

Company Registration No. 02849400

Registered in England and Wales

ALSTOM NL SERVICE PROVISION LTD

Annual Report and Financial Statements

For the Year Ended

31 March 2022



ANNUAL REPORT AND FINANCIAL STATEMENTS 2022

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P J Broadley
N P Crossfield (resigned 28 April 2021)
O Guillot (appointed 27 April 2021, resigned 29 July 2021)
S J R MacLeod (resigned 28 April 2021, appointed 29 July 2021)
P Wood (appointed 27 April 2021, resigned 6 May 2022)

SECRETARY

M J C Heath

REGISTERED OFFICE

8th Floor
The Place
175 High Holborn
London
WC1V 7AA

AUDITORS

Mazars LLP
One St Peter's Square
Manchester
M2 3DE

DIRECTORS' REPORT

Year ended 31 March 2022

The Directors present their report and the financial statements for the year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The Company is a wholly owned subsidiary of ALSTOM and operates as part of the Group's United Kingdom operations.

The Company was awarded the contract for the provision and maintenance of new trains, together with fixed equipment and depot enabling for the Northern Line in London on 7 April 1995. The contract is progressing satisfactorily. The principal activity of the Company during the year ended 31 March 2022 was to act as an agent company for a fellow group undertaking, ALSTOM Transport UK Limited in respect of its activities in delivering this contract. Whilst this Company has entered into a contract with its customer, it does not recognise any revenue in respect of delivery of this contract, since all of the risks and rewards associated with these activities are borne by a fellow Group undertaking, ALSTOM Transport UK Limited, as the principal.

In addition, the Company leases trains and associated equipment for operation on the Northern Line in London which are sub-leased to the customer, further details of which are disclosed in notes 7 and 9 to the financial statements.

There has not been any significant changes in the Company's principal activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

TRADING RESULTS

The Company's trading results are set out on page 9. No dividends were declared or paid during the year (2021: £Nil).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of the Company's performance objectives.

Credit risk is managed by, where possible, agreeing payment terms that include advance and progress payments. Appropriate credit control procedures are followed at all operations where credit risk is perceived. Where credit risk is considered to be high, contracts must provide for payments to be secured by irrevocable letter of credit, payment before despatch or credit insurance. Any credit losses would be immediately re-imbursed by ALSTOM Transport UK Limited, as the principal to the Company's contracts.

The Company is effectively financed by either loans or equity from ALSTOM and has no third party debt. It therefore has little interest rate exposure.

DIRECTORS

The Directors who held office during the year and subsequently are noted on page 1. During the year the Company has maintained the grant of an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

DIRECTORS' REPORT

Year ended 31 March 2022

GOING CONCERN

The financial statements have been prepared on a going concern basis. The Directors have reviewed cash flow forecasts for a period of at least twelve months from the date of approval of the financial statements.

The Company has net current assets at the balance sheet date and positive cash balances of £8.7m. By virtue of the intra-group agency agreement in place between the Company and ALSTOM Transport UK Limited, the Company is guaranteed to generate a small profit before taxation each year. Lease payments and receipts on the Company's lease arrangements are back-to-back, so neutral from a cash perspective. A large proportion of the Company's liabilities are due to fellow Group undertakings, and therefore the timing of the payment of such liabilities is fully within the control of the ALSTOM group, and it can be assured that the Company can retain a positive cash balance at any point in time.

On the basis of their assessment, the Directors consider that the Company has adequate funds to meet its liabilities for a period of at least twelve months from the date of approval of the financial statements.

AUDITORS

The Directors believe that they have taken reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Further, they believe that they have taken appropriate steps to ensure that there is no relevant audit information of which the Company's auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 414B(b) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



S MacLeod
Director

13 May 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

ALSTOM NL SERVICE PROVISION LTD

Independent auditor's report to the members of ALSTOM NL Service Provision Limited

Opinion

We have audited the financial statements of ALSTOM NL Service Provision Ltd (the 'company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Independent auditor's report to the members of ALSTOM NL Service Provision Limited
(continued)**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.
- the Directors were not entitled to take advantage of the small companies' exemption in preparing the Directors report and from the requirement to prepare a Strategic Report

**Independent auditor's report to the members of ALSTOM NL Service Provision Limited
(continued)**

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation and the bribery act.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006. In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls.

