ARRIVA THE SHIRES LIMITED

Annual report and financial statements

for the year ended 31 December 2011

ARRIVA THE SHIRES LIMITED

Company Information

Directors	P Adcock B Barraclough M A Bowd R A Bowler K P Hawkins B E Lawson H Williams M D J Yexley
Company secretary	E A Davies
Company number	2116519
Registered office	Admiral Way Doxford International Business Park Sunderland Tyne and Wear SR3 3XP
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 89 Sandyford Road Newcastle upon Tyne NE1 8HW

Contents

Directors' report
for the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the company continues to be the operation of bus and coach services

Business review

The directors consider the state of the company's affairs to be satisfactory and there have been no material changes since the balance sheet date

The directors remain confident that the company will continue to trade profitably in the future

Results and dividends

The profit for the year, after taxation, amounted to £3,449,000 (2010 - £2,324,000)

The company did not pay a dividend during the year (2010 £NIL)

Directors

The directors who served during the year, and up to the date of signing the financial statements, were

P Adcock
B Barraclough
M A Bowd
R A Bowler
K P Hawkins
B E Lawson
H Williams
M D J Yexley

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks The key business risks and uncertainties affecting the company are considered to relate to local and national competition and factors which would cause a decline in the market Further discussion of these risks and uncertainties in the context of the group as a whole, is provided in the annual report of the UK intermediate parent company, Arriva Plc, which does not form part of this report

Financial risk management objectives and policies

Details of financial risk management objectives and policies are shown in the annual report of Arriva Plc which does not form part of this report

Key performance indicators

The directors of Deutsche Bahn AG manage the group's operations on a divisional basis For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Arriva The Shires Limited The development performance and position of the group, including this company, is discussed in the group's annual report which does not form part of this report

Directors' report
for the year ended 31 December 2011

Company's policy for payment of creditors

The company's policy regarding the payment of suppliers is to agree terms of payment at the start of business with each supplier to ensure that the supplier is made aware of the payment terms, and to pay in accordance with its contractual or legal obligations

Employee involvement

The company recognises that its employees are key to its success and is committed to creating a working environment where everyone has the opportunity to learn, develop and contribute to the success of the company, working within a common set of values

The company continues to aim to be an employer of choice and to employ a diverse workforce with the skills, abilities and attitudes to meet business objectives and needs The company's aim is to provide appropriate remuneration, benefits and conditions of employment which will serve to attract, retain, motivate and reward such employees

The company has, subject to the restraints of commercial confidentiality, continued its policy of employee involvement, by making information available to employees on a regular basis regarding recent and probable future developments and business activities

Disabled employees

The company continues to give full and fair consideration to applications for employment by disabled persons, having regard to their respective aptitudes and abilities The company's policy includes, where applicable, the continued employment of those who may become disabled during their employment

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Directors' report
for the year ended 31 December 2011

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the intermediate parent company DB Mobility Logistics AG, which is a wholly owned subsidiary of Deutsche Bahn AG The directors have received confirmation that DB Mobility Logistics AG intends to support the company for at least one year after these financial statements are signed

This report was approved by the board on 27 June 2012 and signed on its behalf

E A Davies
Company secretary

Independent auditors' report to the members of Arriva The Shires Limited

We have audited the financial statements of Arriva The Shires Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors
As explained more fully in the statement of directors' responsibilities set out on page 2, 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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report to the members of Arriva The Shires Limited

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

Michael Jeffrey

Michael Jeffrey (Senior statutory auditor)

for and on behalf of
PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

89 Sandyford Road
Newcastle upon Tyne
NE1 8HW

29 June 2012

Profit and loss account
for the year ended 31 December 2011

	Note	2011 £000	2010 £000
TURNOVER	1,2	**73,133**	71,372
Cost of sales		**(57,700)**	(57,719)
GROSS PROFIT		**15,433**	13,653
Administrative expenses		**(10,391)**	(10,040)
Other operating income		**17**	2
OPERATING PROFIT	3	**5,059**	3,615
Interest receivable and similar income	7	**140**	7
Interest payable and similar charges	8	**-**	(70)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**5,199**	3,552
Tax on profit on ordinary activities	9	**(1,750)**	(1,228)
PROFIT FOR THE FINANCIAL YEAR	18	**3,449**	2,324

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account Therefore, no statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical costs equivalents

