

Report of the Directors and
Financial Statements for the Year Ended 31 March 2011
for
High Speed 2 (HS2) Limited





**Report of the Directors and
Financial Statements for the Year Ended 31 March 2011
for High Speed 2 (HS2) Limited**

Presented to Parliament
by the Secretary of State for Transport
by Command of Her Majesty

July 2011

£8.50

© High Speed Two (HS2) Limited (2011)

The text of this document (this excludes, where present, the Royal Arms and all departmental and agency logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not in a misleading context

The material must be acknowledged as High Speed Two (HS2) Limited copyright and the document title specified. Where third party material has been identified, permission from the respective copyright holder must be sought.

Any enquiries regarding this publication should be sent to us at HS2 Limited, 2nd Floor, Eland House, Bressenden Place, London, SW1E 5DU.

This publication is also for download at www.official-documents.gov.uk and from our website at <http://www.hs2.org.uk>

ISBN: 9780108510908

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

ID 2443111 07/11 13927 19585

Printed on paper containing 75% recycled fibre content minimum

High Speed 2 (HS2) Limited

Contents of the Financial Statements
for the Year Ended 31 March 2011

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	7
Income Statement	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Statement of Cash Flows	13
Notes to the Financial Statements	14

High Speed 2 (HS2) Limited

Company Information
for the Year Ended 31 March 2011

DIRECTORS:

Sir B Briscoe
Ms A M Munro
A Friend
M W Welton
M Capstick

SECRETARY:

Ms S Roddie

REGISTERED OFFICE:

55 Victoria Street,
London
SW1H 0EU

REGISTERED NUMBER:

06791686 (England and Wales)

AUDITORS:

Thornton Springer LLP
Chartered Accountants and
Statutory Auditor
67 Westow Street
Upper Norwood
United Kingdom
SE19 3RW

High Speed 2 (HS2) Limited

Report of the Directors for the Year Ended 31 March 2011

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

STATUTORY BACKGROUND

HS2 Ltd was incorporated and began trading on the 14 January 2009. On 1 April 2010, HS2 Ltd was classified as an Executive Non Departmental Public Body. Our organisation complies with the Financial Framework which is the agreement between HS2 Ltd and the Department for Transport. This requires us to follow the Government Financial Reporting Manual ("the FReM"), Government Internal Audit Standard (GIAS), HM Treasury's publication Managing Public Money and International Financial Reporting Standards.

PRINCIPAL ACTIVITY

HS2 Ltd was set up as a separate arms length body to advise the Government on high speed rail. Initially it was asked to conduct a feasibility study into the development of a high speed rail link from London to West Midlands and potentially beyond. In 2010/11, the Secretary of State for Transport asked the company to undertake further work on strategic options, refinement of the London to West Midlands route, preparation for public consultation and also preparation of route proposals from the West Midlands to Manchester and to Leeds.

HS2 Ltd administers the Exceptional Hardship Scheme on behalf of the Secretary of State for Transport. Full details appear on our website. Any property purchased under this scheme is owned by the Department for Transport.

REVIEW OF BUSINESS

The company delivered a number of reports to Government which informed decisions on the strategy for high speed rail and the route proposal which are subject to public consultation. The public consultation, which is being delivered jointly with the Department for Transport, was launched on 28th February 2011.

HS2 Ltd's budget was £24.8m including VAT for the financial year ending 31 March 2011 (2010: £9.4m). The actual expenditure for the period was £14.6m including VAT. Following the General Election and change in government, a revised remit was given to HS2 Ltd, which affected the original timelines for work and deferred the delivery of the public consultation.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2011.

DIRECTORS

The directors who have held office during the period from 1 April 2010 to 31 March 2011 are as follows;

Sir B Briscoe - appointed 13 February 2009
Ms A M Munro - appointed 28 January 2009
A Friend - appointed 17 March 2009
M W Welton - appointed 15 April 2009
M Capstick - appointed 1 January 2011
T J Wellburn - appointed 14 January 2009 - resigned 31 December 2010

COMPANY'S POLICY ON PAYMENT OF CREDITORS

HS2 Ltd observes the principles of the Confederation of British Industry 'Prompt Payment' code and aims to pay all approved invoices within stated payment terms or otherwise within 30 days of receipt of a valid invoice.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made no charitable or political donations.

