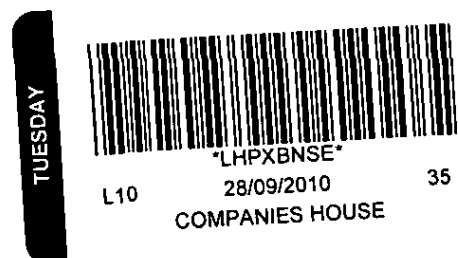


Directors' Report & Financial Statements

For the year ended 31 December 2009

Transdev York Limited

Registered Number 4412164 (England & Wales)



TRANSDEV YORK LIMITED

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TRANSDEV YORK LIMITED

COMPANY INFORMATION

DIRECTORS	M J Gilbert R G Revill N Eggleton J Wallace
SECRETARY	J K Wallace
REGISTERED OFFICE	Prospect Park Broughton Way Starbeck Harrogate HG2 7NY
REGISTERED NUMBER	4412164 (England & Wales)
AUDITORS	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

TRANSDEV YORK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The Directors present their report with the financial statements of the Company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the Company in the period under review was that of the operation of both scheduled bus services and Open Top tours within the City of York and an inter urban service between Leeds and York

REVIEW OF BUSINESS

The results for the year and financial position of the Company are as shown in the annexed financial statements

The directors consider the results of the company satisfactory for the year to 31 December 2009

DIVIDENDS

No dividends were distributed for the year ended 31 December 2009 (2008 £14,000)

FUTURE DEVELOPMENTS

The Directors will continue to focus on developing the business through investment in general quality improvements and are confident that further investment in marketing and development will grow passenger volumes where services meet or exceed customer's reasonable expectations. The directors consider that market conditions will continue to be difficult given the overall economic situation

FINANCIAL INSTRUMENTS

The company's activities expose it to certain financial risks. These include price risk primarily related to fuel prices. The management reviews financial risks regularly in accordance with group policies. The company does not currently use financial instruments to hedge financial risks but will continue to keep this under review.

GOING CONCERN

The accounts have been prepared on a going concern basis assuming the continuing support on the immediate parent company.

DIRECTORS

The Directors during the year under review were

M J Gilbert
J K Wallace
R Revill
N Eggleton

The Directors holding office at 31 December 2009 did not hold any beneficial interest in the issued share capital of the Company at 1 January 2009 or 31 December 2009.

No directors have any interest in shares in the ultimate holding company notifiable in accordance with the Companies Act 2006.

The Group has granted indemnity against liability to its Directors during the year. Appropriate directors' and officers' liability insurance cover is in place in respect of all of the Company's directors.

DISABLED EMPLOYEES

The Company's policy in respect of disabled persons is that their applications for employment are always fully and fairly considered, bearing in mind the aptitudes and abilities of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that employment with the Company continues and where necessary, appropriate training is arranged. It is the Company's policy that training, career development and promotion of disabled persons should, as far as possible, be identical with that of all other employees in similar position.

TRANSDEV YORK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

EMPLOYEE CONSULTATION

The company encourages employee involvement in its affairs and produce a range of internal newsletters and circulars which keep employees abreast of developments. Employees are encouraged to discuss matters of interest to them and subjects affecting day to day operations with management. Dialogue takes place regularly with trade unions, other employee representatives and employees generally on a wide range of issues. The company welcomes staff participation in all these forums.

SUPPLIERS

Company policy is to establish payment terms with suppliers when agreeing the terms of business transactions. Where payment terms have not been agreed, payments are generally made to suppliers within thirty days of receipt of correct invoices. At 31 December 2009, the company had 29 days' purchases unpaid (2008: 35 days).

CHARITABLE AND POLITICAL CONTRIBUTIONS

No charitable or political donations were made during the current or prior year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which 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 those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Directors have each taken all the necessary steps to make us aware as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

AUDITORS

Mazars LLP have indicated their willingness to continue in office.

ON BEHALF OF THE BOARD:



Mr J K Wallace - Secretary

Date

15 07 2010

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TRANSDEV YORK LIMITED**

We have audited the financial statements of Transdev York Limited for the year ended 31 December 2009 which comprise the income statement, the balance sheet, the cash flow statement, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement 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 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 (APB's) Ethical Standards for Auditors. 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

OPINION ON THE 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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS 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.

