expenditure	5	40,691	34,789	23,262	24,174
Total expenditure		**45,080**	**39,146**	**26,907**	**27,768**
Income					
Other operating income	6	4,866	1,366	4,212	1,915
Net expenditure for the period		**(40,214)**	**(37,780)**	**(22,695)**	**(25,853)**
Interest receivable		10	10	4	4
Net expenditure after interest		**(40,204)**	**(37,770)**	**(22,691)**	**(25,849)**
Corporation tax		(73)	(73)	(188)	(188)
Deficit on ordinary activities after tax		**(40,277)**	**(37,843)**	**(22,879)**	**(26,037)**
Net expenditure for the period		**(40,277)**	**(37,843)**	**(22,879)**	**(26,037)**

All activities above are derived from continuing operations for the Corporation. The notes on pages 45 to 72 form part of the accounts.

Group Statement of Comprehensive Net Expenditure for the year ended 31 March 2011

Other Comprehensive Expenditure	**NOTES**	**GROUP 2010-11 £000**	**TTGDC 2010-11 £000**	**GROUP 2009-10 £000**	**TTGDC 2009-10 £000**
Net loss on revaluation of Property, Plant and Equipment	11	(30)	(1,363)	-	-
Net gain on revaluation of Inventories	11	1,320	-	2,250	-
Net Expenditure for the Year		(40,277)	(37,843)	(22,879)	(26,037)
Total Comprehensive Expenditure for the year ended 31 March 2011		**(38,987)**	**(39,206)**	**(20,629)**	**(26,037)**

The notes on pages 45 to 72 form part of these accounts

Group Statement of Financial Position as at 31 March 2011

	Notes	31 March 2011 £000	31 March 2010 £000
Non-current assets:			
Property, plant and equipment	7	7,258	7,574
Intangible assets	8	98	378
Total non-current assets		**7,356**	**7,952**
Current assets:			
Inventories	11	56,749	71,121
Trade receivables	12	1,109	4,616
Cash and cash equivalents	14	13,494	5,163
Total current assets		**71,352**	**80,900**
Total assets		**78,708**	**88,852**
Current liabilities			
Trade and other payables	15	9,809	12,110
Provisions-short term		5,918	-
Pension Liabilities		1,999	-
Deferred income	15	544	1,622
Total current liabilities		**18,270**	**13,732**
Non-current assets plus/less net current assets/liabilities		**60,438**	**75,120**
Non-current liabilities			
Pension liabilities	5	-	1,994
Provisions	16	-	1,466
Total non-current liabilities		**-**	**3,460**
Assets less liabilities		**60,438**	**71,660**
Taxpayers' Equity			
Revaluation reserve		3,570	2,280
Pension reserve		(1,999)	(1,994)
General reserve		58,867	71,374
Total Taxpayers' Equity		**60,438**	**71,660**

The notes on pages 45 to 72 form part of these accounts
The financial statements on pages 35 to 44 were approved by the board on 7th July 2011 and were signed on its behalf by:

Chief Executive/Accounting Officer — Chairman

Group Statement of Cash Flows

for the year ended 31 March 2011

		2010-11	2009-10
		£000	£000
Cash flows from operating activities	(i)	(7,457)	(30,587)
Tax paid		(148)	(176)
Net cash from operating activities		**(7,605)**	**(30,763)**
Cash flows from investing activities			
Purchase of intangible assets		(32)	(278)
Purchase of property, plant and equipment		(11,840)	(5,131)
Proceeds on Disposal of Property Plant and equipment		3	-
Proceeds on disposal of Inventory		25	-
Interest received		10	4
Net cash from investing activities		**(11,834)**	**(5,405)**
Cash flows from financing activities			
Grant-in-aid received		27,770	37,030
Net cash from financing activities		**27,770**	**37,030**
Increase/(decrease) in cash and cash equivalents		**8,331**	**862**
Cash and cash equivalents at beginning of year		**5,163**	**4,301**
Cash and cash equivalents at end of year	(ii)	**13,494**	**5,163**

The notes on pages 45 to 72 form part of these accounts

Group Statement of Cash Flows

for the year ended 31 March 2011

(i) Reconciliation of loss before tax to cash generated from operations

	2010-11 £000	2009-10 £000
Net expenditure for the financial year	(40,214)	(22,695)
Depreciation and amortisation	325	414
PPE and intangibles impairment	11,682	5,169
Inventory impairment	21,850	-
Disposal of Inventory	537	-
Loss on disposal of intangible assets	88	31
Loss on disposal of property, plant and equipment	384	9
Change in receivables	3,507	(1,760)
Change in inventory	(9,595)	(19,166)
Refund on Prior Year inventory	2,900	-
Change in payables	(2,300)	5,912
Change in provisions	4,452	(10)
Change in Pension liabilities	5	-
Change in deferred income	(1078)	1,509
	(7,457)	**(30,587)**

(ii) Cash and cash equivalents

	2010-11 £000	2009-10 £000
Balance at 1 April 2010	5,163	4,301
Net change in cash and cash equivalent balances	8,331	862
Balance at 31 March 2011	**13,494**	**5,163**
The following balances at 31 March were held at:		
Commercial banks and cash in hand	11,534	5,163
Commercial banks and cash in hand	1,960	-
Balance at 31 March 2011	**13,494**	**5,163**

The notes on pages 45 to 72 form part of these accounts

Group Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

	Revaluation Reserve	Pensions Reserve	General Reserve	Total Reserves
	£000	**£000**	**£000**	**£000**
Balance at 31 March 2009	**2,250**	**(1,250)**	**59,473**	**60,473**
Changes in taxpayers equity 2009-10				
Gain/loss on revaluation of inventories	(2,220)	-	-	(2,220)
Current service cost	-	(358)	-	(358)
Employer contributions	-	322	-	322
Net return on assets	-	768	-	768
Actuarial loss	-	(1,476)	-	(1,476)
Retained deficit	-	-	(22,879)	(22,879)
Total recognised income and expense for 2009-10	(2,220)	(744)	(22,879)	(25,843)
Grant-in-aid from sponsor department	-	-	37,030	37,030
Balance at 31 March 2010	**30**	**(1,994)**	**73,624**	**71,660**
Change to opening balance	**2,250**	**-**	**(2,250)**	**-**
Restated Opening Balance	**2,280**	**(1,994)**	**71,374**	**71,660**
Changes in taxpayers equity 2010-11				
Loss on revaluation of inventories	1,320	-	-	1,320
Gain on revaluation of Land & Building	(30)	-	-	(30)
Current service cost	-	(155)	-	(155)
Employer contributions	-	367	-	367
Past service settlement gain				-
Net return on assets	-	(176)	-	(176)
Actuarial loss	-	(41)	-	(41)
Retained deficit	-	-	(40,277)	(40,277)
Total Recognised Income and Expenditure for 2010-11	1,290	(5)	(40,277)	(38,992)
Grant-in-aid from sponsor department				
Capital	-	-	22,170	22,170
Revenue	-	-	5,600	5,600
Balance at 31 March 2011	3,570	(1,999)	58,867	60,438

There were no losses or "special payments" as defined within the Corporation's Accounts Direction, made or incurred during the year.

