

Traffic Information Services (TIS) Security Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2011



A company registered in England and Wales, number 4071538

Traffic Information Services (TIS) Security Limited
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Traffic Information Services (TIS) Security Limited
Company Information

Registered office Serco House
16 Bartley Wood Business Park
Bartley Way
Hook
Hampshire
RG27 9UY

Auditors Deloitte LLP
London
United Kingdom

Traffic Information Services (TIS) Security Limited
Directors' Report for the Year Ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011. As set out in note 1 to the financial statements, the directors consider it appropriate to prepare the accounts on the going concern basis.

Principal activity

The principal activity of the company is to act as an intermediary funding provider. It 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.

Business review

The profit of the Company is set out on page 5. The Company has paid a dividend of £2.8m in the year (2010: £nil).

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.

Directors of the company

The directors who held office during the year and to the date of this report were as follows:

A Crede

R Sykes

Disclosure of information to the auditor

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

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

Approved by the Board on 12 June 2012 and signed on its behalf by



R Sykes
Director

Traffic Information Services (TIS) Security Limited

Directors' Responsibilities Statement

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 apply them consistently,
- make judgements 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Independent Auditor's 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 2011, comprising the profit and loss account, the balance sheet and the related notes 1 to 13, set out on pages 5 to 9. 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 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.

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

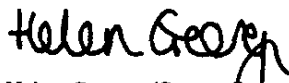
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Helen George (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Chartered Accountants and Statutory Auditor
London, United Kingdom

12 June 2012

Traffic Information Services (TIS) Security Limited
Profit and Loss Account for the Year Ended 31 December 2011

	Note	2011 £ 000	2010 £ 000
Interest receivable and similar income	5	61	51
Profit on ordinary activities before taxation		61	51
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		61	51

All results derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above and accordingly no statement of total recognised gains and losses is presented

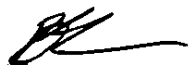
Traffic Information Services (TIS) Security Limited

(Registration number: 4071538)

Balance Sheet at 31 December 2011

	Note	2011 £ 000	2010 £ 000
Current assets			
Debtors amounts falling due within one year	8	16	14
Debtors amounts falling due after more than one year	8	11,490	14,248
Net assets		<u>11,506</u>	<u>14,262</u>
Capital and reserves			
Called up share capital	9	-	-
Share premium account	10	11,445	11,445
Profit and loss account	10	61	2,817
Shareholders' funds		<u>11,506</u>	<u>14,262</u>

Approved by the Board on 12 June 2012 and signed on its behalf by



R Sykes
Director

Traffic Information Services (TIS) Security Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

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

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

Basis of preparation

The financial statements have been prepared under the historical cost convention

The directors acknowledge the latest guidance on going concern and financial reporting published by the Financial Reporting Council in October 2009. Given the secure balance sheet position, these accounts have been drawn up on the going concern basis.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group, and the Company's results are included within the consolidated financial statement of Serco Group plc, which are publicly available.

Related parties

The Company is exempt under the terms of FRS 8 "Related Party Transactions" from disclosing related party transactions with entities that are 100% owned by the Serco Group plc group.

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 by the balance sheet date.

2 Particulars of employees

The Company had no employees during either the current or preceding financial year.

3 Directors' remuneration

No director received any remuneration for services to the Company during either the current or preceding year.

4 Auditor's remuneration

Auditor's remuneration of £3,000 (2010: £3,000) for the audit of the Company's annual accounts was borne by another group company in both current and preceding financial years.

5 Interest receivable and similar income

	2011 £ 000	2010 £ 000
Interest receivable from group companies	<u>61</u>	<u>51</u>

Traffic Information Services (TIS) Security Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

6 Taxation

Tax on profit on ordinary activities

The current year total tax charge on profit on ordinary activities is £nil (2010 £nil)

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%)

The differences are reconciled below

	2011 £ 000	2010 £ 000
Profit on ordinary activities before taxation	61	51
Corporation tax at standard rate	16	14
Group relief for no consideration	(16)	(14)
Total current tax	-	-

7 Equity dividends

	2011 £ 000	2010 £ 000
Equity dividend of £1,408,448 (2010 £nil) per ordinary share	2,817	-

8 Debtors

a) Amounts falling due within one year

	2011 £ 000	2010 £ 000
Amounts owed by group companies	16	14

Amounts owed by group companies are due within 30 days of the balance sheet date and do not bear interest

b) Amounts falling due after more than one year

	2011 £ 000	2010 £ 000
Amounts owed by group companies	11,490	14,248

Traffic Information Services (TIS) Security Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

Amounts owed by group companies have no fixed repayment date and bear interest based at LIBOR minus 0.2%

9 Share capital

Allotted, called up and fully paid shares

	2011	2010
	£ 000	£ 000
2 (2010 2) ordinary shares of £1 each	<u>-</u>	<u>-</u>

10 Reserves

	Share premium account £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2011	11,445	2,817	14,262
Retained profit for the year	-	61	61
Equity dividends paid	-	(2,817)	(2,817)
At 31 December 2011	<u>11,445</u>	<u>61</u>	<u>11,506</u>

11 Reconciliation of movement in shareholders' funds

	2011	2010
	£ 000	£ 000
Profit for the year attributable to the members of the Company	61	51
Equity dividends paid	(2,817)	-
Net (reduction)/addition to shareholders' funds	(2,756)	51
Shareholders' funds at 1 January	<u>14,262</u>	<u>14,211</u>
Shareholders' funds at 31 December	<u>11,506</u>	<u>14,262</u>

12 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2010 - £nil)

13 Control

The immediate parent is Serco Investments (Holdings) Limited. The ultimate parent company and controlling party 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.