The notes on pages 8 to 18 form part of these financial statements

ARRIVA THE SHIRES LIMITED
Registered number: 2116519

Balance sheet
as at 31 December 2011

	Note	£000	2011 £000	£000	2010 £000
FIXED ASSETS					
Intangible assets	10		2,128		2,471
Tangible assets	11		2,048		2,409
Investments	12		6,840		6,840
			11,016		11,720
CURRENT ASSETS					
Stocks	13	562		443	
Debtors	14	45,429		42,049	
Cash at bank and in hand		7,442		132	
		53,433		42,624	
CREDITORS: amounts falling due within one year	15	(55,164)		(48,700)	
NET CURRENT LIABILITIES			(1,731)		(6,076)
TOTAL ASSETS LESS CURRENT LIABILITIES			9,285		5,644
PROVISIONS FOR LIABILITIES					
Deferred tax	16		(529)		(337)
NET ASSETS			8,756		5,307
CAPITAL AND RESERVES					
Called up share capital	17		728		728
Profit and loss account	18		8,028		4,579
TOTAL SHAREHOLDERS' FUNDS	19		8,756		5,307

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 June 2012

R A Bowler
Director

The notes on pages 8 to 18 form part of these financial statements

Notes to the financial statements for the year ended 31 December 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 applicable to companies reporting under UK GAAP, and applicable accounting standards in the United Kingdom The principal accounting policies, which have been applied consistently throughout the year, are set out below

The company is a wholly-owned subsidiary of Deutsche Bahn AG and is included in the consolidated financial statements of Deutsche Bahn AG which are publicly available Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006 These financial statements, therefore, present information about the company as an individual undertaking and not about its group

1.2 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1 (Revised 1996) 'Cash Flow Statements'

1.3 Turnover

Turnover consists of the gross revenue for road passenger transport together with the aggregate amounts receivable for other goods and services supplied in the ordinary course of the business, excluding value added tax Income is accrued where it is earned in an earlier period to that in which it is billed or received in cash Income is deferred where it is received in an earlier period than that to which it relates

1.4 Intangible fixed assets and amortisation

For acquisitions after 1 January 1998, goodwill, which represents the excess of cost of acquisitions of businesses over the value attributed to their net assets, is amortised through the profit and loss account by equal annual instalments over its estimated useful economic life up to a maximum of 20 years Goodwill previously eliminated against reserves has not been reinstated and will only be charged to the profit and loss account on the subsequent disposal of any business to which it related Goodwill is tested annually for impairment

Other intangible fixed assets, which relate to licences for the use of the Arriva brand name, are being amortised through the profit and loss account over the licence period of 15 years

1 5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold property	-	straight line over the life of the lease
Plant, machinery, fixtures and motor vehicles	-	10% to 48% straight line
Public service vehicles	-	straight line over periods up to 15 years

Notes to the financial statements for the year ended 31 December 2011

1. ACCOUNTING POLICIES (continued)

1.6 Investments

Investments are included at cost less provision for impairment Impairment reviews are carried out on an annual basis Profits or losses arising from disposals of investments are treated as part of the result from ordinary activities

1.7 Leasing and hire purchase

Where assets are financed by leasing agreements ('finance leases') the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies The present value of future rentals is shown as a liability The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding Assets under finance leases are depreciated over their estimated useful life or the term of the lease, whichever is the shorter

Where assets are leased out under a finance lease arrangement any amounts due from the lessee are recorded in the balance sheet as a debtor at the amount of the net investment in the lease Finance lease income under the finance lease is allocated to accounting periods so as to give a constant periodic rate of return on the net cash investment in the lease, over the lease term

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

1 9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1. ACCOUNTING POLICIES (continued)

1.11 Pensions

Arriva plc operates retirement benefit schemes, both defined benefit and defined contribution schemes, which cover employees of the company The assets of the defined benefit scheme are held separately from those of the company in independently administered funds As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme Contributions payable by the company are charged to the profit and loss account in the period in which they fall due Contributions payable under the defined contribution scheme are charged to the profit and loss account as they arise

1.12 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the intermediate parent company DB Mobility Logistics AG, which is a wholly owned subsidiary of Deutsche Bahn AG The directors have received confirmation that DB Mobility Logistics AG intends to support the company for at least one year after these financial statements are signed

1.13 Dividends

Dividend distributions to the company's shareholders are recognised in the company's financial statements in the period in which the dividends are paid

2. TURNOVER

The whole of the turnover is attributable to the company's principal activity

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2011 £000	2010 £000
Amortisation - intangible assets	343	343
Depreciation of tangible assets		
- owned by the company	377	400
- held under hire purchase and finance lease agreements	647	810
Operating lease rentals		
- plant and machinery	5,057	5,071
- land and buildings	814	617

