

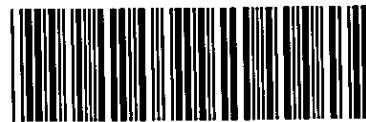
**Bombardier Transportation (Rolling Stock) UK
Limited**

Directors' report and financial statements

Registered number 2988520

For the year ended 31 December 2010

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Company information

Directors	C S Walton	(Chairman)
	S L Bacon	(resigned 1 February 2011)
	S F Gackowski	
	J D Stoney	(appointed 1 February 2011)
Secretary	S F Gackowski	
Registered office	Litchurch Lane Derby DE24 8AD	
Registered number	2988520	
Auditors	Ernst & Young LLP City Gate West Toll House Hill Nottingham NG1 5FY	
Principal bankers	Deutsche Bank AG London 6 Bishopsgate London EC2P 2AT	
Solicitors	Nelson's Solicitors Pennine House 8 Stanford Street Nottingham NG1 7BQ	

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2010

Results and dividends

The loss for the year, after taxation, was £4,431,000 (2009 £2,054,000) The directors do not recommend the payment of a dividend (2009 £nil)

Principal business activity and business review

The principal activity of the business is the design and manufacture of electrical systems, looms, harnesses and cubicles for use in the construction of railway carriages, and the manufacture of interior systems and drivers' desks for railway equipment

On 1 July 2010, the company acquired the operations and certain of the assets of Compin UK Limited Compin UK Limited, located in Derby, provided interior systems and drivers' desks to the Bombardier Group

Goodwill arising on the transaction is shown in note 6, with the fair value exercise included within note 8, and is amortised over its useful life, as disclosed in note 1

The transaction has been accounted for as an acquisition within the financial statements as per Financial Reporting Standard No 6

In the period post acquisition the operations contributed £293,000 of turnover, £518,000 of operating loss and £518,000 on loss of ordinary activities after taxation

No changes to the nature of the business's activities are anticipated in the foreseeable future In view of the climate prevailing in the railway industry, the directors believe that the results for the year were satisfactory

Future developments

The directors consider that the business will continue to operate as it has in the current year, until the relevant contracts are completed There are no events, of which the directors are currently aware, that will affect the manner in which the company operates

Directors

The directors who served during the year are noted on the company information page

The company has granted an indemnity to one or more of its directors against any 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 provisions remains in force as at the date of approving the Directors' report

Political and charitable donations

No political contributions or charitable donations were made during the current or preceding year

Employee involvement

In common with other members of the Bombardier Transportation (Holdings) UK Limited group (the 'Group'), company policy is to use the consultative procedures agreed with its staff and elected representatives to ensure information and views are exchanged and to improve the awareness of the financial and economic factors which affect it Communication with employees is through an internal group newspaper and a formal structure of regular briefing sessions

Disabled persons

The company is committed to the employment of disabled persons In common with other members of the group, where existing employees become disabled, it is the company's policy wherever practicable, to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate The company does not discriminate on the grounds of disability in recruitment

Events since the balance sheet date

There have been no material events since the balance sheet date

Directors' report (continued)

Principal risks and uncertainties

The main risks arising from the company's financial instruments are liquidity risk and credit risk

Liquidity risk

The company aims to maintain a balance between continuity of funding and flexibility by ensuring that sufficient borrowing facilities are in place by reference to forecast debt levels

Credit risk

The company extends credit only to recognised, creditworthy third parties. It is the company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade debtor balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

Business risk

The company has processes and procedures in place to identify and manage business risks. Key business risks include the ability to source new contracts, which is in part dependent on future government spending and environmental policies, product performance, supply chain performance and sourcing risks, and legislative and regulatory pressures. The company believes that the risks are adequately mitigated through a commitment to quality and continuous improvement, establishment of a business-wide compliance structure, through open dialogue with key stakeholders including customers, suppliers and through proactive lobbying to inform and influence the content and implementation of new legislation and regulations.