High Speed 2 (HS2) Limited

Report of the Directors
for the Year Ended 31 March 2011

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

As Accounting Officer for HS2 Ltd, I have responsibility for maintaining a sound system of internal control that supports the achievement of the HS2 Ltd policies, aims and objectives, whilst safeguarding the funds and assets which I am personally responsible for in accordance with the responsibilities assigned to me by the Secretary of State for Transport.

The Board meets on a monthly basis to review the performance of the business against its policy, strategy and risks, making key decisions to ensure its ability to go forward and meet its objectives. The Secretary of State meets quarterly with the Chairman. A monthly progress report is given to the Department for Transport on key achievements and risks.

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 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 HS2 Ltd policies, aims and objectives, to 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 constant development and improvement during the year ended 31 March 2011 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

HS2 Ltd has recognised that the management of risk should be governed by its Executive Team. Key risks to the overall HS2 programme are managed via the Programme Board and wider corporate risks are managed via the Management Board. The HS2 Audit Committee was formed in 2010/11 and reviewed the key risks to the overall HS2 programme.

All recommendations, changes, additions and mitigation actions are reported in our risk registers.

The HS2 Ltd Board reviews risks of concern, generally risks highlighted with an Amber Red or Red Rating, on a monthly basis and reviews the complete risk register quarterly.

The Risk and Control Framework

In accordance with HS2 Ltd's Framework Document, we have developed a risk management strategy in line with HM Treasury guidance Management of Risk: Principles and Concepts (also known as 'The Orange Book'), which sets out HS2 Ltd's approach to risk management. This is underpinned by a template risk register, which includes: a description of the risk, the mitigating measures, a risk owner and an assessment of the risk exposure.

Each risk is assigned to an owner who is responsible for monitoring and updating either the Programme Board or Management Board (as appropriate) on performance. Each risk is measured using a "traffic light" rating ('Green', 'Amber Green', 'Amber Red', and 'Red').

The Programme Board and Management Board are respectively responsible for reviewing programme and corporate risks on a monthly basis and agreeing a monthly exception report to the HS2 Ltd Board. This is likely to involve risks with an 'Amber Red' or 'Red' exposure rating; those risks where the rating has deteriorated; or new risks that have been identified. The HS2 Ltd Board reviews the full programme and corporate risk registers on a quarterly basis.

Review of effectiveness and areas of development

As Accounting Officer, I am responsible for ensuring the effectiveness of the internal controls within our systems. My review of the effectiveness of HS2 Ltd's systems is driven by information received through the:

- o Work conducted by Internal Audit and subsequent reports
- o Management letter and reports received by External Audit and;
- o Management Assurance Questionnaire which is completed every 6 months on the effectiveness of the policies, processes and systems used daily

I have been advised by the Internal Auditors that, while the systems are acceptable overall, there are some weaknesses within the systems and plans are being developed to address and continuously improve systems in place. Internal Audit will revisit these areas in 2011/12.

.....
A Munro
Ms A M Munro – Chief Executive and Accounting Officer

.....
29/6/11
Date

High Speed 2 (HS2) Limited

Report of the Directors for the Year Ended 31 March 2011

RISKS FACING HS2 LTD

As previously stated, the company maintains risk registers which are regularly reviewed and updated where considered necessary by the HS2 Ltd Executive and Board. At the financial year end, the major risks identified were those associated with the current stage of development for such a major project, including changes in governmental requirements or economic conditions. Other major risks relate to the ability to resource and respond to the time-related pressures associated with the launch of a major public consultation and simultaneous development of a further feasibility report.

2011-2012 BUDGET

As at the end of March 2011 a budget was agreed at £42.2m (including VAT). This is entirely funded by the Department for Transport.

REMUNERATION REPORT

The remuneration report for HS2 includes the Chairman and other Board Members. The Chief Executive is an employee of the Department of Transport and is remunerated by the Department. Her services to HS2 are re-charged from the Department for Transport including VAT. This is based on the Civil Service salary structure as paid by the Department for Transport.

The Chair's remuneration for the year is based on an average contribution of two days per week and the other Board Members' remuneration for the period is based on an average contribution of two days per calendar month.

