

**Heathrow Express Operating Company Limited
Annual report and financial statements
for the year ended 31 December 2018**

Heathrow Express Operating Company Limited

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Heathrow Express Operating Company Limited

Officers and professional advisers

Directors

Ross Baker
Phillip Bearpark
Anthony Caccavone
Leslie Freer
Michael Hodson
Andrew MacMillan

Registered office

The Compass Centre
Nelson Road
Hounslow
Middlesex
TW6 2GW

Independent auditor

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3BZ
United Kingdom

Bankers

Lloyds Bank PLC
City Office, PO Box 72
Bailey Drive
Gillingham Business Park
Gillingham
ME8 0LS

Barclays Bank plc
Pall Mall Corporate Banking
50 Pall Mall
London
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Heathrow Express Operating Company Limited

Strategic report

Heathrow Express Operating Company Limited (the "Company") operates the rail service between Heathrow airport and Paddington station, London. Heathrow Airport Limited ("Heathrow") owns all infrastructure (stations, tunnels, rolling stock and track from Heathrow as far as Airport Junction on the Great Western Mainline). Track access charges are paid to Network Rail for use of the track from Airport Junction to London Paddington.

Going Concern

The financial statements have been prepared on a going concern basis, which requires the Directors to have a reasonable expectation that the Company, as part of the Heathrow Airport Holdings Limited group, has adequate resources to continue in operational existence for the foreseeable future. The going concern accounting policy on page 13 provides more detail.

Review of business and future developments

Key events occurring during the year and developments since the beginning of 2019 are detailed below.

During the year the Company was re-organised as part of a long term strategy to ensure the continuity of the Heathrow Express service. Under an agreement between Heathrow Airport Limited, Heathrow Express Operating Company Limited and the Secretary of State for Transport, the "Heathrow Express Overarching Agreement", and a "Services Agreement" between Heathrow Express Operating Company Limited, Heathrow Airport Limited and First Greater Western Limited, the following was agreed:

1. The transfer of Heathrow Express Train Drivers, Paddington station staff and specified management staff to Greater Western Railway (GWR) on the 1st November 2018 through a TUPE arrangement.
2. The operation of the Heathrow Express trains and Paddington station by GWR on behalf of the Company.
3. The provision by GWR of new class 387 trains for use on the Heathrow Express service in substitution for the Heathrow Express class 332 trains currently used on the service. The 387 trains are expected to be fully introduced by March 2020.
4. The stabling and maintenance by GWR of the new 387 trains, and the surrender by the Company of its lease at its 332 train care depot at Old Oak Common.
5. The transfer of Heathrow Railway station staff to Heathrow Airport Limited under a TUPE arrangement, and the operation by Heathrow Airport Limited of the Heathrow railway stations on behalf of Heathrow Express service, and also the new TfL Rail (to be Crossrail) service.

As part of the agreements, compensation was agreed to be paid by the Department for Transport to the Company, to hold it harmless against the increased costs incurred by the above.

In addition, the Heathrow connect service ceased on 20th May 2018 and was replaced by a Transport for London (TfL) service, a precursor to the new Crossrail service. The new class 345 Crossrail trains were not ready for service, and the TfL service utilised the Heathrow Connect class 360 rolling stock on lease for its fleet to enable the service to operate within the Heathrow Airport tunnel infrastructure.

The Heathrow Express service carried a total of 6.31 million passengers driving a market share of 10.5% (2017: 10.9%) of total non-transfer airport passenger journeys at Heathrow (i.e. total airport journeys less transfer passengers). The small decline was due to market conditions and the structural changes in 2018. Heathrow Connect carried 0.25 million passengers during the year; the service operated from 1st January to 20th May 2018, at which point its service was replaced by the TfL rail service, a precursor to the new Crossrail service. The combined passenger number for both services was 6.56 million in 2018 (7.04 million in 2017). Total Heathrow passenger growth was 2.7% up on 2017 and the through ticket transfer rate (i.e. passengers who have purchased a 'through-ticket' with the airline, therefore never leaving the airport) decreased by 0.3% to 24.8% (2017: to 25.1%). Fare revenues declined marginally from £121m in 2017 to £119m in 2018 due mainly to the cessation of the Heathrow Connect service. The profit after taxation for the financial year amounted to £34.3 million (2017: profit of £1.9 million). The increase in profit was due mainly to the reduction in track access charges from Heathrow Airport Limited following the review of the charge by the Office of Rail and Road (ORR).