The notes on pages 45 to 72 form part of these accounts

Corporation Statement of Financial Position

as at 31 March 2011

	Notes	31 March 2011 £000	31 March 2010 £000
Non-current assets:			
Property, plant and equipment	7	4,684	2,510
Intangible assets	8	98	378
Total non-current assets		**4,782**	**2,888**
Long term receivables	13	-	-
Current assets:			
Inventories	11	56,749	71,121
Trade receivables	12	498	2,782
Other receivables	13	1,000	1,000
Cash and cash equivalents	14	12,412	4,806
Total current assets		**70,659**	**79,709**
Total assets		**75,441**	**82,597**
Current liabilities			
Trade and other payables	15	7,645	10,623
Provisions-short term		5,918	-
Pension Liabilities		1,999	-
Deferred income	15	231	78
Total current liabilities		**15,793**	**10,701**
Non-current assets plus/less net current assets/liabilities		**59,648**	**71,896**
Non-current liabilities			
Pension liabilities	5	-	1,994
Provisions- Long term	16	-	1,466
Total non-current liabilities		**59,648**	**3,460**
Assets less liabilities		**59,648**	**68,436**
Taxpayers' Equity			
Revaluation reserve		3,570	2,280
Pension reserve		(1,999)	(1,994)
General reserve		58,077	68,150
Total Taxpayers' Equity		**59,648**	**68,436**

The notes on pages 45 to 72 form part of these accounts
The financial statements on pages 35 to 44 were approved by the board on 7th July 2011 and were signed on its behalf by:

Chief Executive/Accounting Officer

Chairman

Corporation Statement of Cash Flows

for the year ended 31 March 2011

		2010-11	2009-10
		£000	£000
Cash flows from operating activities	**(i)**	(15,938)	(34,987)
Tax paid		(148)	(176)
Net cash from operating activities		**(16,086)**	**(35,163)**
Cash flows from investing activities			
Purchase of intangible assets		(32)	(278)
Purchase of property, plant and equipment		(4,084)	(1,067)
Interest received		10	4
Proceeds on disposal of property, plant and equipment		3	-
Proceeds on disposal of Inventory		25	-
Net cash from investing activities		**(4,078)**	**(1,341)**
Cash flows from financing activities			
Grant-in-aid received		27,770	37,030
Net cash from financing activities		**27,770**	**37,030**
Increase/(decrease) in cash and cash equivalents		**7,606**	**526**
Cash and cash equivalents at beginning of year		**4,806**	**4,280**
Cash and cash equivalents at end of year	**(ii)**	**12,412**	**4,806**

The notes on pages 45 to 72 form part of these accounts

Corporation Statement of Cash Flows

for the year ended 31 March 2011

(i) Reconciliation of loss before tax to cash generated from operations

	2010-11	2009-10
	£000	£000
Net expenditure for the financial year	(37,780)	(25,853)
Depreciation and amortisation	316	414
PPE and intangibles impairment	1,445	5,169
Inventory impairment	21,850	-
Disposal of Inventory	537	-
Loss on disposal of intangible assets	88	31
Loss on disposal of property, plant and equipment	384	9
Change in receivables	2,284	(22)
Change in inventory	(9,595)	(19,166)
Refund on Prior Year inventory	2,900	-
Change in payables	(2,977)	4,476
Change in provisions	4,452	(10)
Change in Pension liabilities	5	-
Change in deferred income	153	(35)
Net cash (outflow)/inflow from operating activities	**(15,938)**	**(34,987)**

(ii) Cash and cash equivalents

	2010-11	2009-10
	£000	£000
Balance at 1 April	4,806	4,280
Net change in cash and cash equivalent balances	7,606	526
Balance at 31 March 2011	**12,412**	**4,806**
The following balances at 31 March were held at:		
Commercial banks and cash in hand	10,452	4,806
Cash held by Solicitors and Managing Agents	1,960	-
Balance at 31 March	**12,412**	**4,806**

The notes on pages 45 to 72 form part of these accounts.

Corporation Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

	Revaluation Reserve	Pensions Reserve	General Reserve	Total Reserves
	£000	**£000**	**£000**	**£000**
Balance at 31 March 2009	**2,250**	**(1,250)**	**59,407**	**60,407**
Changes in taxpayers equity 2009-10				
Gain/loss on revaluation of inventories	(2,220)			(2,220)
Current service cost		(358)		(358)
Employer contributions		322		322
Net return on assets		768		768
Actuarial loss		(1,476)		(1,476)
Retained deficit			(26,037)	(26,037)
Total recognised income and expense for 2009-10	(2,220)	(744)	(26,037)	(29,001)
Grant-in-aid from sponsor department			37,030	37,030
Balance at 31 March 2010	**30**	**(1,994)**	**70,400**	**68,436**
Change to opening balance	**2,250**		**(2,250)**	**-**
Restated Opening Balance	**2,280**	**(1,994)**	**(68,150)**	**68,436**
Changes in taxpayers equity 2010-11				
Loss on revaluation of inventories	1,320	-	-	1,320
Gain on revaluation of Land & Building	(30)	-	-	(30)
Current service cost	-	(155)	-	(155)
Employer contributions	-	367	-	367
Past service settlement gain				-
Net return on assets	-	(176)	-	(176)
Actuarial loss	-	(41)	-	(41)
Retained deficit	-	-	(37,843)	(37,843)
Total Recognised Income and Expenditure for 2010-11	1,290	(5)	(37,843)	(36,558)
Grant-in-aid from sponsor department				
Capital			22,170	22,170
Revenue			5,600	5,600
Balance at 31 March 2011	3,570	(1,999)	58,077	59,648

There were no losses or "special payments" as defined within the Corporation's Accounts Direction, made or incurred during the year.

The notes on pages 45 to 72 form part of these accounts.

Notes to the accounts

1 Accounting policies under IFRS

1.1 Basis of presentation

These accounts have been prepared under the historical cost convention modified where material to account for the revaluation of fixed assets at their value to the business by reference to their current cost.

1.2 Going concern

On 8th September 2010, Thames Gateway Minister, Bob Neill, announced plans to close the Corporation. On 14th October 2010, Cabinet Office Minister, Sir Francis Maude, announced plans to substantially reform hundreds of public bodies as part of the Government's commitment to radically increase the transparency and accountability of all public services and enable the Government to operate in a more efficient way. For Thurrock Thames Gateway Development Corporation, the proposed reforms are:

- it will no longer be a Non Departmental Public Body and will be abolished; and
- its functions will be transferred to Thurrock District Council.

The announced transfer date is 1 April 2012.

The Corporation has considered its continuing operations as a going concern. After making enquiries and discussing the situation with its sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2011/12. Indeed the Corporation has received confirmation of funding from CLG for not only 2011/ 12, but also for 2012/13 to enable the Corporation to complete the statutory closure process. While funding for 2011/12 is less than ideal, the Board and Executive are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. In addition the Statutory Instrument (SI) that would be required under the Local Government Planning and Land Act 1980 to dissolve the Corporation has yet to be drafted. From enquiries of CLG the earliest the SI would be drafted would be autumn 2011. For these reasons, the Corporation continues to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Statement of compliance

The financial statements of the Corporation have been prepared in accordance with the Government Financial Reporting Manual (FReM) and the accounts direction issued by the Secretary of State with the approval of HM Treasury. The accounting policies contained in the FReM follow International Financial Reporting Standards for companies to the extent that they are meaningful and appropriate to the public sector.

The High House Production Park Limited (HHPP) is a wholly owned subsidiary set up by the Thurrock Thames Gateway Development Corporation (the Corporation). It is a company limited by guarantee, with a Certificate of Incorporation dated 28th August 2008. The company was registered at Companies House on 30th October 2008.

The company forms the landholding entity for a project entitled the Royal Opera House Production Park that will ultimately comprise a campus consisting of the Royal Opera House (ROH) Production Facility, a training/educational facility run by the National

Notes to the accounts

Skills Academy, a number of artists' studios and warehouse/office space for small and medium sized enterprises operating in fields related to the cultural sector. The Corporation is a short life entity, but it is envisaged that the HHPP will continue over the life of the campus.

The Corporation has no monetary investment in the company.

1.4 Property, plant and equipment (IAS 16 "Property, Plant & Equipment")

In adopting IAS16 , Property, Plant and Equipment is valued at depreciated historic cost, which is used as a proxy for fair value. Where there is a material difference between depreciated historic cost and depreciated replacement cost the latter basis of valuation is incorporated in the accounts.