**Independent auditor's report to the members of ALSTOM NL Service Provision Limited
(continued)**

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion; forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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

Tim Hudson

Tim Hudson (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
One St Peter's Square, Manchester, M2 3DE

13 May 2022

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2022

		2022	2021
	Note	£000	£000
TURNOVER			
	2	-	-
Cost of sales		-	-
Other income		1	1
		<u>1</u>	<u>1</u>
GROSS PROFIT		1	1
Interest receivable on financial assets	7	9,694	10,927
Interest payable on lease obligations	7	(9,694)	(10,927)
		<u>1</u>	<u>1</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	1	1
Income tax	5	3	(9)
		<u>3</u>	<u>(9)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4	(8)
		<u><u>4</u></u>	<u><u>(8)</u></u>

All activities derive from continuing operations.

STATEMENT OF CHANGES IN EQUITY
31 March 2022

	Issued share capital (note 10) £000	Retained earnings £000	Total Equity £000
At 31 March 2020	-	894	894
Total comprehensive loss for the year	-	(8)	(8)
	<u>-</u>	<u>(8)</u>	<u>(8)</u>
At 31 March 2021	-	886	886
Total comprehensive income for the year	-	4	4
	<u>-</u>	<u>4</u>	<u>4</u>
At 31 March 2022	-	890	890
	<u><u>-</u></u>	<u><u>890</u></u>	<u><u>890</u></u>

STATEMENT OF FINANCIAL POSITION
As at 31 March 2022

	Note	2022 £000	2021 £000
FIXED ASSETS			
Tangible assets	6	-	-
CURRENT ASSETS			
Cash and cash equivalents		8,701	22,182
Trade and other receivables - due within one year	7	24,339	22,581
- due after more than one year	7	104,274	123,162
Deferred tax assets	5	42	39
Total current assets		<u>137,356</u>	<u>167,964</u>
CREDITORS: Amounts falling due within one year			
Other payables	8	13,304	26,354
Lease liabilities	9	18,888	17,562
Total current liabilities		<u>32,192</u>	<u>43,916</u>
NET CURRENT ASSETS		<u>105,164</u>	<u>124,048</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>105,164</u>	<u>124,048</u>
CREDITORS: Amounts falling due after more than one year			
Lease liabilities	9	104,274	123,162
NET ASSETS		<u>890</u>	<u>886</u>
CAPITAL AND RESERVES			
Issued capital	10	-	-
Retained earnings		890	886
TOTAL EQUITY		<u>890</u>	<u>886</u>

These financial statements were approved by the Board of Directors and issued to the shareholders on the date shown below.

Signed on behalf of the Board of Directors



S MacLeod
Director

13 May 2022

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****1. ACCOUNTING POLICIES****Authorisation of Financial Statements and Statement of Compliance with FRS 101**

The financial statements for the year ended 31 March 2022 were authorised for issue by the board of Directors as indicated on page 10. ALSTOM NL Service Provision Limited is a private Company limited by shares and incorporated in the United Kingdom under the Companies Act and registered in England & Wales. The principal activities of the Company are set out in the Directors' Report.

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. These financial statements have been prepared in accordance with international accounting standards ("IFRS") in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared on an historical cost basis. They are presented in Sterling and all values are rounded to the nearest thousand (£000), except when otherwise stated.

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2022. The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS7 *Financial Instruments: Disclosures*;
- (b) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 *Presentation of Financial Statements*;
- (c) the requirement in paragraph 38 of IAS1 *Presentation of Financial Statements* to present comparative information in respect of paragraph 73(e) of IAS16 *Property, Plant and Equipment*;
- (d) the requirements of IAS7 *Statement of Cash Flows*;
- (e) the requirements of paragraphs 30 and 31 of IAS8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- (f) the requirements in IAS24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that the subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) the requirements of paragraph 17 of IAS24 *Related Party Disclosures*; and
- (h) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS15 *Revenue from Contracts with Customers*

Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed cash flow forecasts for a period of at least twelve months from the date of approval of the financial statements.