During the year the company made a profit on disposal of fixed assets of £17,000 (2010 - loss £25,000)

Notes to the financial statements
for the year ended 31 December 2011

4. AUDITORS' REMUNERATION

	2011 £000	2010 £000
Fees payable to the company's auditor for the audit of the company's annual financial statements	8	10

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £000	2010 £000
Wages and salaries	35,618	35,311
Social security costs	3,144	3,153
Other pension costs (note 20)	1,438	1,710
	40,200	40,174

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No
Drivers	1,066	1,087
Engineering	139	152
Administrative	138	140
	1,343	1,379

6. DIRECTORS' EMOLUMENTS

	2011 £000	2010 £000
Emoluments	329	295
Employers pension contributions	23	13

During the year retirement benefits were accruing to 2 directors (2010 - 2) in respect of defined benefit pension schemes

The highest paid director received remuneration of £127,000 (2010 - £111,000) included in which were contributions to a defined benefit scheme of £12,000 (2010 - £11,000)

Notes to the financial statements
for the year ended 31 December 2011

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2011 £000	2010 £000
Finance lease interest receivable	5	7
Bank interest receivable	135	-
	140	7

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £000	2010 £000
On bank loans and overdrafts	-	70

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2011 £000	2010 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,433	781
Adjustments in respect of prior years	125	(271)
Total current tax	1,558	510
Deferred tax		
Origination and reversal of timing differences	135	309
Adjustments in respect of prior years	57	409
Total deferred tax (see note 16)	192	718
Tax on profit on ordinary activities	1,750	1,228

9. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 26 5% (2010 - 28%) The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before taxation	5,199	3,552
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 5% (2010 - 28%)	1,378	995
Effects of:		
Non-tax deductible amortisation of intangible fixed assets	63	96
Expenses not deductible for tax purposes	166	13
Capital allowances for year in excess of depreciation	(174)	(322)
Adjustments in respect of prior years	125	(271)
Other differences leading to a decrease in the tax charge	-	(1)
Current tax charge for the year (see note above)	1,558	510

Factors that may affect future tax charges

On 21 March 2012 the Chancellor announced that the UK Corporation Tax rate applicable from 1 April 2012 would be 24% (as opposed to 25% which was substantively enacted on 5 July 2011) and that the previously announced reductions of 1% per annum would result in the UK Corporation Tax rate reducing to 22% (as opposed to 23%) with effect from 1 April 2014

10. INTANGIBLE ASSETS

	Licences £000	Goodwill £000	Total £000
Cost			
At 1 January 2011 and 31 December 2011	2,600	2,508	5,108
Accumulated amortisation			
At 1 January 2011	1,211	1,426	2,637
Charge for the year	173	170	343
At 31 December 2011	1,384	1,596	2,980
Net book value			
At 31 December 2011	1,216	912	2,128
At 31 December 2010	1,389	1,082	2,471

Notes to the financial statements for the year ended 31 December 2011

11. TANGIBLE ASSETS

	Leasehold property £000	Plant, machinery, fixtures and motor vehicles £000	Public service vehicles £000	Total £000
Cost				
At 1 January 2011	635	4,407	13,274	18,316
Additions	-	536	179	715
Disposals	-	-	(3,612)	(3,612)
At 31 December 2011	635	4,943	9,841	15,419
Accumulated depreciation				
At 1 January 2011	364	3,958	11,585	15,907
Charge for the year	45	211	768	1,024
Disposals	-	-	(3,560)	(3,560)
At 31 December 2011	409	4,169	8,793	13,371
Net book value				
At 31 December 2011	226	774	1,048	2,048
At 31 December 2010	271	449	1,689	2,409

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £000	2010 £000
Public service vehicles	611	1,267

The depreciation charged to the financial statements in the year in respect of such assets amounted to £647,000 (2010 £810,000)

The net book value of long leasehold property is £68,000 (2010 £85,000) and the net book value of short leasehold property is £158,000 (2010 £186,000)

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £000
Cost and net book value	
At 1 January 2011 and 31 December 2011	6,840

Notes to the financial statements
for the year ended 31 December 2011

12. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following are subsidiary undertakings of the company

Name of company	Class of shares	Holding
Premier Buses Limited	Ordinary	100 %

Name of company	Nature of business	Country of incorporation and operation
Premier Buses Limited	Holding company	England

The directors believe that the carrying value of the investments is supported by their underlying value

13. STOCKS

	2011 £000	2010 £000
Raw materials and consumables	562	438
Finished goods and goods for resale	-	5
	562	443