Travel expenses of HS2 Ltd's Board Members are reimbursed at the rates allowed to staff of HS2 Ltd or reasonable actual costs incurred.

Board Members

All Board Members are entitled to a month's notice period with no compensation terms for early termination of their contracts.

	Board fees paid in the period ending 31 March 2011 £'000	Board fees paid in the period ending 31 March 2010 £'000	Date appointment commenced	Appointment expired date
Sir Brian Briscoe (Chair)	100.2	36.00	13/02/2009	-
Sir D Rowlands (previous Chair)	-	108.3	19/01/2009	18/02/2010
Mike Welton	22.8	21.9	15/04/2009	-
Andy Friend	23.8	23.7	17/03/2009	-
Timothy Wellburn	-	-	14/01/2009	31/12/2010
Robert Wynne Linnard	-	-	14/01/2009	18/02/2009
Martin Capstick	-	-	01/01/2010	

Note 1: Timothy Wellburn & Martin Capstick represent the Secretary of State for Transport and are employed by the Department for Transport.

Chief Executive

Ms Alison Munro was appointed CEO and a Board Member of HS2 Ltd on the 28 January 2009. The total cost of her services as charged by the Department for Transport for the financial year is £183k. This amount includes Salary, Employers National Insurance, Pension Scheme and VAT for the financial year.

GOING CONCERN

HS2 Ltd is funded by grants-in-aid as provided by Section 6 of the Railways Act 2005. The company undertakes work as remitted by the Secretary of State for Transport. In view of the continuing support from the Department for Transport and the provision for further funding through the Comprehensive Spending Review, the Directors are confident that there are sufficient resources available to meet the company's budgeted expenditure. Consequently, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

High Speed 2 (HS2) Limited

Report of the Directors
for the Year Ended 31 March 2011

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Railways and Transport Safety Act (2003) the Secretary of State for Transport has directed HS2 Ltd to prepare for each financial period a set of financial statements in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of HS2 Ltd and of its income and expenditure, total recognised gains and losses and cash flows for the financial period.

In preparing accounts, the Accounting Officer is required to comply with the requirements of the Government Finance Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Secretary of State for Transport, 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 Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

The Secretary of State has designated the Chief Executive as Accounting Officer of HS2 Ltd. 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 safeguarding HS2 Ltd's assets, as set out in the HM Treasury's publication "Managing Public Money".

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

As far as the Chief Executive, as Accounting Officer, is aware there is no relevant audit information of which the auditors are unaware. The Chief Executive has taken all necessary steps required to make herself aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS


Thornton Springer LLP were appointed auditors during the previous accounting period. The Comptroller and Auditor General has been appointed as auditor for the 2011/12 period in accordance with Section 485 of the Companies Act 2006. Details of Thornton Springer LLP's remuneration are contained within these financial statements.

High Speed 2 (HS2) Limited

Report of the Directors
for the Year Ended 31 March 2011

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
Ms A M Munro – Chief Executive

Date: 29/6/11.....

**Report of the Independent Auditors to the Members of
High Speed 2 (HS2) Limited**

We have audited the financial statements of High Speed 2 (HS2) Limited for the year ended 31 March 2011 on pages eight to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages four and five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors.

Peter L Wallyn (Senior Statutory Auditor)
for and on behalf of Thornton Springer LLP
Chartered Accountants and
Statutory Auditor
67 Westow Street
Upper Norwood
United Kingdom
SE19 3RW



Date: - 4 JUL 2011

High Speed 2 (HS2) Limited

Income Statement
for the Year Ended 31 March 2011

	Notes	Year Ended 31.3.11 £	Period 14.1.09 to 31.3.10 £
CONTINUING OPERATIONS			
Revenue		14,609,718	9,445,141
Direct Costs		<u>(13,001,242)</u>	<u>(8,414,913)</u>
GROSS PROFIT		1,608,476	1,030,228
Administrative expenses		<u>(1,608,476)</u>	<u>(1,030,228)</u>
OPERATING PROFIT		<u>-</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	3	-	-
Income tax	4	<u>-</u>	<u>-</u>
PROFIT FOR THE YEAR		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