The Company has net current assets at the balance sheet date and positive cash balances of £8.7m. By virtue of the intra-group agency agreement in place between the Company and ALSTOM Transport UK Limited, the Company is guaranteed to generate a small profit before taxation each year. Lease payments and receipts on the Company's lease arrangements are back-to-back, so neutral from a cash perspective. A large proportion of the Company's liabilities are due to fellow Group undertakings, and therefore the timing of the payment of such liabilities is fully within the control of the ALSTOM group, and it can be assured that the Company can retain a positive cash balance at any point in time.

On the basis of their assessment, the Directors consider that the Company has adequate funds to meet its liabilities for a period of at least twelve months from the date of approval of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****1. ACCOUNTING POLICIES (continued)****Changes in accounting policy and disclosures**

The Company's financial statements are not affected by the issue of new, revised or amended standards and interpretations becoming effective in the European Union starting from 1 April 2021. The Company has not opted for early application at 31 March 2022 of IFRS requirements already published by the IASB which will become mandatory in future periods, but the Directors do not expect these changes to have a significant impact upon the financial statements.

Tangible fixed assets

Tangible fixed assets are shown at original historical cost. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset on a straight line basis over its expected useful life of 5 years.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Temporary differences arising between the carrying amount and the tax base of assets and liabilities, unused tax losses and unused tax credits are identified.

Corresponding deferred taxes are calculated at the enacted or substantively enacted tax rates that are expected to apply in the period when the asset is realised or the liability settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available in the future against which the deductible differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are offset when both of the following conditions are met:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

Deferred tax is charged or credited to the Statement of Comprehensive Income.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency of the reporting unit and the foreign currency at the date of the transaction. Currency units held, assets to be received and liabilities to be paid resulting from those transactions are re-measured at closing exchange rates at the end of each reporting period. Realised exchange gains or losses at date of payment as well as unrealised gains or losses deriving from re-measurement are recorded within income from operations when they relate to operating activities or within financial income or expense when they relate to financing activities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

Leases

The Company enters into certain lease transactions whereby it acts as both lessee and lessor in respect of trains and other equipment. Amounts receivable from lessees are included in other current assets and other non-current assets, based on deliveries accepted by the lessees at the year end. The capital elements of the obligations under these arrangements payable to lessors are included in creditors. All amounts are stated at amortised cost, determined by the effective interest rate method.

Cash and cash equivalents

The Company has borrowings with the Group's treasury function. The amounts borrowed are pursuant to intercompany loan arrangements. While the Group's parent company has the power to control decisions of subsidiaries of which it is the majority owner, its subsidiaries are distinct legal entities and their payment of dividends and granting of loans, advances and other payments to the parent company may be subject to legal or contractual restrictions, be contingent upon their earnings or be subject to business or other constraints. As such, the Directors consider that the amount borrowed from the Group's treasury function as shown in note 8 should be included within the definition of "cash and cash equivalents".

2. TURNOVER

Amounts of £52,647,000 (2021: £51,826,000) were invoiced to the Company's customers during the year, but as described above, such amounts are not recognised as turnover, as this Company acts as an agent.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The auditor's remuneration in the current year and prior year was borne by a fellow group company and there were no non-audit services received in the current and prior year.

4. STAFF COSTS AND DIRECTORS' EMOLUMENTS

The Company has no employees (2021: nil). Any required services are performed by employees of fellow Group undertakings.

It is not possible to determine the proportion of Directors' emoluments which relate to services provided to the Company and details of their remuneration have therefore not been disclosed in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****5. INCOME TAX**

The tax (credit)/charge is based on the profit for the year and comprises:

	2022	2021
	£000	£000
United Kingdom Corporation Tax based on the profit for the year at 19% (2021: 19%)		-
Deferred taxation – charge for the year	7	9
Deferred taxation – adjustment due to change in rate	(10)	-
	<u>(3)</u>	<u>9</u>
Total tax (credit)/charge	<u>(3)</u>	<u>9</u>

The actual tax (credit)/charge for the current year and previous year differs from the standard rate for the reasons set out in the following reconciliation:

	2022	2021
	£000	£000
Profit on ordinary activities before taxation	<u>1</u>	<u>1</u>
Tax at standard rate	-	-
Group relief claimed free of charge	7	9
Impact of change in tax rate	(10)	-
	<u>(3)</u>	<u>9</u>
Income tax (credit)/charge reported in the Statement of Comprehensive Income	<u>(3)</u>	<u>9</u>

The amount of deferred taxation at 25% (2021: 19%) recognised in respect of differences between the carrying amount and tax base of tangible fixed assets is £42,000 (2021: £39,000). There were no unprovided deferred tax assets at 31 March 2022 (2021: £Nil).