14. DEBTORS

	2011 £000	2010 £000
Trade debtors	2,580	1,843
Amounts owed by group undertakings	37,331	33,919
Amounts receivable under finance leases	56	82
Other debtors	328	785
Prepayments and accrued income	5,134	5,420
	45,429	42,049

Notes to the financial statements
for the year ended 31 December 2011

15. CREDITORS:
Amounts falling due within one year

	2011 £000	2010 £000
Bank overdrafts	-	3,324
Trade creditors	-	502
Amounts owed to group undertakings	44,230	34,633
Corporation tax	1,433	781
Social security and other taxes	1,620	1,710
Other creditors	2,628	597
Accruals and deferred income	5,253	7,153
	55,164	48,700

The company is party to an unlimited multi-lateral guarantee involving the bank borrowings of Arriva plc and other group undertakings

16. DEFERRED TAXATION

The deferred tax included in the balance sheet is as follows

	2011 £000	2010 £000
Deferred tax liability/(asset) at 1 January	337	(381)
Movement in the profit and loss account during the year (note 9)	192	718
Deferred tax liability at 31 December	529	337

The deferred tax balance consists of the tax effect of timing differences in respect of

	2011 £000	2010 £000
Excess of capital allowances over depreciation	579	397
Other short term timing differences	(50)	(60)
	529	337

17. CALLED-UP SHARE CAPITAL

	2011 £000	2010 £000
Authorised		
10,000,000 Ordinary shares of £0 10 each (2010 10,000,000)	1,000	1,000
Allotted and fully paid		
7,283,079 Ordinary shares of £0 10 each (2010 7,283,079)	728	728

18. RESERVES

	Profit and loss account £000
At 1 January 2011	4,579
Profit for the financial year	3,449
At 31 December 2011	8,028

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £000	2010 £000
Opening shareholders' funds	5,307	2,983
Profit for the financial year	3,449	2,324
Closing shareholders' funds	8,756	5,307

20. PENSION COMMITMENTS

At 31 December 2011 the UK intermediate parent company, Arriva plc, operated both defined benefit and defined contribution retirement benefit schemes providing benefits to certain employees within Arriva The Shires Limited The schemes are financed through separate Trustee administered funds managed by independent professional fund managers on behalf of the Trustees

Contributions to the defined benefit scheme, the Arriva Passenger Services Pension Plan, are based upon actuarial advice following the most recent actuarial valuation of the funds The latest actuarial valuations were performed as at 5th April 2008, using the Projected Unit Method The principal actuarial assumptions were that

(i) the annual rate of return on investment would be 6 5 per cent higher than the annual increase in total pensionable remuneration of nil per cent (frozen for 4 years), and

(ii) there would be no variation from the scheme's rules to pensions in payment

On the basis of these assumptions the actuarial value of the funds at 5th April 2008 was sufficient to cover 100 6 per cent of the benefits then accrued to members The market value of the Scheme's assets at 5th April 2008 was £276 million

The pension cost charge for the year represents contributions payable by the company to both schemes and amounted to £1,438,000 (2010 £1,710,000)

FRS 17 'Retirement benefits'

The company makes contributions to the aforementioned schemes which are operated by the UK intermediate parent company, Arriva plc Other companies within the Arriva group make contributions to the Arriva Passenger Services Pension Plan, therefore it is not possible for the company to identify its share of the underlying assets and liabilities as at 31 December 2011 As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme Contributions payable by the company are charged to the profit and loss account in the period in which they fall due

21. OPERATING LEASE COMMITMENTS

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2011	2010	**2011**	2010
	£000	£000	**£000**	£000
Expiry date:				
Within 1 year	**-**	-	**381**	-
Between 2 and 5 years	**228**	290	**3,624**	3,549
After more than 5 years	**155**	1,379	**1,352**	1,275

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company and ultimate controlling party is Deutsche Bahn AG, a company registered in Germany, which has prepared group financial statements incorporating the results of Arriva The Shires Limited Copies of these financial statements can be obtained from Potsdamer Platz 2, 10785 Berlin

Deutsche Bahn AG is the largest group to consolidate the financial statements and DB Mobility Logistics AG is the smallest

Information on Arriva The Shires Limited can be obtained from their registered address Admiral Way, Doxford International Business Park, Sunderland, Tyne and Wear, SR3 3XP

Transactions with other companies in the Deutsche Bahn Group are not specifically disclosed as the company has taken advantage of the exemption available under FRS 8 'Related party disclosures' for wholly-owned subsidiaries