It is the Corporation's policy to capitalise individual items with a cost of £2,500 or more, and groups of items with a cost of £5,000 or more in aggregate. Individual items below this value are charged to the Statement of Comprehensive Net Expenditure during the period incurred.

Land held for use in the business is held at current market value.
As with the Corporations inventories land is formally revalued every three years by independent chartered surveyors and in the intervening years values are reviewed by independent chartered surveyors for material changes.

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1.5 Intangible assets (IAS 38 "Intangible Assets")

Intangible Assets are recognised as detailed below where expenditure of £2,500 or more is incurred and where it is probable that future economic benefits attributable to the asset will flow to the Corporation or for the benefit of the public good.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight line method over the estimated useful lives of the assets unless the term of the licence is shorter.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Corporation, and that will probably generate benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised using the straight line method over the estimated useful lives of the assets.

1.6 Depreciation

Depreciation is provided to write off the cost of Property, Plant & Equipment and intangible assets over their expected useful lives on a straight line basis at the following rates:
Land – not depreciated
Leasehold Improvements – over the life of the lease
Fixtures & Fittings – 5 years
Office Equipment – 4 years
Information Technology Equipment, Software Licences and Development – 3 years.

Notes to the accounts

1.7 Government grants

Government grants

The Corporation's activities are funded primarily by way of grant-in-aid provided by the Corporation's sponsor, CLG. In accordance with Government guidance these are credited directly to the General Reserve. £27,770,000 was received in the year with £5,600,000 utilised on revenue expenditure while £22,170,000 was utilised on capital projects. Grants received from other sources are disclosed as Other Operating Income - see Note 6 to the accounts.

1.8 Inventories (IAS 2 "Inventories")

Land and buildings purchased for resale are recognised in the accounts on exchange of contracts. Inventories and are held at the lower of estimated replacement cost and estimated net realisable value. This accounting policy is in line with the accounts direction issued by the first Secretary of State and overrides the IFRS requirement for inventories to be carried at the lower of cost and net realisable value.

These holdings are formally revalued every three years by independent chartered surveyors and in the intervening years values are reviewed by independent chartered surveyors for material changes.

1.9 Employee benefits IAS 19

Pension Costs

Corporation staff are entitled to join the Local Government Pension Scheme (LGPS) which is administered on the Corporation's behalf by Essex County Council. The scheme is subjected to a triennial actuarial valuation. Pension costs are accounted for in accordance with the revised format of the Accounting Standard IAS 19 "Retirement Benefits" as disclosed in Note 4.

Other Staff benefits

The Corporation operates a staff bonus scheme based upon performance objectives set annually for individual members of staff. Bonuses are paid in arrears for performance already delivered and such bonuses are accrued at the year end.

The leave entitlement for all staff is 28 days and up to five days untaken can be carried forward to the following year. In exceptional circumstances, additional days may be carried forward with line manager approval. Unpaid annual leave, if material, is accrued at the year end.

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1.10 Leases (IAS 17 "Leases")

The total cost of operating lease rentals is charged to the Income & Expenditure Account over the period of the lease on a straight line basis. All Lease incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset and are recognised over the whole of the lease term.

There are no finance leases.

1.11 Value added tax

The Corporation's activities comprise those which are fully VAT-recoverable, those which are partially VAT-recoverable, those which are exempt from VAT and those which are outside the scope of VAT. Where output tax is charged or input tax is recoverable the amounts are stated net of VAT. Irrecoverable VAT is charged to the

Notes to the accounts

relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.12 Corporation tax

Corporation Tax is provided in full on surpluses arising from the Corporation's trading activities. In 2009/10 this activity comprised rental income arising indirectly from land and buildings acquired with the primary purpose of furthering the Corporation's regeneration agenda.

1.13 Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted.

1.14 Financial instruments (IAS 39)

Financial assets and liabilities are valued in the Statement of Financial Position at fair value. This is usually the amount expected to be received or paid unless the terms of the contract make the use of such a basis of valuation misleading.

1.15 IAS Accounting Policies

The Corporation has considered, in accordance with IAS 8, whether there have been any changes to accounting policies (either voluntary or arising from IFRS and/or the FReM) which have an impact on the current or prior period, or may have an effect on future periods. The Corporation has also reviewed any new or amended standards issued by the IASB but not yet effective, to determine if it needs to make any disclosures in respect of those new IFRS's that are or will be applicable (references to 'new IFRS's' includes new interpretations and any new amendments to IFRS's and Interpretations).

The following changes in accounting policy have been applied by the Corporation for the first time in the current period:

IAS 36 - Impairments

IAS 36 recognises impairment losses that do not result from a loss of economic value or service potential should be taken to the revaluation reserve. The Corporation has recorded both revaluations and impairments for their inventories in the current and prior years. In the current year the analysis of the movement of the Revaluation Reserve has been included in a separate note including prior year values.

It has been determined that the following new IFRS's that are relevant to the Corporation but the impact is uncertain at this point in time:

IFRS 9 - Financial Instruments

Under IFRS, financial assets should be classified on the basis of the entity's business model for their management, and contractual cash flow characteristics. The effective date is 2 January 2013 and the impact is uncertain.

Notes to the accounts

1.16 Planning Fees

Fees for planning applications are paid by applicants at the time of making the application. In accordance with the normal practice in local authorities, Corporation policy is to recognise this revenue on receipt ie in advance of the work required to determine the application. In the view of the board it would be difficult to accurately match the income to the work required to determine the application since this varies significantly and cannot be estimated based simply upon type or scale of application. Given the regular flow of applications made to the Corporation, in the view of the Board the year on year impact of any misstatement to the accounts is negligible.

Notes to the accounts

2 Analysis of net expenditure by segment

	Planning Dept £000	Rent Delivery Dept £000	Non-Rent Delivery Dept £000	Support Functions £000	HHPP £000	2010-11 Total £000	2009-10 Total £000
Gross expenditure	1,218	379	32,358	5,191	5,934	45,080	26,907
Income	(393)	(822)	(147)	(4)	(3,500)	(4,866)	(4,212)
Net expenditure	**825**	**(443)**	**32,211**	**5,187**	**2,434**	**40,214**	**22,695**
Total assets	**-**	**-**	**56,749**	**18,692**	**3,267**	**78,708**	**88,852**

The segments shown above are the same as those used in the Management Reports of the Corporation, with the exception that Marketing, Resources and Executive Departments have been aggregated into the column entitled “Support Functions” and the Delivery Department has been split into its operational and land management functions.

Analysis of Income by Segment

	Planning Dept £000	Rent Delivery Dept £000	Non-Rent Delivery Dept £000	Support Functions £000	HHPP £000	Total £000	Total £000
Planning fees income	(393)	-	-	-	-	**(393)**	**(408)**
Rental income & Room Hire	**-**	(822)	-	-	(109)	**(931)**	**(897)**
Grant Income	**-**	-	(39)	-	(3,391)	**(3,430)**	**(2,871)**
Miscellaneous receipts			(108)	(4)	-	**(112)**	**(36)**
	(393)	**(822)**	**(147)**	**(4)**	**(3,500)**	**(4,866)**	**(4,212)**

Notes to the accounts

3 Staff numbers and related costs

	Group 2010-11 Permanent staff	Group 2010-11 Other staff	Group 2010-11 Total	Group 2009-10 Total
	£000	£000	£000	£000
Salaries/fees	3,199	68	3,267	2,718
Social security costs	261	-	261	246
Pension costs	536	-	536	267
Total	**3,996**	**68**	**4,064**	**3,231**

	TTGDC 2010-11 Permanent staff	TTGDC 2010-11 Other staff	TTGDC 2010-11 Total	TTGDC 2009-10 Total
	£000	£000	£000	£000
Salaries/fees	3,180	68	3,248	2,676
Social security costs	259	-	259	242
Pension costs	534	-	534	262
Total	**3,973**	**68**	**4,041**	**3,180**

The Corporation rarely pays for untaken leave as staff eventually take the annual leave brought forward, hence untaken annual leave will only be accrued if the amount is deemed to be material. At the year ended 31 March 2011 £25,146 (2010: £36,309) has been accrued for untaken annual leave. No Loans were advanced to any employee during the year (2009/10 - nil). No staff costs were capitalised during the year (2009/10 - nil). The Corporation's subsidiary has no direct employees. The staff costs in the subsidiary are recharged costs of the parent company staff involved in running the site.