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****6. TANGIBLE FIXED ASSETS**

The Company holds fixtures and fittings at a cost of £85,000 which have been fully depreciated and therefore have a net book value of £nil (2021: £nil).

7. TRADE AND OTHER RECEIVABLES

	2022	2021
	£000	£000
Amounts falling due within one year:		
Trade receivables	5,451	5,019
Financial assets associated to leases	18,888	17,562
	<u>24,339</u>	<u>22,581</u>
Amounts falling due outside of one year:		
Financial assets associated to leases	<u>104,274</u>	<u>123,162</u>

Financial assets associated to leases represent amounts due to the Company under a lease arrangement for the supply of trains and associated equipment for operation on the Northern Line in London which have been delivered and accepted at the balance sheet date. The trains are financed by the Company through a lease, of the same amount, which is shown in note 9.

During the year, the Company received payments of £27,256,000 (2021: £27,256,000) in relation to the financial asset, of which £17,562,000 (2021: £16,329,000) related to repayment of the debt and £9,694,000 (2021: £10,927,000) to interest. This was equal to the amounts paid by the Company on the leases shown in note 9.

Trade receivables are non-interest bearing and generally on 30 to 90 day terms.

Impairment losses are determined considering the risk of non-recovery assessed on a case by case basis by applying the expected credit loss model, in accordance with IFRS9.

Due to the type of business operated by the Company, past due receivables are frequently representative of outstanding amounts confirmed by customers but whose payment is subject to clearance of items raised during inspection of works. Such receivables do remain fully recoverable; costs to be incurred for the clearance of pending items are included in the determination of the margin at completion of the related contracts.

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****8. OTHER PAYABLES**

	2022	2021
	£000	£000
Amounts due to fellow Group undertakings	8,754	21,720
Other taxes and social security costs	4,550	4,634
	<u>13,304</u>	<u>26,354</u>

9. LEASE LIABILITIES

	2022	2021
	£000	£000
Amounts falling due within one year	18,888	17,562
Amounts falling due after more than one year	104,274	123,162
	<u>123,162</u>	<u>140,724</u>

Present value of minimum lease payments

Within 1 year	18,888	17,562
Within 2-5 years	90,932	84,548
After 5 years	13,342	38,614
	<u>123,162</u>	<u>140,724</u>

Minimum lease payments

Within 1 year	27,256	27,256
Within 2-5 years	109,024	109,024
After 5 years	13,628	40,884
	<u>149,908</u>	<u>177,164</u>
Less: future finance charges	(26,746)	(36,440)
	<u>123,162</u>	<u>140,724</u>

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 March 2022****10. SHARE CAPITAL**

	2022	2021
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

11. COMMITMENTS AND CONTINGENCIES**Guarantees related to contracts**

In accordance with industry practice, guarantees of performance under contracts with customers and under offers on tenders are given.

Such guarantees can, in the normal course, extend from the tender period until the final acceptance by the customer or the end of the warranty period and may include guarantees on project completion, of contract specific defined performance criteria or plant availability.

In addition, guarantees are provided by banks or surety companies by way of various forms of performance bond. These are normally for defined amounts and periods. The Company provides counter indemnities to the bank or surety company.

Projects for which the guarantees are given are regularly reviewed by management and when it becomes probable that payments pursuant to performance guarantees will be required to be made, any such costs would be borne by ALSTOM Transport UK Limited.

12. EVENTS SINCE THE BALANCE SHEET DATE

There has been no significant events occurring since the balance sheet date that need to be disclosed.

13. PARENT UNDERTAKINGS

The Company's immediate parent undertaking is ALSTOM Transport UK (Holdings) Limited, a company incorporated in England & Wales.

The Company's ultimate parent undertaking and ultimate controlling party is ALSTOM, a company incorporated in France. The only Group in which the results of the Company are consolidated is that headed by ALSTOM. A copy of the ALSTOM financial statements can be obtained from 48, rue Albert Dhalenne, 93842 Saint-Ouen, France or via the ALSTOM website at www.alstom.com.