High Speed 2 (HS2) Limited

Statement of Comprehensive Income
for the Year Ended 31 March 2011

	Year Ended 31.3.11 £	Period 14.1.09 to 31.3.10 £
PROFIT FOR THE YEAR	-	-
OTHER COMPREHENSIVE INCOME	- <hr/>	- <hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	- <hr/> <hr/>	- <hr/> <hr/>

The notes form part of these financial statements

High Speed 2 (HS2) Limited

Statement of Financial Position
31 March 2011

	Notes	31.3.11 £	31.3.10 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	<u>76,026</u>	<u>25,816</u>
CURRENT ASSETS			
Trade and other receivables	6	18,431	36,667
Cash and cash equivalents	7	<u>4,158,870</u>	<u>781,951</u>
		<u>4,177,301</u>	<u>818,618</u>
TOTAL ASSETS		<u>4,253,327</u>	<u>844,434</u>
EQUITY			
SHAREHOLDERS' EQUITY			
TOTAL EQUITY		<u>-</u>	<u>-</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	<u>4,253,327</u>	<u>844,434</u>
TOTAL LIABILITIES		<u>4,253,327</u>	<u>844,434</u>
TOTAL EQUITY AND LIABILITIES		<u>4,253,327</u>	<u>844,434</u>

The financial statements were approved by the Board of Directors on 29/6/11 and were signed on its behalf by:


.....
Sir B Briscoe - Chairman

High Speed 2 (HS2) Limited

Statement of Changes in Equity
for the Year Ended 31 March 2011

	Profit and loss account £	Total equity £
Changes in equity	-	-
	-----	-----
	-	-
	-----	-----
Changes in equity	-	-
	-----	-----
	-	-
	-----	-----

The notes form part of these financial statements

High Speed 2 (HS2) Limited

Statement of Cash Flows
for the Year Ended 31 March 2011

		Year Ended 31.3.11 £	Period 14.1.09 to 31.3.10 £
Cash flows from operating activities			
Cash generated from operations	1	<u>3,439,070</u>	<u>812,366</u>
Net cash from operating activities		<u>3,439,070</u>	<u>812,366</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(62,151)</u>	<u>(30,415)</u>
Net cash from investing activities		<u>(62,151)</u>	<u>(30,415)</u>
Increase in cash and cash equivalents		<u>3,376,919</u>	781,951
Cash and cash equivalents at beginning of year	2	<u>781,951</u>	<u>-</u>
Cash and cash equivalents at end of year	2	<u>4,158,870</u>	<u>781,951</u>

The notes form part of these financial statements

High Speed 2 (HS2) Limited

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2011

1. **RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.3.11 £	Period 14.1.09 to 31.3.10 £
Profit before income tax	-	-
Depreciation charges	<u>11,941</u>	<u>4,599</u>
	11,941	4,599
Decrease/(Increase) in trade and other receivables	18,236	(36,667)
Increase in trade and other payables	<u>3,408,893</u>	<u>844,434</u>
Cash generated from operations	<u>3,439,070</u>	<u>812,366</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 March 2011

	31.3.11 £	1.4.10 £
Cash and cash equivalents	<u>4,158,870</u>	<u>781,951</u>

Period ended 31 March 2010

	31.3.10 £	14.1.09 £
Cash and cash equivalents	<u>781,951</u>	<u>-</u>

High Speed 2 (HS2) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

At the date of approval of the financial statements the following standards and interpretations which have not been applied in these financial statements were in issue, but not yet effective;

IFRS 1	First-time Adoption of International Reporting Standards" (revised 2010)
IFRS 3	"Business Combinations" (amended)
IFRS 9	"Financial Instruments"
IAS 24	"Related Party Disclosures" (revised 2009)
IAS 27	"Consolidated and Separate Financial Statements (amended 2010)
IFRIC 14 and IAS 19	"The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction" (amended)
IFRIC 19	"Extinguishing Financial Liabilities with Equity Instruments"

The Directors expect the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the company.

Revenue recognition

The company is entirely funded by a grant from the Department for Transport. Any element of grant received in excess of expenditure is shown in accrued income and any expenditure incurred in excess of grant income is shown as a debtor. Transfers are made from these accounts to ensure that, at all times, grant income equals total expenditure incurred.