Salaries and Payables include £669,000 for estimated costs of redundancies for staff that will definitely be made redundant on the 31st March 2012. A contingent liability has been disclosed for other staff who it is assumed would transfer to Thurrock Council under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Notes to the accounts

3 Staff numbers and related costs (continued)

Group	**2010-11 Permanently employed staff**	**2010-11 Other staff**	**2010-11 Totals**	**2009-10 Totals**
Executive	5	-	**5**	**5**
Executive support	5	-	**5**	**5**
Resources	14	-	**14**	**15**
Planning	10	-	**10**	**10**
Delivery	11	-	**11**	**13**
Marketing	3	-	**3**	**4**
Totals	**48**	-	**48**	**52**
Board members*			**8**	**11**

* Board members' commitment is to work 2 days per week (Chair and Deputy Chair) or 3 days per month (other members). At the year end there were 8 members of the Board.

TTGDC	**2010-11 Permanently employed staff**	**2010-11 Other staff**	**2010-11 Totals**	**2009-10 Totals**
Executive	5	-	**4**	**4**
Executive support	5	-	**5**	**5**
Resources	14	-	**15**	**15**
Planning	10	-	**10**	**10**
Delivery	11	-	**13**	**13**
Marketing	3	-	**4**	**4**
Totals	**48**	-	**51**	**51**
Board members*	8	-	**8**	**11**

* Board members' commitment is to work 2 days per week (Chair and Deputy Chair) or 3 days per month (other members). At the year end there were 8 members of the Board. (2009-10:11)

Notes to the accounts

Five staff left under compulsory redundancy terms on 31st March 2011 and one on 31st May 2011. They received a compensation payment of £10,705.

Three staff left under voluntary redundancy terms on 31st March 2011 and one on 8th April 2011. They received a compensation payment of £93,071. One of these staff who left under voluntary redundancy took early retirement. The cost to the Corporation of the early retirement financial strain on the pension fund was £60,457.

3.1 Reporting of compensation schemes - exit packages

There were no redundancies in 2009/10, therefore no comparative data is shown for the previous year. All leavers belong to the TTGDC.

Exit package cost band	*Number of compulsory redundancies*	*Number of other departures agreed*	*Total number of exit packages by cost band*
<£10,000	6	1	7
£10,000 - £25,000	0	2	2
£25,000 - £50,000	0	1	1
£50,000 - £100,000	0	0	0
£100,000- £150,000	0	0	0
£150,000- £200,000	0	0	0
Total number of exit packages	6	4	10
Total resource cost /£	**10,705**	**93,071**	**103,776**

In addition the Corporation incurred costs of £60,457 to meet the early retirement financial strain on the pension fund from these redundancies.

Redundancy and other departure costs have been paid in accordance with the provisions of the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006. This is a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where there are early retirements, the additional costs are met by the Corporation and not by the Local Government Pension Scheme.

4 Employee benefits

The Local Government Pension Scheme (LGPS) is a “final salary” pension scheme, meaning that benefits are normally based upon the salaries achieved in the last year of active service of

Notes to the accounts

members before retirement. In order to fund current and future benefits it is necessary to build a portfolio of investments and to compare investment performance over time with current and estimated future calls made upon those investments to ensure schemes remain fully funded throughout the lives of the membership.

The Corporation is a “scheduled” i.e. admitted body to the Essex County Council LGPS, which administers the scheme on its behalf and appoints independent actuaries to calculate the required total contribution rates.

In 2010-11 employer’s contributions amounting to £322,167 were made on behalf of participating employees at a contribution rate of 12.60% of gross salaries exclusive of bonus (2009-10: £2,254,493 at a contribution rate of 12.60%). Total pension costs charged to the Statement of Comprehensive Net Expenditure amounted to £329,950 (2009-10 £267,074). This amount includes £7,333 paid into a defined contribution scheme on behalf of certain employees not eligible for entry to the LGPS.

As required by IAS 19 the following table shows the difference between the amounts charged to the Group Statement of Comprehensive Net Expenditure and the actuarially calculated operating cost of providing retirement benefits during the year:

Operating & finance costs	**2010-11**	**2009-10**
	£000	£000
Current service costs	375	257
Past service gain	(374)	-
Operating loss	**1**	**257**
Expected return on assets	(258)	(176)
Effect of curtailments on settlements	68	-
Interest on scheme liabilities	344	277
Net finance gain	**154**	**101**
Net revenue cost	**155**	**358**

The Pension Liability and Pension Reserve Accounts in the Statement of Financial Position show the difference between the actual cost of pensions payable and the expected future liabilities and assets calculated by the actuary on the basis of existing assumptions in accordance with IAS 19. In practice before these balances crystallise any net liability will be made good by increased employer contributions over the remaining working lives of the employees.

Notes to the accounts

4. Employee Benefits (Continued)
The following information reflects the position of the scheme as at 31 March 2011 as outlined by the disclosure requirements of IAS 19:

Investment categories	**At 31 March 2011**		**At 31 March 2010**	
	£000	**%**	£000	**%**
Equities	3,200	69.5%	2,622	67.5%
Government bonds	309	6.7%	307	7.9%
Other bonds	438	9.5%	389	10.0%
Property	516	11.2%	361	9.3%
Cash/liquid assets	143	3.1%	206	5.3%
Total assets	**4,606**	-	**3,885**	
Liabilities	(6,605)		(5,879)	
Net Liability	**(1,999)**		(1,994)	

The movement in the net pension liability for the year ended 31 March 2011 is as follows:

	2010-11	**2009-10**
	£000	£000
Net liability as at 1 April 2010	(1994)	(1,250)
Current service cost	(155)	(358)
Employer contributions	367	322
Net return on assets	(176)	768
Actuarial loss on liabilities	(41)	(1,476)
Net liability at 31 March 2011	**(1,999)**	**(1,994)**

The actuarial loss shown in the above table arises from the following differences:

Actuarial loss	**2010-11**	**2009-10**
	£000	£000
Differences between actual and expected returns on assets	(217)	(708)
Differences between actuarial assumptions and experience	-	-
Changes in demographic and financial assumptions used to estimate liabilities	(217)	(708)

Notes to the accounts

4. Employee benefits (continued)

The assumptions used by the actuary in valuing the scheme are as follows:

Financial assumptions	2010-11	2009-10
Rate of RPI inflation	3.4%	3.3%
Rate of CPI Inflation	2.9%	2.8%
Rate of increase in salaries	4.4%	4.8%
Rate of Increase in pensions	2.9%	3.3%
Discount rate	5.5%	5.6%

In the UK Budget statement of 22 June 2010, the Chancellor of the Exchequer announced that, with effect from April 2011, the Government would use the Consumer Price Index (CPI) rather that the Retail Prices Index (RPI) for the price indexation of benefits and tax credits; and that this would also apply to public service pensions through the statutory link to the indexation of the Second State Pension.

The change from RPI to CPI for the purposes of uprating index-linked features of post employment benefits has been recognised as a negative past service cost in accordance with IAS 19. This accounting treatment has been adopted by all central Government reporting entities where RPI has been used for inflation indexing for many years.