Key performance indicators focus on operational punctuality with each service being monitored and recorded. Heathrow Express operational performance improved with punctuality at 83.71% (2017: 82.89%). Network Rail infrastructure faults, together with Crossrail works were the key factors in the reduction in performance causing disruptions to the timetable through possession overruns

Heathrow Express finished first in the National Rail Passenger Survey (Autumn 2018) with an overall score of 96% (Autumn 2017: 91%, 4th position).

In 2019 the main objective is to continue to grow Heathrow Express service passenger numbers during a year where its 332 rolling stock is planned to be replaced by new GWR class 387 trains in accordance with the "Services Agreement", and the new Crossrail service is expected to introduce its own new class 345 rolling stock. Focus is also on continuous improvements to safety with the identification and implementation of further passenger train interface (PTI) initiatives.

Heathrow Express Operating Company Limited

Strategic Report continued

Principal risks and uncertainties and risk management

Our aim is to gain a deep understanding of the principal risks we face at all levels of the business and to focus management attention on effective mitigation of these risks as well as a review of over-the-horizon emerging risks which may impact the business and strategy of Heathrow.

We continue to roll out a risk improvement plan which is focussed on improving accountability for end-to-end risk management at all levels and drive improvements in our risk culture. The risk improvement plan covers all the key elements of an effective risk management framework including risk leadership, informed risk decision making, competency and risk skills, governance including timeliness and transparency of risk information and clarity of accountability for managing risks. We assess and monitor our risk maturity across all key areas and drive improvements where required.

Principal risks

Our principal risks are aligned to our 4 strategic priorities as follows:

- to be a great place to work, we will help our people fulfil their potential and work together to lead change across Heathrow with energy and pride;
- to give passengers the best airport service in the world we'll work with the Heathrow community to transform the service we give to passengers and airlines, improving punctuality and resilience;
- to secure future investment we will beat the Q6 business plan and deliver a competitive return to our shareholders by growing our revenue, reducing costs and delivering investments more efficiently; and
- to grow and operate our airport sustainably, now and in the future.

The principal risks identified by the Executive Committee are:

Safety risks

Health and safety is a core value of the business and the Company actively promotes the role of safety leadership in creating a safety culture that is intolerant of accidents and incidents.

The Company's Safety Management System includes risk assessment processes for all activities entailing significant risk and proportionate control measures employed to safeguard everyone impacted by the Company's business. The Company also operates robust asset management processes to ensure property and equipment remains safe. Governance, led by the senior management teams and assurance processes are used to ensure the aforementioned remain effective and to encourage continuous improvement.

Security risks

Heathrow is responsible for ensuring that its assets, infrastructure, human and electronic systems and processes meet the minimum statutory requirements to protect aviation security, deliver high security standards and build confidence with regulators, airlines and passengers. It also needs to ensure that its assets, infrastructure, human and electronic systems are protected from theft, damage or intrusion.

Security risks, including cyber security, terrorism risks, and information security are mitigated by adopting and enforcing rigorous policies and procedures supported by professional training and by investment in leading edge security technology. Heathrow works closely with airlines and government agencies including the police building a framework to establish joint accountabilities for airport security and shared ownership of risk, thus ensuring security measures remain both flexible and proportionate to the prevailing threat environment.

The Company has a security plan for stations and trains which adhere to regulations laid down by the Government Department of Transport.

Corporate social responsibility

As part of Heathrow, the Company understands the importance to its business of the communities in which it operates, and through consultation and engagement seeks to ensure that their concerns are taken into account in the operation and planning of Heathrow. It may restrict opportunities to grow and threaten Heathrow's social license to operate if local communities do not believe the airport is managed responsibly or that its economic benefits are optimised without prioritising profits over the long-term interests of local communities. Environmental risk has the potential to impact negatively upon Heathrow's reputation and jeopardise its licence to operate and to grow.