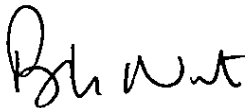
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TRANSDEV YORK LIMITED**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following

Under the Companies Act 2006 we are required 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



Robert Henry Neate (Senior statutory auditor)
for and on behalf of Mazars LLP, Chartered Accountants (Statutory auditor)

Tower Bridge House
St Katharine's Way
London E1W 1DD

Date 9 September 2010

TRANSDEV YORK LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	12 month period 2009 £'000	9 month period 2008 £'000
Continuing operations			
Revenue	1	1,816	937
Cost of operations		(2,076)	(1,171)
Gross Loss	2	(260)	(234)
Finance Costs		(5)	(9)
Loss before tax		(265)	(243)
Tax	5	70	55
Loss for the year		(195)	(188)

The notes on pages 14 to 21 are an integral part of these financial statements

Other than the loss for the year as stated above, there were no other items of income and expense for the period. A Statement of Comprehensive Income and Expense has therefore not been presented.

TRANSDEV YORK LIMITED

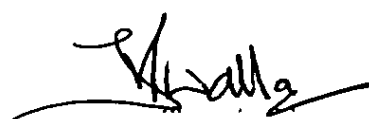
**COMPANY NUMBER 44121694
BALANCE SHEET
AS AT 31 DECEMBER 2009**

	Notes	2009 £'000	2008 £'000
Non current assets			
Goodwill	6	-	-
Property, plant and equipment	7	143	72
		<u>143</u>	<u>72</u>
Current assets			
Inventories	8	6	5
Trade and other receivables	9	222	135
Cash and cash equivalents	11	142	14
		<u>370</u>	<u>154</u>
Total assets		<u>513</u>	<u>226</u>
Current liabilities			
Trade and other payables	10	(229)	(201)
		<u>(229)</u>	<u>(201)</u>
Net current assets/(liabilities)		<u>141</u>	<u>(47)</u>
Non current liabilities			
Borrowings	12	(575)	(126)
Deferred tax liability	14	(19)	(14)
		<u>(594)</u>	<u>(140)</u>
Total liabilities		<u>(823)</u>	<u>(341)</u>
Net assets		<u>(310)</u>	<u>(115)</u>
Equity			
Share capital	15	1	1
Retained earnings		(311)	(116)
		<u>(310)</u>	<u>(115)</u>
Total equity		<u>(310)</u>	<u>(115)</u>

The notes on pages 14 to 21 are an integral part of these financial statements

The financial statements were approved by the board of directors and authorized for issue on 19 August 2010 They were signed on its behalf by


M J Gilbert – Director


J K Wallace – Director

TRANSDEV YORK LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 £'000	2008 £'000
Net cash from operating activities	20	<u>(224)</u>	<u>(185)</u>
Cash flows from investing activities			
Purchases of property, plant and equipment		(92)	(59)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>196</u>
Net cash used in investing activities		<u>(92)</u>	<u>137</u>
Net cash used in financing activities			
Interest paid		(5)	(9)
Dividend paid		-	(14)
Increase in borrowing		<u>449</u>	<u>71</u>
Net cash used in financing activities		<u>444</u>	<u>48</u>
Net increase in cash and cash equivalents		<u><u>128</u></u>	<u><u>-</u></u>
Cash and cash equivalents			
At 1 January		14	14
Net increase in cash and cash equivalents		<u>128</u>	<u>-</u>
At 31 December		<u><u>142</u></u>	<u><u>14</u></u>

The notes on pages 14 to 21 are an integral part of these financial statements

TRANSDEV YORK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Equity share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2008	1	86	87
Total recognised income and expenses	-	(188)	(188)
Dividend Paid	-	(14)	(14)
	<u>1</u>	<u>(116)</u>	<u>(115)</u>
Balance at 31 December 2008	1	(116)	(115)
Total recognised income and expenses	-	(195)	(195)
	<u>1</u>	<u>(311)</u>	<u>(310)</u>
Balance at 31 December 2009	<u>1</u>	<u>(311)</u>	<u>(310)</u>

The notes on pages 14 to 21 are an integral part of these financial statements

TRANSDEV YORK LIMITED

GENERAL INFORMATION

Transdev York Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in Directors' Report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. The Company does not have any foreign operations.

PRINCIPAL ACCOUNTING POLICIES

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operation. The validity of this assumption is dependent upon the continued support of the group, who have confirmed that it is their intention to provide the necessary financial support.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable from transport and income from other commercial services, net of VAT.

Bus revenue from local authority and similar contracts is recognised on a straight-line basis over the period of contract.

GOODWILL

All business combinations are accounted for by applying the purchase method.