The question of whether, as regards the main public service pensions schemes, there is a legitimate expectation that RPI will be used for inflation indexing is currently before the courts in judicial review proceedings. The Government case is that no legitimate expectation exists and that, in any event, even if there was a legitimate expectation this was overridden by the clear public interest in making very substantial savings at a time when the Government hand adjudged that deficit reduction was a fundamental objective for the country. If the Government's Case is proven, there would be no change to the accounting treatment adopted in these accounts (Note 22).

Expected rate of return on assets		
Equities	7.50%	7.50%
Government bonds	4.40%	4.50%
Other bonds	5.10%	5.20%
Property	6.50%	6.50%
Cash/liquidity	0.50%	0.50%

Linking the future pension increases under the scheme to the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI) has given rise to a past service gain within the accounting figures, and a consequent reduction in the year end liabilities.

Notes to the accounts

5 Other expenditure

	GROUP 2010-11 £000	TTGDC 2010-11 £000	GROUP 2009-10 £000	TTGDC 2009-10 £000
Grants payable				
Grants to voluntary sector	240	240	209	209
Grants to public sector	344	4,894	1,005	2,855
Total	**584**	**5,134**	**1,214**	**3,064**
Administrative expenditure				
IT costs	175	173	262	262
Office costs	595	585	309	268
Professional costs	135	128	240	234
Staff recruitment	1	1	29	29
Staff training	64	64	72	72
Travel & subsistence	43	43	73	68
Auditors remuneration:				
- Statutory accounts	30	30	24	24
- Grant certification	3	3	5	5
- IFRS transition audit	-	-	3	3
- Company audit	6	-	6	-
Operating lease rentals:				
- Head office rent	144	144	128	128
- Vehicles	10	10	9	9
- Office equipment	10	10	13	13
Totals	**1,216**	**1,191**	**1,173**	**1,115**

Notes to the accounts

Programme expenditure	GROUP 2010-11 £000	TTGDC 2010-11 £000	GROUP 2009-10 £000	TTGDC 2009-10 £000
Consultancy costs	172	130	1,502	1,130
Exhibitions & sponsorship	9	9	33	33
Legal & professional	3,314	3,317	11,848	11,346
Premises / sites costs	656	536	481	481
Inventory impairment	21,850	21,850	5,169	5,169
Land & Building Impairment	11,495	1,260	-	-
Strategies & studies	39	39	53	53
Marketing costs	176	143	471	466
Plans & master plans	87	87	1,142	1,142
Public consultation	27	27	70	70
Publicity materials	-	-	21	20
Subscriptions to partnership bodies	-	-	45	45
Total	**37,825**	**27,398**	**20,835**	**19,955**
Loss on disposal of intangible assets	88	88	31	31
Loss on disposal of property, plant and equipment	384	384	9	9
Loss on Disposal of Inventories	512	512	-	-
Impairment of intangible assets (AUC)	82	82	-	-
Total	**1,066**	**1,066**	**40**	**40**
Total other expenditure	**40,691**	**34,789**	**23,262**	**24,174**

Depreciation

Depreciation on buildings	6	1	-	-
Depreciation on office equip and fixtures and fittings	35	31	45	45
Depreciation on property, plant and equipment	131	131	150	150
Development costs amortisation software licences	85	85	126	126
Computer software amortisation software development	68	68	93	93
Total Depreciation	**325**	**316**	**414**	**414**

Notes to the accounts

Grants payable
During the year grants were paid to 41 (2009/10 – 54) third parties in respect of projects which were deemed to meet the Corporation's strategic objectives for the regeneration of Thurrock.

As at 31 March 2011 the Corporation had £28,854 in grant commitments not yet paid to third parties. (2009/10 £310,000)

Programme expenditure
Programme expenditure comprises expenditure incurred directly in pursuit of the Corporation's objectives.

Legal and Professional Costs include Stamp Duty Land Tax (SDLT) of £292,879 (2009/10 £929,344). This has been written off to the Group Statement of Comprehensive Net Expenditure as required by the Accounts Direction of the Corporation

No provision or unwinding of any provisions had an impact on the Statement of Comprehensive Net Expenditure.

Premises/sites costs
Premises /Sites costs comprise of expenditure incurred on maintaining sites owned by the Corporation.

Interest receivable
Interest receivable relates to bank interest earned on overnight and other short-term deposit accounts and interest received from Solicitors for money held on account for land transactions.

Other operating income

Other operating income from activities comprises:

6 . Other operating income

	GROUP 2010-11	TTGDC 2010-11	GROUP 2009-10	TTGDC 2009-10
	£000	£000	£000	£000
Planning fees income	393	393	408	408
Rent income & Room Hire	931	822	897	897
Grant income	3,430	39	2,871	574
Other income	112	112	36	36
Totals	**4,866**	**1,366**	**4,212**	**1,915**

£2,111,000 of the £3,430,000 Grant income was received in the year ended March 2011 however £55,000 of the grant from Thurrock Borough Council and £75,000 from the National Skills Academy have been transferred out of Grant income into deferred Income. Grant income also includes Income totalling £1,449,397 received in the year ended 31 March 2010 released from deferred income into Grants in the year.

Notes to the accounts

Grants received in the year are from the sources listed below

Grants received in year	GROUP 2010-11 £000	TTGDC 2010-11 £000
East of England Development Agency	1,800	26
Royal Opera House	85	-
Thurrock Borough Council	65	65
The Arts Council	86	3
National Skills Academy	75	-
	2,111	**94**

The Corporation did not receive any grants from the European Community funds.

7 Property, plant and equipment

	Leasehold Improvements	Information Technology	Office Equipment	Fixtures & Fittings	Land & Buildings excluding Dwellings	Payments on Account & Assets under Construction	TTGDC Total
	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation							
At 1 April 2010	749	441	59	190	930	989	**3,358**
Additions	-	-	-	-	10	4,074	**4,084**
Disposals	749	143	10	46	-	-	**(948)**
Reclassifications	1	35	1	54	898	(989)	**-**
Revaluations	-	-	-	-	(1,363)	-	**(1,363)**
At 31 March 2011	1	333	50	198	475	4,075	5,131
Depreciation							
At 1 April 2010	310	332	59	147	-	-	**848**
Charged in year	69	62	1	30	1	-	**163**
Disposals	378	131	10	45	-	-	**564**
At 31 March 2011	1	263	50	132	1	-	447
Net book value at 31 March 2010	439	109	-	43	930	989	**2510**
Net book value at 31 March 2011	**-**	**70**	**-**	**66**	**474**	**4,075**	**4,684**

Notes to the accounts

7 Property, plant and equipment (continued)

	TTGDC Total	Land and Buildings	Information Technology	Fixtures & Fittings	Payments on Account & Assets under Construction	Group Total
	£000	£000	£000	£000	£000	**£000**
Cost or valuation						
At 1 April 2010	3,358	1,000	-	-	4,064	**8,422**
Additions	4,084	5,660	3	76	2,017	**11,840**
Disposals	(948)					**(948)**
Reclassifications	-	4,064	-	-	(4,064)	**-**
Revaluations	(1,363)	(9,619)	-	-	(618)	**(11,600)**
At 31 March 2011	**5,131**	**1,105**	**3**	**76**	**1,399**	**7,714**
Depreciation						
At 1 April 2010	848	-	-	-	-	848
Charged in year	163	5	-	4	-	172
Disposals	564	-	-	-	-	564
At 31 March 2011	**447**	**5**	**-**	**4**	**-**	**456**
Net book value at 31 March 2010	2,510	1,000	-	-	4,064	7,574
Net book value at 31 March 2011	**4,684**	**1,100**	**3**	**72**	**1,399**	**7,258**

Assets are carried at fair value and depreciated historic cost is used as a proxy for fair value.

Assets identified as reclassifications were assets under construction as at 1 April 2011 that became completed assets during the year.

Land and Buildings were valued on the 31 March 2011 by GVA. GVA are qualified Surveyors and the valuation was carried out in accordance with the RICS valuation standard, 6th Edition (Red Book).

