

AMENDING

Traffic Information Services (TIS) Security Limited

Annual Report and Financial Statements

31 December 2008



A company registered in England and Wales, number 4071538

Directors' Report

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2008.

This directors' report has been prepared in accordance with the special provisions relating to small companies under Section 264(4) of the Companies Act 1985.

Principal Activities

The Company acts as an intermediary funding provider, and has an intercompany loan receivable from Serco Group plc. It is not envisaged that the Company will engage in any other lending activities in the foreseeable future.

Results and dividends

The profit of the Company after taxation is set out on page 4. The Company has not paid a dividend in the year (2007: £nil).

Directors

The following Directors served throughout the year and subsequently except as stated below:

	Appointed	Resigned
W McNaught		31 st March 2008
A Crawshaw	31 st March 2008	
A Credé	18 th June 2008	

Financial Risk Management

The Directors do not consider that the Company is exposed to significant credit risk as all amounts are due from other group companies. As the Company does not trade, the Directors consider there to be no price risk.

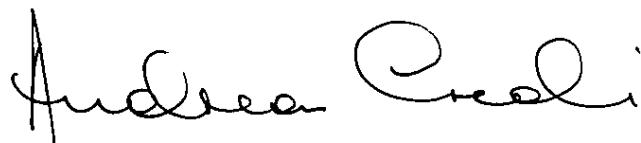
Disclosure of information to Auditors

At the date of this report, as far as each director is aware there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Auditors

Elective Resolutions to dispense with holding annual general meetings, the laying of accounts before the company in general meeting and the appointment of auditors are currently in force. Deloitte LLP has expressed their willingness to continue in office and will therefore be deemed to have been reappointed.

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



Dr Andreas Credé
Director
3rd July 2009

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; 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 proper accounting records that 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 1985. 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.

Independent Auditors' Report to the Members of Traffic Information Services (TIS) Security Limited

We have audited the financial statements of Traffic Information Services (TIS) Security Limited for the year ended 31 December 2008, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP

Chartered Accountants and Registered Auditors
London, United Kingdom

3 July 2009

Traffic Information Services (TIS) Security Limited

Profit and Loss Account

For the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Interest receivable and similar income	3	752	783
Interest payable and similar charges	4	-	(31)
Profit on ordinary activities before taxation	5	752	752
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		752	752

All amounts in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those shown in the profit and loss account. Therefore, no separate statement of total recognised gains and losses is presented.

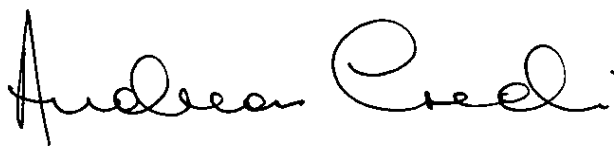
Traffic Information Services (TIS) Security Limited

Balance Sheet

31 December 2008

	Note	2008 £'000	2007 £'000
Current Assets			
Debtors - amounts falling due within one year	7	759	759
- amounts falling due after more than one year	7	13,351	12,599
Net Assets		14,110	13,358
Capital and Reserves			
Called up share capital	8	-	-
Share Premium account	9	11,445	11,445
Profit and loss account	9	2,665	1,913
Shareholders' funds	9	14,110	13,358

The financial statements were approved by the Board of Directors on 3rd July 2009 and signed on behalf of the Board by:



Dr Andreas Credé
Director

Notes to the Financial Statements

For the year ended 31 December 2008

1. Accounting policies

The principal accounting policies are set out below and have been applied consistently throughout the current and preceding financial year.

Basis of accounting

These financial statements have been prepared in accordance with UK GAAP and applicable UK law and accounting standards.

The directors have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in November 2008. Given the secure funding position of the immediate and ultimate parent companies, and the secure balance sheet position, these accounts have been drawn up on a going concern basis.

Accounting Convention

These financial statements have been prepared under the historical cost convention.

Current Tax

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

Cash flow statement and related party disclosure

The Company is a wholly owned subsidiary of Serco Investments (Holdings) Limited and is included in the consolidated financial statements of Serco Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1: 'Cash flow statements'. The Company is also exempt under the terms of FRS 8: 'Related party transactions', from disclosing related party transactions with entities that are part of the Serco Group plc group.

2. Information regarding Directors and Employees

No Directors received any remuneration for services to the Company during the current or prior year. There were no employees in the current or preceding year.

3. Interest Receivable and Similar Income

	2008 £'000	2007 £'000
Amounts receivable from group companies	752	783

4. Interest Payable and Similar Charges

	2008 £'000	2007 £'000
Amounts payable to group companies	-	31

5. Profit on Ordinary Activities before Taxation

Auditors' remuneration of £3,000 (2007 £10,000), for the audit of the Company's annual accounts from Deloitte LLP are borne by another group company.

Traffic Information Services (TIS) Security Limited

Notes to the Financial Statements

For the year ended 31 December 2008

6. Taxation on Profit on Ordinary Activities

Current year total tax credit on profit on ordinary activities is £nil (2007-£nil).

The current tax charge is lower than the UK corporation tax rate of 28.5% (2007 30%). The reasons for this are set out below

Factors affecting the tax charge

	2008 £'000	2007 £'000
Profit on ordinary activities before taxation	752	752
UK corporation tax at of 28.5% (2007: 30%)	214	226
Effect on the reported tax charge of:		
Group relief for no consideration	(214)	(217)
Expenses not deductible for tax purposes	-	(9)
Current tax credit for the year	-	-

7. Debtors

a) Amounts falling due within one year

	2008 £'000	2007 £'000
Amounts owed by group companies	759	759

b) Amounts falling due after more than one year

	2008 £'000	2007 £'000
Amounts owed by group companies	13,351	12,599

Amounts owed by group companies generally bear interest based on LIBOR.

8. Called Up Share Capital

	2008 £	2007 £
Authorised: 100 ordinary shares of £1 each	100	100
Called up, allotted and fully paid: 2 ordinary shares of £1 each	2	2

Traffic Information Services (TIS) Security Limited

Notes to the Financial Statements

For the year ended 31 December 2008

9. Reserves and Reconciliation of Movement in Shareholders' Funds

	Share capital	Share premium account	Profit and loss account	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2008	-	11,445	1,913	13,358
Retained profit for the year	-	-	752	752
Balance at 31 December 2008	-	11,445	2,665	14,110

10. Related Parties and Ultimate Parent Company

The immediate parent company is Serco Investments (Holdings) Limited.

The ultimate parent company and controlling entity of the Company is Serco Group plc, a company incorporated in Great Britain and registered in England and Wales. Serco Group plc is the parent undertaking of the smallest and largest group to consolidate these financial statements. The financial statements of Serco Group plc are available from The Company Secretary, Serco Group plc, 16 Bartley Wood Business Park, Bartley Way, Hook, Hampshire RG27 9UY.