Property, plant and equipment

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

Plant and machinery	- 33.3% on cost
Computer equipment	- 33.3% on cost

Taxation

The company operates on a not-for-profit basis and does not trade. Any grant not spent will be returned and any grant shortfall will be reimbursed by the Department for Transport. On this basis the directors do not consider that the company is liable to corporation tax.

Value Added Tax (VAT)

The company's activities fall outside the scope of VAT. Any input VAT will be included with the expenditure to which it relates.

High Speed 2 (HS2) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

2. EMPLOYEES AND DIRECTORS

	31.03.11 £	31.03.10 £
Directors' fees	146,866	190,392
Seconded, subcontracted and salaried staff	<u>3,476,829</u>	<u>2,771,290</u>
	<u>3,623,695</u>	<u>2,961,682</u>

3. PROFIT BEFORE INCOME TAX

The results before income tax is stated after charging:

	31.03.11 £	31.03.10 £
Depreciation - owned assets	11,941	4,599
Auditor's remuneration	13,200	10,575

4. INCOME TAX

Analysis of the tax charge

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

5. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 April 2010	-	30,415	30,415
Additions	<u>48,467</u>	<u>13,684</u>	<u>62,151</u>
At 31 March 2011	<u>48,467</u>	<u>44,099</u>	<u>92,566</u>
DEPRECIATION			
At 1 April 2010	-	4,599	4,599
Charge for year	<u>6,236</u>	<u>5,705</u>	<u>11,941</u>
At 31 March 2011	<u>6,236</u>	<u>10,304</u>	<u>16,540</u>
NET BOOK VALUE			
At 31 March 2011	<u>42,231</u>	<u>33,795</u>	<u>76,026</u>
At 31 March 2010	<u>-</u>	<u>25,816</u>	<u>25,816</u>

6. TRADE AND OTHER RECEIVABLES

	31.3.11 £	31.3.10 £
Current:		
Grants receivable from the Department for Transport	-	35,850
Prepayments	<u>18,431</u>	<u>817</u>
	<u>18,431</u>	<u>36,667</u>

High Speed 2 (HS2) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

7. CASH AND CASH EQUIVALENTS

	31.3.11 £	31.3.10 £
Cash in hand	1,106	45
Bank accounts	<u>4,157,764</u>	<u>781,906</u>
	<u>4,158,870</u>	<u>781,951</u>

8. RESERVES

	Retained earnings £
Profit for the year	-
At 31 March 2011	<u>-</u>

9. TRADE AND OTHER PAYABLES

	31.3.11 £	31.3.10 £
Current:		
Trade creditors	651,859	550,550
Accrued expenses	2,631,934	293,884
Deferred government grants	<u>969,534</u>	-
	<u>4,253,327</u>	<u>844,434</u>

10. FINANCIAL COMMITMENTS

	31.3.11 £	31.3.10 £
Contracted but not provided for in the financial statements	<u>1,913,506</u>	<u>-</u>

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is considered to be the Secretary of State for Transport.

12. COMPANY STRUCTURE

The company is limited by guarantee without having a share capital. Every member of the company undertakes to contribute up to £1 to the company's assets towards the company's debts in the event that it is wound up. At 31 March 2011 there was one member.



information & publishing solutions

Published by TSO (The Stationery Office) and available from:

Online

www.tsoshop.co.uk

Mail, Telephone, Fax & E-mail

TSO

PO Box 29, Norwich, NR3 1GN

Telephone orders/General enquiries: 0870 600 5522

Order through the Parliamentary Hotline Lo-Call 0845 7 023474

Fax orders: 0870 600 5533

E-mail: customer.services@tso.co.uk

Textphone: 0870 240 3701

The Parliamentary Bookshop

12 Bridge Street, Parliament Square

London SW1A 2JX

Telephone orders/General enquiries: 020 7219 3890

Fax orders: 020 7219 3866

Email: bookshop@parliament.uk

Internet: <http://www.bookshop.parliament.uk>

TSO@Blackwell and other Accredited Agents

Customers can also order publications from:

TSO Ireland

16 Arthur Street, Belfast BT1 4GD

Tel 028 9023 8451 Fax 028 9023 5401

ISBN 978-0-10-851090-8



9 780108 510908