Heathrow undertakes procurement responsibly and encourages trade and employment opportunities for local communities. Progressive influencing of third parties, stakeholder engagement and community relations programmes are also established.

Heathrow Express Operating Company Limited

Strategic Report continued

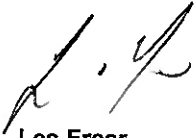
Proactive environmental management systems and employee training programmes are embedded within operations through clear environmental strategies and resource conservation initiatives. The Company works closely with a range of stakeholders to ensure that it reacts effectively to the challenges posed by the environmental agenda.

Commercial and financial risks

Industrial relations

The risk of industrial action by key staff that affects critical services, curtails operations and has an adverse financial and reputational impact on the Company is recognised. The Company has a range of formal national and local consultative bodies to discuss pay, employment conditions and business issues with the Trade Unions.

Approved by the Board of directors and signed on its behalf



Les Freer
Director

27 JUNE 2019

Company registration number: 03145133

Heathrow Express Operating Company Limited

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

Principal activities

The Company operates the rail service between Heathrow airport and Paddington station, London.

A review of the progress of the Company's business during the year, the key performance indicators, principal business risks, likely future developments and going concern are reported in the Strategic report on pages 2 to 4.

The Company considers punctuality, passenger volumes and growth, airport market share and profit after taxation to be key performance indicators which are discussed in the Strategic report on pages 2 to 4.

Results and dividends

The profit after taxation for the financial year amounted to £34.3 million (2017: profit of £1.9 million) after providing for intangible amortisation of £2.7m (2017: £4.1m). The increase in profit was mainly due to the reduction in track access charges from Heathrow Airport Limited following a review by the ORR. No dividends were proposed or paid during the year (2017: £nil). The statutory results for the year are set out on page 10.

Directors

The Directors who served during the year, and since the year end, except as noted, are as follows:

Ross Baker	Appointed 17 January 2017
Phillip Bearpark	Appointed 1 October 2018
Fraser Brown	Resigned 1 November 2018
Anthony Caccavone	Appointed 1 October 2018
Stephen Chambers	Resigned 3 May 2019
Christopher Green	Resigned 31 December 2018
Leslie Freer	Appointed 1 November 2018
Michael Hodson	Appointed 1 October 2018
Andrew MacMillan	Appointed 5 July 2017
Robert Smallwood	Resigned 31 December 2018

Employment policies

The Company's employment policies are regularly reviewed and updated to ensure they remain effective. The Company's overall aim is to create and sustain a high performing organisation by building on the commitment of its people.

The Company has defined a set of guiding principles to ensure fair recruitment and selection. The Company continues to aim to recruit, retain and develop high calibre people and has talent and succession management programmes for managerial roles.

The Company is committed to giving full and fair consideration to applicants for employment. Every applicant or employee will be treated equally whatever their race, nationality, ethnic or national origin, sex, marital status, sexual orientation, religious belief, disability, age or community background. The Company actively encourages a diverse range of applicants and commits to fair treatment of all applicants. The Company's investment in learning and development is guided by senior line managers who ensure that the Company provides the learning opportunities to support the competencies that are seen as key to the Company's success.

Disabled persons have equal opportunities when applying for vacancies, with due regard to their aptitudes and abilities. The Company has further procedures to ensure that disabled colleagues are fairly treated in line with the Equality Act (2010). Where employees have become disabled during the course of employment, the Company endeavours to ensure continuing employment in line with the Reasonable Adjustments Policy as agreed between the Company and the recognised Trade Unions (Unite, PCS and Prospect).

Employee involvement and consultation is managed in a number of ways including employee surveys, team updates, briefings, road shows and an intranet. Collective bargaining takes place with the unions Unite, PCS and Prospect for those employee groups for which these unions are recognised. The Company is committed to managing people through change fairly.

Together these arrangements aim to provide a common awareness amongst employees of the financial and economic factors affecting the performance of their business. Bonuses paid to employees reflect the financial performance of the business. A Share In Success saver scheme in which eligible employees can save money which the company matches as a contribution in line with business performance has been in place since 2015. In addition, some senior management participate in long-term incentive plans which also rewards based on Company performance.