Notes to the accounts

8 Intangible assets

	Software Licences	Software Development	Assets Under Construction	**TTGDC Total**
	£000	£000	£000	**£000**
Cost or valuation				
At 1 April 2010	564	308	79	**951**
Additions	27	2	3	32
Disposals	371	195	-	566
Reclassification	12	(1)	-	11
Impairment	-	-	(82)	(82)
At 31 March 2011	**232**	**114**	**-**	**346**
Amortisation				
At 1 April 2010	387	186	-	**573**
Charged in year	85	68	-	153
Disposals	294	184	-	478
At 31 March 2011	**178**	**70**	**-**	**248**
Net book value at 31 March 2010	**177**	**122**	**79**	**378**
Net book value at 31 March 2011	**54**	**44**	**-**	**98**

9 Financial Instruments

Under Treasury Guidance, the provisions of IFRS 7, IAS 39 and IAS 32 are deemed to apply to the Corporation. Under those provisions disclosures are required in respect of the financial instruments (financial assets and financial liabilities) maintained by the Corporation, the risks associated with them and the Corporation's approach to that risk.

All Financial assets and liabilities are recognised and valued in the Statement of Financial Position at fair value. Except for short term receivables and payables the only financial instrument maintained by the Corporation is cash held on deposit and current account.

At the Statement of Financial Position date, cash balances were £13,494,000 (2009/10 £5,163,000). Short term receivables include £64,553 from Kemsley and £2,286,670 from SNR Denton. The Corporation has no borrowings and relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. All material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

In December 2006 the Corporation entered into an agreement with the East of England Development Agency (EEDA) and Family Mosaic Housing Association (FMHA) a Registered Social Landlord, to jointly fund the acquisition of a site for redevelopment from Industrial to housing and light commercial usage. Under the terms of the agreement the land is held by a wholly owned subsidiary of FMHA which enjoys substantially the risks and rewards of ownership. However, the agreement provided for the sharing of any surplus on

Notes to the accounts

redevelopment earned in the period to 31 March 2012 (thereafter nothing).

Following conclusion of the agreement attempts to secure developer interest were frustrated by a number of factors not least the global and regional economic downturn. As of the balance sheet date there is still no prospect of developer interest and the board consider that the likelihood of any agreement in the period to 31 March 2012 to be remote. In view of this fact no attempt has been made to quantify the value of any possible contingent asset or to include it in the accounts of the Corporation.

The amount receivable by the Corporation depends upon the proceeds from the ultimate sale of the site. In view of the current uncertainty in the property market the Corporation does not feel that it is prudent to include this asset in the accounts as of the Statement of Financial Position date. If the Corporation's interest in the site had been recorded on the Statement of Financial Position as at 31 March 2010 it would have been treated as a financial instrument.

10 Impairments

The Corporation has revalued its Inventories in line with its Accounting Policies. The Net Impairment on the Corporation's inventory and Land and Buildings (Old Post Office) totals £21,820,000. The impairment has been due to changes in property values in the period since the last valuation. This net fall in property values is consistent with recent trends in the relevant property market.

£1,290,000 of this sum has been written to the revaluation reserve (a net £1,320,000 increase in respect of those classified as Inventories and a decrease of £30,000 in respect of those classified as Land and Buildings). This is the net effect of five sites increasing in value by £2,970,000 and two sites reducing in value by a total of £1,680,000. One of the sites that reduced in value is the Old Post office which is classified as Land and Buildings.

The Corporation has written £23,110,000 to the income and expenditure account and this has been included in the Legal and Professional costs, while £1,680,000 has been written off to the revaluation reserves.

The HHPP site has now been valued as a single site at £1,100,000.

All Sites were valued on the 31 March 2011 by GVA. GVA are qualified Surveyors and the valuation was carried out in accordance with the RICS valuation standard, 6th Edition (Red Book).

	GROUP 2010-11	**TTGDC 2010-11**	**GROUP 2009-10**	**TTGDC 2009-10**
Revaluation Reserve	**£000**	**£000**	**£000**	**£000**
Restated At 1st April	2,280	2,280	2,250	2,250
Revaluation of Inventory	1,320	1,320	30	30
Revaluation of Land and Building	(30)	(30)	-	-
At 31st March	**3,570**	**3,570**	**2,280**	**2,280**

Notes to the accounts

11 Inventories

Inventories comprise land and buildings acquired for the purpose of land assembly, remediation and subsequent resale. The Corporation has revalued its Inventories in line with its Accounting Policies.

The Corporation received £2,900,000 from solicitors on prior year land transactions that were adjusted: The LCR (£2,800,000) and PIP site (£100,000).These transactions were accounted for as part of the stock sold as at 31st March 2011.

In March 2010, the Corporation exchanged contracts but did not complete on the purchase of the LCR sites. Delays by the vendor resulted in the period between exchange and completion extending over six months. As the valuation was older than six months the site had to be revalued with a result showing a reduction in the original valuation. This meant that the Corporation did not have a valid current valuation in order to complete the acquisition. Following negotiations with the vendor, the Corporation then purchased some of the original sites and a few additional ones at a reduced price, resulting in a refund of £2,900,000

The Old Grays Post Office site includes land and building has been and classified as such in the accounts. The total impairment on the site is £1,289,527 and is included in the impairment in Note 10 above.

All inventories are held by the TTGDC.

	£000
Cost or valuation	
At 1 April 2010	71,121
Adjusted Land Transaction	(2,900)
Additions in year	9,595
Disposals	(537)
Inventory impairment	(21,850)
Revaluation	1,320
At 31 March 2011	**56,749**

	£000
Cost or valuation	
At 1 April 2009	60,274
Additions in year	19,166
Inventory impairment	(5,169)
Revaluation	(2,250)
Reclassifications	(900)
At 31 March 2010	**71,121**

Notes to the accounts

12 Trade receivables and other current assets

	Group 2010-11	TTGDC 2010-11	Group 2009-10	TTGDC 2009-10
Amounts falling due within one year	£000	£000	£000	£000s
VAT	186	-	-	-
Other receivables	831	406	4,458	2,638
Prepayments	92	92	158	144
Totals	**1,109**	**498**	**4,616**	**2,782**
Intra-government balances				
Balances with central government bodies	626	-	2,925	2,246
Balances with local authorities	-	-	22	22
Balances with non-government bodies	483	498	1,669	514
Totals	**1,109**	**498**	**4,616**	**2,782**

Other receivables include an amount of £467,929 (2009/10 £2,694,874) in respect of VAT recoverable from HM Revenue & Customs. The net value being £314,017.

Debtors totalling £98,713 were written off during the year. (2009/10 -£92,751).

13 Other receivables

Other receivables of £1,000,000 comprise the amount owing from High House Production Park Limited in respect of land forming part of the site of the production park. This debt arises because the land was acquired from Thurrock Council in return for an undertaking by the Corporation to make available a site of similar size within Purfleet from its other land holdings in the area when the Council requires it. Since the land subject to this undertaking is in the ownership of High House Production Park Ltd this represents a receivable due from the subsidiary at the balance sheet date.