Going concern

The financial statements of Bombardier Transportation (Rolling Stock) UK Limited have been prepared on a going concern basis, which assumes the company will continue in operational existence for the foreseeable future based on the continued support of the parent company. The balance sheet at 31 December 2010 shows net assets of £5,515,000, down from £9,946,000 in 2009. The directors have prepared cash flow projections and strategic plans based on appropriate assumptions in line with the assumptions of its major customer, Bombardier Transportation UK Ltd. The projections take into account the current expected revenues and its cost base, which the company and its parent are fully committed to supporting.

Bombardier Transportation UK Ltd has provided loans to Bombardier Transportation (Rolling Stock) UK Limited of £11,246,000 (2009 £3,196,000), to finance the business. As well as being a subsidiary of Bombardier Transportation UK Ltd, Bombardier Transportation (Rolling Stock) UK Limited is also a key supplier to its parent. The company is considered fundamental to the success of Bombardier Transportation UK Ltd in a number of long-term contracts that it has with a variety of customers. The parent company is fully committed to supporting Bombardier Transportation (Rolling Stock) UK Limited for the foreseeable future.

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 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.

Directors' report (continued)

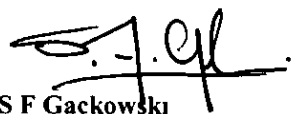
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the company.

By order of the Board



S F Gackowski
Director & Company Secretary
30th day of June 2011

Litchurch Lane
Derby
DE24 8AD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOMBARDIER TRANSPORTATION (ROLLING STOCK) UK LIMITED

We have audited the financial statements of Bombardier Transportation (Rolling Stock) UK Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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).

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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. 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 2010 and of its loss 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.

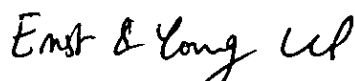
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Adrian Roberts (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Nottingham
4th day of July 2011

Profit and loss account

For the year ended 31 December 2010

	<i>Note</i>	2010 £'000	2009 £'000
Turnover	2	17,757	9,078
Cost of sales		(19,107)	(10,194)
		<hr/>	<hr/>
Gross loss		(1,350)	(1,116)
Administrative expenses		(4,374)	(1,737)
		<hr/>	<hr/>
Operating loss	3	(5,724)	(2,853)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(5,724)	(2,853)
Taxation on loss on ordinary activities	5	1,293	799
		<hr/>	<hr/>
Loss for the financial year	15,16	(4,431)	(2,054)
		<hr/>	<hr/>

There were no recognised gains or losses in either the current or the preceding year other than those disclosed in the profit and loss account

The notes on pages 8 to 16 form part of these financial statements

Balance sheet

At 31 December 2010

Registered number 2988520

	<i>Note</i>	2010 £'000	2009 £'000
Fixed assets			
Intangible assets	6	650	415
Tangible assets	7	403	231
		<u>1,053</u>	<u>646</u>
Current assets			
Stocks	9	6,104	4,124
Debtors due after one year	10a	12,000	12,000
Debtors due within one year	10b	6,485	3,313
Debtors		18,485	15,313
		<u>24,589</u>	<u>19,437</u>
Creditors: amounts falling due within one year	11	<u>(8,384)</u>	<u>(6,941)</u>
Net current assets		16,205	12,496
Total assets less current liabilities		<u>17,258</u>	<u>13,142</u>
Creditors: amounts falling due after more than one year	12	(11,246)	(3,196)
Provisions for liabilities	13	(497)	-
Net assets		<u>5,515</u>	<u>9,946</u>
Capital and reserves			
Called up share capital	14	12,000	12,000
Profit and loss account	15	(6,485)	(2,054)
Shareholders' funds	16	<u>5,515</u>	<u>9,946</u>

These financial statements were approved and authorised for issue by the board of directors on 30th day of June 2011 and were signed on its behalf by



C S Walton
Director

The notes on pages 8 to 16 form part of these financial statements

Notes to the financial statements

At 31 December 2010

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK Accounting Standards and the Companies Act 2006. The assets of Compin UK Limited have been included in the financial statements using the acquisition method of accounting. Accordingly, the profit and loss account includes the results of Compin UK Limited for the six month period from its acquisition on 1 July 2010. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Cash flow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard No. 1, from the requirement to provide a cash flow statement on the basis that it is a 90% or more subsidiary undertaking.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but have not been reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, or receive more tax.