Heathrow Express Operating Company Limited

Directors' Report continued

Employment policies continued

Reward and recognition practices also seek to align individual performance to Company objectives and financial targets for employees, managers and senior managers. Bonuses paid to employees and managers are linked to performance against financial targets.

Directors' indemnity

The Company's Articles of Association provide that, subject to the provisions of the Companies Act 2006, but without prejudice to any protection from liability which might otherwise apply, every director of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him in defending any proceedings in which judgment is given in his favour, or in which he is acquitted or in connection with any application in which relief is granted to him by the court for any negligence, default, breach of duty or breach of trust by him in relation to the Company or otherwise in connection with his duties or powers or office.

Auditor

Pursuant to the provisions of section 485 of the Companies Act 2006, a resolution relating to the reappointment of the auditor Deloitte LLP will be proposed within the period set out in section 485 or, Deloitte LLP will be deemed re-appointed where no such resolution is proposed, following the period set out in section 485 in accordance with section 487.

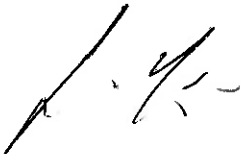
Statement of disclosure of information to the Auditor

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approved by the Board of directors and signed on its behalf



Les Freer
Director

27 JUNE 2019

Company registration number: 03145133

Heathrow Express Operating Company Limited

Directors' responsibilities statement

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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Heathrow Express Operating Company Limited

Independent auditor's report to the members of Heathrow Express Operating Company Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Heathrow Express Operating Company Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- accounting policies;
- Significant accounting judgements and estimates; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

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

We have nothing to report in respect of these matters.

Responsibilities of directors

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

Heathrow Express Operating Company Limited

Independent auditor's report to the members of Heathrow Express Operating Company Limited

Responsibilities of directors *continued*

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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



Simon Cleveland FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

27 June 2019

Heathrow Express Operating Company Limited**Statement of comprehensive income** for the year ended 31 December 2018

		Year ended 31 December 2018	Year ended 31 December 2017
		Total £'000	Total £'000
	<i>Note</i>		
Revenue	1	130,758	135,185
Operating costs	2	(89,068)	(132,311)
Operating profit		41,690	2,874
Financing			
Finance income	3	1,296	557
		42,986	3,431
Profit before tax		42,986	3,431
Taxation			
Taxation charge	4	(8,657)	(1,517)
Profit for the year		34,329	1,914

All results are from continuing operations.

Heathrow Express Operating Company Limited

Statement of financial position as at 31 December 2018

	Note	31 December 2018 £'000	31 December 2017 £'000
Assets			
Non-current assets			
Property, plant and equipment	5	202	117
Intangible assets	6	20,053	22,763
Trade and other receivables	7	59	55
		20,314	22,935
Current assets			
Trade and other receivables	7	108,110	50,848
Cash and cash equivalents	8	548	2,657
		108,658	53,505
Total assets		128,972	76,440
Liabilities			
Current liabilities			
Current income tax liabilities		(8,597)	(1,477)
Trade and other payables	9	(16,545)	(5,462)
		(25,142)	(6,939)
Total liabilities		(25,142)	(6,939)
Net assets		103,830	69,501
Equity			
Capital and reserves			
Share capital	10	-	-
Share premium	11	38,000	38,000
Retained Earnings	12	65,830	31,501
Total shareholder's equity		103,830	69,501

These financial statements of Heathrow Express Operating Company Limited (Company registration number: 03145133) were approved by the Board of Directors and authorised for issue on 27 June 2019. They were signed on its behalf by:



Les Freer
Director



Anthony Caccavone
Director

Heathrow Express Operating Company Limited**Statement of changes in equity for the year ended 31 December 2018**

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
1 January 2017	-	38,000	29,587	67,587
Total comprehensive profit for the financial year			1,914	1,914
31 December 2017	-	38,000	31,501	69,501
Total comprehensive profit for the financial year			34,329	34,329
Total comprehensive income	-	-	34,329	34,329
31 December 2018	-	38,000	65,830	103,830

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018

Accounting Policies

The principal accounting policies applied in the preparation of the financial statements of Heathrow Express Operating Company Limited (the 'Company') are set out below. These policies have been applied consistently to all the years presented, unless stated otherwise.