On acquisition, the assets and liabilities and contingent liabilities of an acquired entity are measured at their fair value. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised.

Goodwill arising on consolidation represents the excess of the cost of an acquisition over the fair value of the Groups share of the net assets of the acquired subsidiary, joint venture or associate at the date of the acquisition. If the cost of acquisition is less than the fair value of the Groups share of the net assets of the acquired entity (i.e. a discount on acquisition), then the difference is credited to the Income Statement in the period of acquisition.

At the acquisition date of a subsidiary, goodwill acquired is recognised as an asset and is allocated to each of the cash-generating units expected to benefit from the business combinations' synergies and to the lowest level at which management monitors the goodwill. Goodwill arising on the acquisition of joint ventures and associates is included within the carrying value of the investment.

Goodwill is reviewed for impairment at least annually by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Any impairment is recognised immediately in the Income Statement and is not subsequently reserved.

On disposal of a subsidiary, joint venture or associate, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

TRANSDEV YORK LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases

Freehold property, plant and machinery	Between 5 and 50 years
Plant and machinery	Between 3 and 10 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in income

INVENTORIES

Inventories consist of parts and materials required for the operation and maintenance of buses. These materials are valued at cost less due allowance for obsolete and slow moving items

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument

Trade Receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts

Trade Payables

Trade payables are not interest bearing and are stated at their nominal value

Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term deposits with an original maturity of three months or less

Borrowings

Loans from fellow subsidiary companies are initially recorded at the value of the amount received net of the attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the period of borrowing

TRANSDEV YORK LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

RETIREMENT BENEFIT COSTS

The company operates a defined contribution pension scheme. The assets of this scheme are held in a separately administered fund. Pension costs are charged to the Income Statement as they become payable in accordance with the rules of the scheme.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

LEASING

Leases are classified as hire purchase agreements whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lease. All other leases are classified as operating leases.

Assets held under hire purchase agreements are recognised as assets of the Company at their fair value or if lower, at the present value of minimum lease payments, each determined at the inception of the lease. The corresponding liability is included in the balance sheet as a hire purchase agreement obligation. Lease payments are apportioned between finance charges and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement.

Rentals payable under operating leases are charged to the income statement on a straight line basis over the term of the relevant lease.

TRANSDEV YORK LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE NOT YET EFFECTIVE

IAS 1 'Presentation of financial statements' as revised in 2007 has been adopted	
Certain new standards, amendments and interpretations to existing standards have been issued by the IASB that are not yet effective. The Company has not adopted any of these standards, amendments or interpretations early.	
International Financial Reporting Standards	
IFRS 2	Share based payment
IFRS 3	Business combinations
IFRS 5	Non-current assets held for sale and discontinued operations
IFRS 8	Operating segments
IFRS 9	Financial instruments – classification and measurement
IAS 1	Presentation of financial statements
IAS 7	Statement of cash flows
IAS 17	Leases
IAS 24	Related party disclosures
IAS 27	Consolidated and separate financial statements
IAS 28	Investments in associates
IAS 31	Interests in joint ventures
IAS 32	Financial instruments Presentation
IAS 36	Impairment of assets
IAS 38	Intangible assets
IAS 39	Financial instruments Recognition and measurement
IFRIC interpretations	
IFRIC 14	The limit on a defined benefit asset, minimum funding requirements and their interaction
IFRIC 17	Distributions of non cash assets to owners
IFRIC 18	Transfer of assets from customers
IFRIC 19	Extinguishing financial liabilities with equity instruments

The Directors anticipate that the adoption of these standards and interpretations in future years will have no material financial impact on the financial information of the Company.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Material estimates and assumptions are made in particular with regard to calculating the residual values of buses, and the provision for the recoverability of debts.

TRANSDEV YORK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. REVENUE

All of the Company's turnover and profit before represents the gross revenue from road passenger transport and is stated net of value added tax

2. PROFIT FROM OPERATIONS

The profit before taxation has been arrived at after charging the following amounts

	2009 £'000	2008 £'000
Auditors' remuneration - Audit Work	4	4
Operating leases expenses		
- Buses	202	49
- Land and Buildings	50	29
- Other	1	-
Depreciation of property, plant and equipment	21	11
Amortisation of intangible fixed assets	-	129
Cost of inventories recognised as an expense	346	125
Reimbursement of fuel duty	(136)	(48)
	<u> </u>	<u> </u>