14 Cash and cash equivalents

	Group 2010-11	TTGDC 2010-11
	£000	£000
Balance at 1 April 2010	5,163	4,806
Net change in cash and cash equivalent balances	6,371	5,646
Cash held with Solicitors	1,895	1,895
Cash held with Managing Agents	65	65
Balance at 31 March 2011	**13,494**	**12,412**

Notes to the accounts

	Group 2010-11	TTGDC 2010-11	Group 2009-10	TTGDC 2009-10
	£000	£000	£000	£000
The following balances at 31 March were held at:				
Commercial banks and cash in hand	11,534	10,452	5,163	4,806
Cash held with Solicitors and Managing Agents	1,960	1,960	-	-
Balance at 31 March 2011	**13,494**	**12,412**	**5,163**	**4,806**

15 Trade payables and other current liabilities

	Group 2010-11	TTGDC 2010-11	Group 2009-10	TTGDC 2009-10
Amounts falling due within one year	**£000**	**£000**	**£000**	**£000s**
Trade & other payables	5,220	4,631	3,606	2,748
Provisions Short term	5,918	5,918	-	-
Other tax & social security	286	259	398	398
Accruals	4,303	2,755	8,106	7,477
Pension Liabilities	1,999	1,999	-	-
Totals	**17,726**	**15,562**	**12,110**	**10,623**
Intra-government balances				
Balances with central government bodies	1,294	1,267	720	710
Balances with local authorities	3,144	3,142	2,009	2,009
Balances with non-government bodies	13,288	11,153	9,381	7,904
Totals	**17,726**	**15,562**	**12,110**	**10,623**
Other payables				
Deferred income	544	231	1,622	78
Total other payables	**544**	**231**	**1,622**	**78**
Total trade payables and other current liabilities	**18,270**	**15,793**	**13,732**	**10,701**

Notes to the accounts

16 Provisions, Liabilities and Charges

Provisions, liabilities and charges include a provision for costs of £247,000 in the case of a conservation body which had been granted leave to appeal to the House of Lords over an earlier judgment in favour of the Corporation involving a planning decision reached by the Corporation in 2005/06. The House of Lords ruled in favour of the Corporation. However, although the body has no further right to appeal in the UK, it still has the option to appeal to the European Court of Justice. It has been confirmed by our solicitors that the body intends to consider judicial review hence the provision

A £1,000,000 provision has been made in respect of an obligation to transfer a site of an equivalent value to Thurrock Council. This represents the value of the land swap with High House Production Park.

A provision of £669,000 for the costs of redundancies of those staff who will leave the Corporation's employment as a result of its closure at 31st March 2012 has been made in the 2010/11 accounts.

Dilapidations costs of £98,000 in respect of Gateway House have been provided for.

A provision for £3,561,000 has been made for the Corporations project work on the Thurrock Learning Campus and Hogg Lane.

Also included in provisions, liabilities and charges is £343,000 in relation to the past service deficit of the Corporation's pension scheme.

All provisions are calculated based on signed contract agreements or actual known liabilities.

	TTGDC	TTGDC	TTGDC	TTGDC	TTGDC	TTGDC
	Liability to Thurrock Council £000	**Staff costs £000**	**Office Dilapidation £000**	**Development Project £000**	**Pension Deficit £000**	**Planning Legal Case £000**
Balance at 1 April 2010	1,000	-	-	-	343	123
Provided in the year	-	669	98	3,561	-	131
Utilised during the year	-	-	-	-	-	(7)
Balance at 31 March 2011	**1,000**	**669**	**98**	**3,561**	**343**	**247**

Notes to the accounts

16 Provisions, Liabilities and Charges (continued)

	Group	TTGDC
	Total £000	**Total £000**
Balance at 1 April 2010	1,466	1,466
Provided in the year	4,459	4,459
Utilised during the year	(7)	(7)
Balance at 31 March 2011	**5,918**	**5,918**

Analysis of expected timing of Provisions

	TTGDC	TTGDC	TTGDC	TTGDC	TTGDC	TTGDC	Group
	Liability to Thurrock Council £000	**Staff Costs £000**	**Office Dilapidation Costs £000**	**Development Projects £000**	**Pension Deficit £000**	**Planning Legal Case £000**	**Total £000**
Not later than one year	1,000	669	98	3,561	343	247	5,918
Later than one year and not later than Five years	-	-	-	-	-	-	-
Later than Five years	-	-	-	-	-	-	-
Balance at 31 March 2011	1,000	669	98	3,561	343	247	5,918

17 Capital commitments

There is a capital commitment of £3,389,037 for land development projects as at 31 March 2011 of which £3,248,000 relates to TTGDC. (2009/10: £2,859,469).

Notes to the accounts

18 Commitments under leases

Operating leases

Commitments under operating lease to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires:

	2010-11	2010-11	2010-11	2010-11	2009-10
	Vehicles	Office Equipment	Head Office	TOTAL	TOTAL
	£000	£000	£000	£000	£000
Not later than one year	8	15	41	64	**155**
Later than one year and not later than five years	14	-	41	55	**598**
Later than five years	-	-	-	-	**14**
	22	**15**	**82**	**119**	**767**

Rental costs of operating leases and rental income on leased property owned by the Corporation are charged to the Net Expenditure Account on a straight line basis over the term of the lease. In accordance to SIC 15 the rent incentive has been treated as an integral part of the net consideration and has been recognised over the lease term.

19 Other financial commitments

The Corporation has entered into non-cancellable contracts (which are not leases or PFI contracts), for the services listed below. The payments to which the Corporation is committed during 2010–11, analysed by the period during which the commitment expires are as follows:

	Group	TTGDC	2010-11	2009-10
	Non HR Consultancy Services	Non HR Consultancy Services	TOTAL	TOTAL
	£000	£000	£000	£000
Not later than one year	10,488	3,170	13,658	4,116
Later than one year and not later than five years	484	-	484	279
	10,972	**3,170**	**14,142**	**4,395**

Notes to the accounts

20 Contingent liabilities

The Corporation has identified the following contingent liabilities for the year ended 31 March 2011 (2009/10- nil).

20.1 Redundancy Costs

Provision for the costs of redundancies of those staff who will leave the Corporation's employment as a result of its closure at 31st March 2012 has been made in the 2010/11 accounts. In addition it is anticipated that Corporation staff employed undertaking work in support of its statutory planning powers and functions will transfer to Thurrock Council. However, the Parliamentary Order to give effect to the transfer has yet to be drafted and Thurrock Council has yet to agree that the relevant staff would have a right of transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006. Accordingly, there is a risk that the Corporation could incur additional costs of up to approximately £550,000 for redundancy and pension strain in respect of these staff.

20.2 Relocation Costs of the Grays Royal Mail Group Sorting Office

The Corporation has a contractual liability to meet the relocation costs of the Royal Mail Group in relocating its Grays Sorting Office. Provision for the agreed costs of relocation has been made in the 2010/11 accounts. However, the contract with the Royal Mail Group allows a review of these agreed costs once the relocation has been completed. There is a risk that the provision made for the relocation costs may prove insufficient and that the Corporation could incur additional costs.

21 Related Party Transactions

The Corporation is a Non-Departmental Government Body sponsored by CLG. CLG is regarded as a related party, as are other entities that it sponsors.

As outlined in Note 5 to the accounts, the Corporation is a “scheduled” (admitted) body to the Local Government Pension Scheme (LGPS). The LGPS exists for the benefit of its members and as such is deemed to be a related party under the terms of the Corporation's accounts direction and IAS 24.

The High House Production Park Limited (HHPP) is a wholly owned subsidiary set up by the Thurrock Thames Gateway Development Corporation (the Corporation). It is a company limited by guarantee with a Certificate of Incorporation dated 28th August 2008. The company was registered at Companies House on 30th October 2008.

During the year the Corporation provided a £4,550,000 grant to HHPP. At the end of the year HHPP owed the Corporation a net amount of £22,620, being the difference between the invoices paid by the Corporation on behalf of High House Production Park Ltd and the Grant provided to the Company but not remitted as at the 31 March 2010. The amount of £22,620 is disclosed as a receivable in the Corporation's Statement of Financial Position.