The exception to this is that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits generated by the company from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Revenue recognition

Revenue, which is stated net of value added tax, represents amounts invoiced to third parties.

Revenue is attributable to the design and manufacture of electrical systems, looms, harnesses and cubicles for use in the construction of railway carriages, and the manufacture of interior systems and drivers' desks for railway equipment.

Leasing and hire purchase commitments

Rentals paid under operating leases are charged to income on a straight line basis over the terms of the lease.

Goodwill

Purchased goodwill is capitalised and amortised through the profit and loss account over 20 years, being the directors' estimate of its useful life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the company value may not be recoverable.

Notes (continued)
At 31 December 2010

1 Accounting policies (continued)

Fixed assets and depreciation

All fixed assets are initially recorded at cost or valuation

Depreciation is charged to the profit and loss account on a straight line basis and is provided on all tangible fixed assets, except for freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows

Motor vehicles	- over 3 years
Plant and machinery	- over 3 years

Repairs of assets are charged to the profit and loss account as incurred. The carrying values of tangible fixed assets are reviewed if events or changes in circumstances indicate the carrying values may be impaired

Stocks

Inventories comprise raw materials, work in progress and finished goods and are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving inventory. Cost is calculated including materials, labour and the attributable overheads according to the stage of production

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation

A provision for warranty cost is recorded when revenue for the underlying product is recognised. The cost is estimated based on a number of factors, including the historical warranty claims and cost experience, the type and duration of the warranty coverage, the nature of products sold and counter-warranty coverage available from the company's suppliers

A provision for work due arises when a contract, or part of a contract, is fully completed and delivered, however, there are still costs relating to that contract or part of the contract that are not yet recognised, because the supplier invoices have not yet been received

The company reviews its recorded provisions on a quarterly basis and any adjustment is recognised in income. Warranty expense is recorded as a component of cost of sales, as is work due provision. The effect of the time value of money is not material and therefore the provisions are not discounted

Cash pooling

Cash is held within a Group cash pool and is disclosed as amounts owed to/by Group undertakings

Pension

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company to the fund in respect of the year

2 Turnover

The whole of the turnover is attributable to the company's principal activity and is all attributable to the UK. No segmental analysis is presented, as the company's operations consist of a single activity and are entirely within the UK

Notes (continued)

At 31 December 2010

3 Operating loss

The operating loss is stated after charging

	2010 £'000	2009 £'000
Auditors' remuneration		
Fees payable to the company's auditors for the audit of the company's annual financial statements	39	27
Fees payable to the company's auditors and their associates in respect of - Other services relating to taxation	2	2
Total auditors' remuneration	41	29
Depreciation of owned fixed assets	111	34
Amortisation of goodwill	17	22
Impairment of goodwill	415	-
Operating lease rentals – land and buildings	237	176
	821	261

4 Staff costs and directors' emoluments**a) Staff costs**

	2010 £'000	2009 £'000
Wages and salaries	4,339	4,021
Social security costs	404	202
Other pension costs	37	18
	4,780	4,241

b) Average monthly number of employees during the year

	No.	No.
Production	108	127
Engineering	23	15
Project management	3	3
Administration	55	6
	189	151

c) Directors' emoluments

Directors' emoluments have been borne by a group company, Bombardier Transportation UK Ltd. The directors of the company are also directors or officers of a number of the companies within the Bombardier Group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 31 December 2010 and 31 December 2009.