Statement of compliance

These financial statements have been prepared and approved by the Directors in compliance with Financial Reporting Standard ('FRS') 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

The Company

The Company is a private company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW.

Basis of accounting

The Company financial statements are prepared in accordance with FRS 102 and are presented on the basis of the historical cost convention.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Sterling, which is the Company's functional currency.

The Company has taken advantage of certain disclosure exemptions in FRS 102 as its financial statements are included in the publicly available consolidated financial statements of FGP Topco Limited. These disclosure exemptions relate to the statement of cash flows, related party transactions, financial instruments and remuneration of key management personnel. Copies of those consolidated financial statements may be obtained by writing to the Company Secretarial Department at the Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW.

Going concern

The Directors have prepared the financial statements on a going concern basis which requires the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company forms part of the Heathrow (SP) Limited group (the "SP Group"), which is the smallest group to consolidate these financial statements, and the level at which the financial risks are managed for the Company.

Consequently, the Directors have reviewed the cash flow projections of the SP Group taking into account:

- the forecast revenue and operating cash flows from the underlying operations;
- the forecast level of capital expenditure; and
- the overall SP Group liquidity position, including the projected upstream of cash remaining committed and uncommitted facilities available to it, its scheduled debt maturities, and its forecast financial ratios and its ability to access debt markets.

As a result of the review, and having made appropriate enquiries of management, the Directors have a reasonable expectation that sufficient funds will be available to meet the Company's funding requirement for the next twelve months from the balance sheet signing date.

Revenue

Revenue represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Revenue represents all fare and non-fare income earned directly by the Company. Income from fares is recognised when the ticket is sold, or, in the case of advance purchase tickets, revenue is recognised based on the date of travel.

Interest

Interest payable and interest receivable are recognised in the profit and loss account in the period in which they are incurred.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Tangible fixed assets

Rolling stock and all major assets used by the service are owned and depreciated by Heathrow Airport Limited.

Assets owned by the Company are stated at cost less accumulated depreciation.

Depreciation is provided on plant, equipment and other assets, to write off the cost of the assets less estimated residual value by equal instalments over their expected useful lives as follows:

	<i>Fixed asset lives</i>
Office equipment	5 - 10 years
Computer equipment	4 - 5 years
Computer software	3 - 7 years

Intangible assets – rights to operate

Rights to operate are measured at fair value, based on an arm's length transaction, and amortised on a straight line basis over the life of the contract on which the right to operate is based. The outstanding life is five and a half years to June 2023.

Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the asset does not generate cash flows independent of other assets, the recoverable amount of the income-generating unit to which the asset belongs is estimated. Recoverable amount is the higher of an asset's net realisable value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a significant change in the circumstances underlying the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After such a reversal, the amortisation is adjusted in future periods to allocate the asset's revised carrying amount less any residual value, on a straight-line basis over its remaining useful life.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Company as a lessee

Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Company as a lessor

Leases where the Company retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying value of the leased asset and recognised over the lease term on the same basis as the rental income.

Trade and other receivables

Trade and other receivables are recognised initially at cost less any provision for impairment.

Cash

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand when a right to offset exists.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Trade and other payables

Trade and other payables are recognised at cost

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Amounts owed to group undertakings

Amounts owed to group undertakings are recognised initially at fair value, net of transaction costs incurred. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the Profit and Loss Account over the period of the borrowings using the effective interest rate method.

Shared Services Agreement ('SSA')

On 18 August 2008, the Company entered into a SSA with LHR Airports Limited by which the latter became the shared services provider of corporate services.

Centralised services

LHR Airports Limited is considered to be acting as principal in relation to the services of the HAHL Board and Ferrovial advisory services. These costs are recharged to Heathrow Express Operating Company Limited with a mark-up of 7.5% except where a margin has already been applied to the incurred costs. Other services are paid for and sourced directly by the Company.

Current and deferred income tax

The tax expense for the year comprises current and deferred tax and is recognised in the statement of comprehensive income.

Current tax liabilities are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

In accordance with FRS 102 Section 29 timing differences, deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted. Deferred taxation is determined using the tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date and are expected to apply in the periods in which the timing differences are expected to reverse.