Notes to the accounts

21 Related Party Transactions (continued)

During the year the following payments were made to related parties:

Organisation	Amount Paid by the Corporation	Amount Accrued/ Provision	2010/11 Total £000	2009/10 Total £000	Nature of Transactions	Related Party Connection	Corporation Position
Thurrock Borough Council	**257**	**435**	**692**	**866**	Planning Expenditure, Capital grants (Projects), Office - Rates, Rent and Service Charges	Cllr Gary Hague & John Kent	Board Members
Department for Communities and Local Government	**28**	**-**	**28**	**17**	Internal Audit Costs	Sponsor Dept	Sponsor Dept
Essex County Council	**77**	**2**	**79**	**24**	LGPS Administration Charge	Via Sponsor Dept	Pension Provider
National School of Government	**1**	**-**	**1**	**1**	Training Costs	Via Sponsor Dept	Training
South East England Development Agency	**15**	**-**	**15**	**14**	Contribution re: OffPAT	Via Sponsor Dept	Membership Costs
Chelmsford Borough Council	**1**	**-**	**1**	**-**	Planning Expenditure	Via Sponsor Dept	Planning Expenditure
National Grid Gas PLC	**1**	**-**	**1**	**1**	Service to Disconnect Line	Via Sponsor Dept	Services
Montal Computer Services Ltd	**154**	**-**	**154**	**-**	IT Support Contract	Chris Paveley	Board Member
University of East London Total	**793**	**19**	**812**	**-**	Capital Grant	Sunny Crouch	Board Member
Land Registry	-	-	-	**1**	Land Registry fees	Via Sponsor Dept	Services
Planning Inspectorate	-	-	-	**8**	Recovery of Secretary of State Costs	Via Sponsor Dept	Services
TOTALS	**1,327**	**456**	**1,783**	**932**			

Notes to the accounts

22 Events after the reporting period

On 8th September 2010, Thames Gateway Minister, Bob Neill, announced plans to close the Corporation. On 14th October 2010, Cabinet Office Minister, Sir Francis Maude, announced plans to substantially reform hundreds of public bodies as part of the Government's commitment to radically increase the transparency and accountability of all public services and enable the Government to operate in a more efficient way. For Thurrock Thames Gateway Development Corporation, the proposed reforms are:

- it will no longer be a Non Departmental Public Body and will be abolished; and
- its functions will be transferred to Thurrock Council.

The announced transfer date is 1 April 2012.

The Corporation has considered its continuing operations as a going concern. After making enquiries and discussing the situation with its sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2011/12. Indeed the Corporation has received confirmation of funding from CLG for not only 2011/ 12, but also for 2012/13 to enable the Corporation to complete the statutory closure process. While funding for 2011/12 is less than ideal, the Board and Executive are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. In addition the Statutory Instrument (SI) that would be required under the Local Government Planning and Land Act 1980 to dissolve the Corporation has yet to be drafted. From enquiries of CLG the earliest the SI would be drafted would be autumn 2011. For these reasons, the Corporation continues to adopt the going concern basis in preparing the annual report and financial statements.

Changes to Pensions Schemes
It was announced in the Budget on 22 June 2010 that the Government intends to adopt the Consumer Price Index (CPI) for the indexation of public service pensions from April 2011. This will have an impact upon the future operation of the pension schemes that Thurrock Thames Gateway Development Corporation provides to employees (Note 4).

The date on which the accounts were authorised for issue is 8th July 2011.

Accounts direction

THURROCK DEVELOPMENT CORPORATION

ACCOUNTS DIRECTION GIVEN BY THE FIRST SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 10(3) OF SCHEDULE 31 TO THE LOCAL

GOVERNMENT, PLANNING AND LAND ACT 1980

1. The annual accounts of Thurrock Thames Gateway Development Corporation (hereafter in this accounts direction referred to as “the Corporation”) shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts for 2006/07 and for subsequent years shall be prepared in accordance with:-

> (a) the accounting and disclosure requirements given in *Government Accounting* and in, the *Government Financial Reporting Manual* issued by the Treasury (“the FReM”) as amended or augmented from time to time, and subject to Schedule 1 to this direction;
>
> (b) any other relevant guidance that the Treasury may issue from time to time;
>
> (c) any other specific disclosure requirements of the Secretary of State;

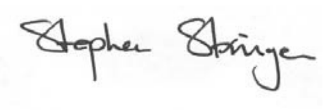
insofar as these requirements are appropriate to the Corporation and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the accounts.

2. Schedule 1 to this direction gives clarification of the application of the accounting and disclosure requirements of the Companies Act and accounting standards and also gives any exceptions to standard Treasury requirements. Additional disclosure requirements of the Secretary of State and further explanation of Treasury requirements are set out in Schedule 2.

3. This direction shall be reproduced as an appendix to the annual accounts.

4. This direction replaces all previously issued directions.

Signed by authority of the Secretary of State



An officer in the Department for Communities and Local Government
Date 30 March 2007

Accounts direction - schedule 1

SCHEDULE 1

1. Stocks and work in progress shall be included in the balance sheet at the lower of estimated replacement cost and estimated net realisable value.

2. The annual accounts shall be signed and dated by the chairman on behalf of the board members, and by the accounting officer.

Accounts direction - schedule 2

SCHEDULE 2

ADDITIONAL DISCLOSURE REQUIREMENTS

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraphs 1 and 2 of this direction.

1. **The notes to the annual accounts**

(a) an analysis of grants from:

(i) government departments

(ii) European Community funds

(iii) other sources identified as to each source;

(b) an analysis of the total amount of grant from the Department for Communities and Local Government, showing how the grant was used;

(c) an analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;

(d) details of employees, other than board members, showing:-

(i) the average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Corporation, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)

(ii) the total amount of loans to employees

(iii) employee costs during the year, showing separately:-

(1) wages and salaries

(2) early retirement costs

(3) social security costs

(4) contributions to pension schemes

(5) payments for unfunded pensions

(6) other pension costs

(7) amounts recoverable for employees on secondment or loan to other organisations

(The above analysis shall be given separately for the following categories:

Accounts direction - schedule 2

I employed directly by the Corporation
II on secondment or loan to the Corporation
III agency or temporary staff
IV employee costs that have been capitalised);

(e) an analysis of liquid resources, as defined by accounting standards;

(f) in the note on debtors, prepayments and payments on account shall each be identified separately;

(g) a statement of debts written off and movements in provisions for bad and doubtful debts;

(h) a statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000. Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Corporation's operations.

(i) particulars, as required by the accounting standard on related party disclosures, of material transactions during the year and outstanding balances at the year end (other than those arising from a contract of service or of employment with the Corporation), between the Corporation and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:

(i) transactions and balances of £5,000 and below are not material

(ii) parties related to board members and key managers are as notified to the Corporation by each individual board member or key manager

(iii) the following are related parties:

(1) subsidiary and associate companies of the Corporation

(2) pensions funds for the benefit of employees of the Corporation or its subsidiary companies (although there is no requirement to disclose details of contributions to such funds)

(3) board members and key managers of the Corporation

(4) members of the close family of board members and key managers

(5) companies in which a board member or a key manager is a director

(6) partnerships and joint ventures in which a board member or a key manager is a partner or venturer

(7) trusts, friendly societies and industrial and provident societies in which a board member or a key manager is a trustee or committee member

(8) companies, and subsidiaries of companies, in which a board member or a key manager has a controlling interest

(9) settlements in which a board member or a key manager is a settlor or beneficiary

(10) companies, and subsidiaries of companies, in which a member of the close family of a board member or of a key manager has a controlling interest

Accounts direction - schedule 2

(11) partnerships and joint ventures in which a member of the close family of a board member or of a key manager is a partner or venturer

(12) settlements in which a member of the close family of a board member or of a key manager is a settlor or beneficiary

(13) the Department for Communities and Local Government, as the sponsor department for the Corporation.

For the purposes of this sub-paragraph:

(i) A key manager means a member of the Corporation's management board.

(ii) The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.

(iii) A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at board meetings of the company.

* Note to paragraph 1(i) of Schedule 2: under the Data Protection Act 1998 individuals need to give their consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, this should be stated next to the name of the individual.

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ISBN 978-0-10-297306-8

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