Notes (continued)
At 31 December 2010

5 Tax on ordinary activities

a) Analysis of tax credit (note 5(b))

	2010 £'000	2009 £'000
Current year group relief receivable	(1,461)	(799)
Adjustments in respect of prior periods	168	-
	<hr/>	<hr/>
Tax on loss on ordinary activities (note 5(b))	(1,293)	(799)
	<hr/>	<hr/>

b) Factors affecting tax credit for the year

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 28% (2009 28%) as follows

	2010 £'000	2009 £'000
Loss on ordinary activities before tax	(5,724)	(2,853)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	(1,602)	(799)
Effects of		
Expenses not deductible for taxation purposes	14	-
Decelerated capital allowances	17	-
Other timing differences	110	-
Adjustments in respect of prior periods	168	-
	<hr/>	<hr/>
Current tax credit for the year (Note 5(a))	(1,293)	(799)
	<hr/>	<hr/>

c) Factors that may affect future tax charges

In his budgets of 22 June 2010 and 23 March 2011, the Chancellor of the Exchequer proposed a decrease in the rate of the UK corporation tax from 28% to 23%, falling by 2% in 2011 and a further 1% a year over the period 2012 to 2014. The first 1% reduction for 2011 was substantially enacted on 27 July 2010 and, in accordance with accounting standards, has been reflected in the unrecognised deferred tax asset disclosure. The second 1% reduction for 2011 was substantially enacted on 29 March 2011.

The effect of the above proposed reductions in rate by 2014 to 23% would be to decrease the net unrecognised deferred tax asset by £24,000.

Notes (continued)
At 31 December 2010

6 Intangible fixed assets

	Goodwill £'000
Cost	
At 1 January 2010	437
Arising on acquisition (Note 8)	667
	<hr/>
At 31 December 2010	1,104
	<hr/>
Amortisation	
At 1 January 2010	22
Charge for the year	17
Impairment charge	415
	<hr/>
At 31 December 2010	454
	<hr/>
Net book value	
At 31 December 2010	650
	<hr/>
At 31 December 2009	415
	<hr/>

The goodwill arising on acquisition, is being amortised evenly over the period of the contracts to which it relates. The carrying amount for Time 24 Limited has been reduced to its recoverable amount through the recognition of an impairment loss of £415,000 against goodwill, included in administrative expenses.

7 Tangible fixed assets

	Plant and machinery £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 January 2010	259	5	264
On acquisition	144	-	144
Additions	138	3	141
Disposals	-	(2)	(2)
	<hr/>	<hr/>	<hr/>
At 31 December 2010	541	6	547
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2010	33	-	33
Charge for the year	110	1	111
	<hr/>	<hr/>	<hr/>
At 31 December 2010	143	1	144
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2010	398	5	403
	<hr/>	<hr/>	<hr/>
At 31 December 2009	226	5	231
	<hr/>	<hr/>	<hr/>

Notes (continued)
At 31 December 2010

8 Acquisitions

On 1 July 2010 the trade and certain of the assets of Compin UK Limited were acquired

Acquisition of Compin UK Limited	Book value £'000	Fair value adjustment £'000	Fair value to company £'000
Tangible fixed assets	144	-	144
Stocks	587	-	587
Work in progress	496	-	496
Receivables and prepayments	492	-	492
Net assets	1,719	-	1,719
Consideration			
Cash			2,386
Goodwill arising on acquisition			667

As a result of the due diligence exercise undertaken in advance of the acquisition date, the fair value revaluation adjustments from the vendor's book value to fair value at the date of acquisition are nil

The summarised profit and loss account for Compin UK Limited for the period from 1 July 2009 to the date of acquisition was as follows

	£'000
Turnover	6,229
Operating loss	1,424
Loss on ordinary activities before taxation	1,424
Taxation	-
Loss on ordinary activities after taxation	1,424

The summarised profit and loss account for Compin UK Limited for the previous 14 month period ended 30 June 2009 was as follows

	£'000
Turnover	6,171
Operating loss	295
Loss on ordinary activities before taxation	291
Taxation	-
Loss on ordinary activities after taxation	291

9 Stocks

	2010 £'000	2009 £'000
Raw materials and consumables	4,132	2,353
Work in progress	933	1,267
Finished goods	1,039	504
	6,104	4,124

Notes (continued)
At 31 December 2010

9 Stocks (continued)

The difference between purchase price or production cost of stocks and their replacement cost is not material