3. DIRECTORS' EMOLUMENTS

	2009 £'000	2008 £'000
Emoluments	-	27
Company contributions to defined benefit pension scheme	-	9
	<u> </u>	<u> </u>
	-	36
	<u> </u>	<u> </u>

The number of Directors to whom retirement benefits were accruing was as follows

	2009 No	2008 No
Defined benefit schemes	-	-
Money purchase schemes	-	2
	<u> </u>	<u> </u>

Directors' emoluments for services performed in connection with the Company were paid by the ultimate parent company and recharged as appropriate

TRANSDEV YORK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

4 STAFF COSTS

Staff costs during the period amounted to	2009 £'000	2008 £'000
Wages and salaries	1,095	502
Social security	95	57
Other pension costs	12	9
	<u>1,202</u>	<u>568</u>

The average number of people employed by the Company (including Directors) during the period was as follows

	2009 Number	2008 Number
Drivers and Conductors	41	31
Engineers	9	6
Office and Management	3	7
	<u>53</u>	<u>44</u>

5 TAXATION

	2009 £'000	2008 £'000
Current tax	(74)	(55)
Prior year	-	-
	<u>(74)</u>	<u>(55)</u>
Deferred taxation		
Current year	4	-
Prior year	-	-
	<u>4</u>	<u>-</u>
	<u>(70)</u>	<u>(55)</u>

Corporation tax is calculated at 28% (2008 30%) of the estimated assessable profit for the year

The effective tax rate, calculated on the basis of total tax expense as a proportion of profit before tax is 26.4% (2008 22.6%)

The charge for the year can be reconciled to the profit per the income statement as follows

	2009 £'000	2008 £'000
Loss before taxation	<u>(265)</u>	<u>(243)</u>
Loss multiplied by standard rate of corporation tax in the UK of 28% (2008 30%)	(74)	(73)
Effect of Expenses not deductible for tax purposes	4	18
Total tax	<u>(70)</u>	<u>(55)</u>

TRANSDEV YORK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

6 INTANGIBLE FIXED ASSETS

	Goodwill £'000
COST	
At 31 st March 2008, 31 st December 2008 and 31 st December 2009	172
AMORTISATION	
At 31 st March 2008	43
Charge in the period	129
At 31 December 2008	172
Charge in the period	-
At 31 December 2009	172
CARRYING AMOUNT	
At 31 December 2009	-
At 31 December 2008	-

7. PROPERTY, PLANT AND EQUIPMENT

COST	Motor vehicles £'000	Leasehold Property £'000	Plant and equipment £'000	Total £'000
At 31 March 2008	438	-	36	474
Additions	-	-	59	59
Disposals	(438)	-	-	(438)
At 31 December 2008	-	-	95	95
Additions	-	42	50	92
Disposals	-	-	-	-
At 31 December 2009	-	42	145	187
<u>Depreciation</u>				
At 31 st March 2008	234	-	20	254
Charge for the period	8	-	3	11
On disposals	(242)	-	-	(242)
At 31 st December 2008	-	-	23	23
Charge for the period	-	-	21	21
Eliminated on disposals	-	-	-	-
At 31 December 2009	-	-	44	44
<u>Carrying amount</u>				
At 31 December 2009	-	42	101	143
At 31 December 2008	-	-	72	72

TRANSDEV YORK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

8 INVENTORIES

	2009 £'000	2008 £'000
Materials	1	4
Fuel	5	1
	<u>6</u>	<u>5</u>

9. TRADE AND OTHER RECEIVABLES

	2009 £'000	2008 £'000
Trade receivables	35	57
Other receivables	19	11
Corporation Tax repayable	131	60
Prepayments	37	7
	<u>222</u>	<u>135</u>

The directors consider that the carrying amount of trade and other receivables approximates to their fair value. The average credit period taken on sales of goods is 28 days (2008: 28 days).

Credit Risk

The Group's principal financial assets are bank balances and cash and trade and other receivables. There is no concentration of credit risk. The Company has no significant concentration of credit risk.

10. TRADE AND OTHER PAYABLES

	2009 £'000	2008 £'000
Trade payables	65	34
Other payables	51	19
Other taxations and social security	26	30
Bank Loans and overdrafts	-	61
Hire purchase agreements	9	-
Accruals and deferred income	78	57
	<u>229</u>	<u>201</u>

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 29 days (2008: 29 days).

The directors consider that the carrying amount of trade payables approximates to their fair value.