10 Debtors

	2010 £'000	2009 £'000
a) Debtors due after one year		
Amounts owed by group undertakings	12,000	12,000
b) Debtors due within one year		
Trade debtors	304	222
Amounts owed by group undertakings	3,058	1,807
Prepayments and accrued income	88	26
Group relief receivable	2,092	799
Other taxes receivable	943	459
	<u>6,485</u>	<u>3,313</u>

11 Creditors: amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	2,669	1,846
Amounts owed to group undertakings	3,560	4,197
Other taxes and social security	944	91
Accruals and other creditors	1,211	807
	<u>8,384</u>	<u>6,941</u>

12 Creditors: amounts falling due after more than one year

	2010 £'000	2009 £'000
Amounts owed to group undertakings	11,246	3,196

The intercompany loan of £11,246,000 bears no interest, and is repayable after more than one year, as funds become available

13 Provisions

a) Provisions for liabilities

	Warranty (i) £'000	Other (ii) £'000	Total £'000
At 1 January 2010	-	-	-
Arising during the year	140	440	580
Utilised during the year	(83)	-	(83)
At 31 December 2010	<u>57</u>	<u>440</u>	<u>497</u>

Notes (continued)

At 31 December 2010

13 Provisions (continued)**a) Provisions for liabilities (continued)**

- (i) Provisions for warranty costs represent the best estimate of future liabilities to replace defective parts in respect of work done before the year end
- (ii) Other provisions comprise future contract liabilities. It is expected that these costs will be incurred within 5 years of the balance sheet date

b) Deferred taxation

A deferred taxation asset has not been recognised in the current year (2009 not recognised) in the financial statements as follows

	2010 Not Recognised £'000	2009 Not Recognised £'000
Decelerated capital allowances	59	-
Other timing differences	142	-
Deferred taxation asset	201	-

The deferred taxation asset of £201,000 (2009 nil) has not been recognised because there are insufficient profits to fully offset these losses in the foreseeable future. Movements in the above deferred taxation balances do not directly compare with the current year temporary differences shown in note 5(b) because of the effect of changes in taxation rates and prior year adjustments to deferred taxation

14 Share capital

	2010 No.	2009 No.	2010 £'000	2009 £'000
Allotted, called up and not paid				
Ordinary shares of £1 each	12,000,000	12,000,000	12,000	12,000

15 Reserves

	Profit and loss account £'000
As at 1 January 2010	(2,054)
Loss for the year	(4,431)
As at 31 December 2010	(6,485)

Notes (continued)
At 31 December 2010

16 Reconciliation of movement in shareholders' funds

	2010 £'000	2009 £'000
Loss for the year	(4,431)	(2,054)
Reduction in shareholders' funds	(4,431)	(2,054)
Opening shareholders' funds	9,946	12,000
Closing shareholders' funds	5,515	9,946

17 Pension

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £37,000 (2009 £18,000).

The amount of outstanding pension contributions payable included in accruals and other creditors at 31 December 2010 amounted to £4,000 (2009 £8,000).

18 Operating lease commitments

At 31 December 2010, the company had annual commitments under non-cancellable operating leases as follows

	2010		2009	
	Land and buildings £000	Plant and machinery £000	Land and buildings £000	Plant and machinery £000
Expiry date:				
Within 1 year	-	21	30	-
Between 2 and 5 years	337	-	168	-
	337	21	198	-

19 Related parties

The company has not disclosed transactions with other group companies as it has taken advantage of the exemption conferred by paragraph 3 of Financial Reporting Standard No. 8 on the grounds that it is a wholly owned subsidiary undertaking.

20 Parent company

The company's immediate parent undertaking is Bombardier Transportation (Holdings) UK Ltd, a company registered in England and Wales, which is the smallest group of undertakings for which group accounts are drawn up and of which the company is a member. It has included the company results in its group accounts, copies of which may be obtained from the registered office, Litchurch Lane, Derby, DE24 8AD.

In the directors' opinion the company's ultimate parent company and controlling party is Bombardier Inc, which is incorporated in Canada and which is the largest group of undertakings for which group accounts are drawn up and of which the company is a member. Group accounts for Bombardier Inc are available from Corporate Office, 800 Rene-Levesque Boulevard, West Montreal, Quebec, Canada, H2B1YB.