11. CASH AND CASH EQUIVALENTS

	2009 £'000	2008 £'000
Cash at bank and short term deposits	<u>142</u>	<u>14</u>

TRANSDEV YORK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

12. BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £'000	2008 £'000
Loan from Holding Company	<u>575</u>	<u>126</u>

13. OPERATING LEASE COMMITMENTS

The future minimum lease payments under non-cancellable operating leases are as follows

	Land & buildings 2009 £'000	Other 2009 £'000	Land & buildings 2008 £'000	Other 2008 £'000
Commitment expiring				
Within one year	-	-	-	-
Between two and five years	100	7	-	84
Over five years	-	-	-	-
	<u>100</u>	<u>7</u>	<u>-</u>	<u>84</u>

Operating lease rentals for buses are paid to Transdev Blaze field Limited See note 18 for further details

14. DEFERRED TAX

	Decelerated Tax depreciation £'000
At 1 January 2008	14
Charge to income	-
	<u>14</u>
At 31 December 2008	14
Charge to income	5
	<u>19</u>
At 31 December 2009	<u>19</u>

15. CALLED UP SHARE CAPITAL

	2009	2008
Authorised share capital		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued share capital		
1,000 Called up, allotted and fully paid ordinary shares of £1 each	<u>1</u>	<u>1</u>

TRANSDEV YORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

16. PENSIONS

Defined contributions scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charged to income represents contributions payable by the Company to the fund at rates specified in the rules of the plan, and amounted to £12,000 (2008 £48,000).

17. CONTINGENT LIABILITIES

Group bank borrowings, which total £2,550k (2008 £2,925k) are secured by a fixed and floating charge over the assets of the Company.

18. RELATED PARTY TRANSACTIONS

During the year the following transactions took place with fellow group companies –

TRANSDEV BLAZEFIELD LIMITED

During the year operating lease rentals for buses were paid which totalled £202k (2008 £49k).

At the year end loans were due to Transdev Blaze Field Limited which totalled £575k (2008 £126k).

TRANDEV CLAIMS INVESTIGATIONS LIMITED

During the year Transdev York Limited were charged £9k (2008 £5k) in relation to insurance work which was performed.

TRANSDEV YORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

19. PARENT UNDERTAKING

The ultimate parent undertaking of the largest group of undertakings for which Group accounts are drawn up and of which the Company is a member is Caisse des Depots et Consignations, a French Public sector financial institution. The accounts of Caisse des Depots et Consignations are available at 56 Rue de Lille, 75 356 Paris

The parent undertaking of the smallest group of undertakings for which Group accounts are drawn up and of which the Company is a member is Transdev Blazefield Limited, a company registered in England and Wales

20. NOTES TO THE CASH FLOW STATEMENT

	2009 £'000	2008 £'000
Loss from operations	(260)	(243)
Adjustments for		
Depreciation of property, plant and equipment	21	11
Goodwill amortisation	-	129
Operating cash flows before movements in working capital	(239)	(103)
Increase in inventories	(1)	(2)
Increase in receivables	(17)	(37)
Increase / (decrease) in payables	28	(43)
Cash generated by operations	(229)	(185)
Income taxes recovered	5	-
Net cash flow from operating activities	(224)	(185)

TRANSDEV YORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

21 FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structures of the Group consists of debt, which includes the borrowings disclosed in note 12, cash and cash equivalents and equity attributable to equity holders of the ultimate parent, comprising issued capital, reserves and retained earnings as disclosed in note 15 and the statement of changes in equity.

Categories of financial instruments

	Carrying Value 2009 £'000	Carrying Value 2008 £'000
Financial assets		
Trade and other receivables (including cash and cash equivalents)	364	149
	<hr/>	<hr/>
Financial liabilities		
Borrowings	575	126
Trade and other payables	229	201
	<hr/>	<hr/>

Financial risk management objectives

The Company's activities expose it to certain financial risks, the main being price risk related primarily to fuel prices. The Company is not significantly exposed to foreign exchange risk, credit risk or other cash flow risk. Management reviews financial risks regularly in accordance with Group policies. The Company currently uses a limited number of financial instruments to manage certain risks but does not hold financial instruments for speculative reasons.

Credit Risk

The Company's principal financial assets are bank balances and cash and trade and other receivables. There is no concentration of credit risk.

Liquidity Risk

The trade receivables balance primarily represents the amounts owing from local government transport organisations. These sums are contractually agreed and are received according to the terms of the individual contracts. Therefore there is no significant credit risk exposure or any significant payment delay beyond contractual terms.