Retirement benefit obligations

For the year ended 31 December 2018 the full share of the retirement benefit scheme obligations of the Company have been allocated to Heathrow Airport Limited ('HAL'). As from 1st January 2015 the Company has not been allocated a share of the deficit or surplus as it will better reflect the exposure that will ultimately be funded out of HAL and isn't changed by arbitrary, short-term, movements of staff between management roles at HAL and the Company.

Share capital

Ordinary shares are classified as equity and are recorded at the par value of proceeds received, net of direct issue costs, allowing for any reductions in the par value. Where shares are issued above par value, the proceeds in excess of par value are recorded in the share premium account.

Cash flow statement and related party transactions

The ultimate parent entity in the UK is FGP Topco Limited, a company registered in England and Wales. The results of the Company are included in the audited consolidated financial statements of FGP Topco Limited for the year ended 31 December 2018. The results are also included in the audited consolidated financial statements of Heathrow Airport Holdings Limited for the year ended 31 December 2018 (intermediate parent entity and the smallest group to consolidate these financial statements). Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement and from disclosing related party transactions with entities that are wholly owned subsidiaries of the FGP Topco Limited group under the terms of accounting standard FRS 102 (1.12 (b) and (e)).

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Significant accounting judgements and estimates for the year ended 31 December 2018

In applying the Company's accounting policies management have made judgements and estimates in a number of key areas. Actual results may, however, differ from the estimates calculated and management believes that the following areas present the greatest level of uncertainty.

Critical judgements in applying the Company's accounting policies

There are no critical judgements for the Company.

Key sources of estimation uncertainty

Valuation of the intangible asset (rights to operate)

A Business Transfer Agreement ("BTA"), signed between the Company and Heathrow with effect from 1st September 2015, was valued at £38m at that date. For the year ended 31st December 2018 the valuation was reviewed, including making a judgement on forward passenger growth forecasts post Crossrail, fare revenue forecasts and cost trends. The model forecast horizon was extended up to 2028 from 2023 due to the GWR, DfT agreement which committed to extend the Track Access agreement from 2023 up to 2028. See the Strategic report for further details.

As a result of the review of the valuation, no impairment was required or included in the accounts (2017: £NILm).

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

1 Revenue

Revenue represents all revenue earned directly by the Company, as described in the Accounting Policies.

	Year ended 31 December 2018	Year ended 31 December 2017
	£'000	£'000
Fare Revenue	119,063	120,755
Non Fare Revenue/ Other Income	5,200	6,089
Provision of Rail Services to Heathrow	6,495	8,341
	130,758	135,185

2 Operating costs

Operating costs, comprise the following:

	Year ended 31 December 2018	Year ended 31 December 2017
	£'000	£'000
Employment		
Wages and salaries	19,361	21,042
Social security	1,984	2,187
Pension ¹	663	753
Other staff related costs	1,508	1,374
	23,516	25,356
Operational	12,260	7,988
Maintenance	11,124	12,145
Rates	2,782	2,429
Utilities	2,239	2,110
Intra-group charges ²	23,914	72,573
GWR/ DfT agreement, net cost ³	2,422	-
Other	8,001	5,480
Total operating costs	86,258	128,081
Depreciation and amortisation		
Property, plant and equipment	100	89
Intangible assets	2,710	4,141
	2,810	4,230
Total operating costs	89,068	132,311

¹ Pension costs comprise £663,000 (2017: £753,000) of pension costs related to the Company's defined contribution pension scheme. There were £0 (2017: £0) recharges from LHR Airports Limited in relation to the LHR Airports Limited defined benefit pension scheme. Refer to the Accounting policies.

² Intra-group charges were for Rail separation charges including track access, rolling stock and depot leases, as well as corporate management fee, IT and car parking fees.

³ The GWR/ DfT agreement, net cost includes £2,421,775 of development costs in implementing the Overarching Agreement.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Rentals under operating leases

	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
<i>Operating costs include:</i>		
Plant and machinery ¹	10,265	10,276
Land and Buildings ²	2,155	2,155
Other operating leases ³	20,141	68,216

¹ Plant and machinery includes £10,209,000 for rolling stock leasing charges from Heathrow Airport Limited for the year ended 31 December 2018 (2017: £10,209,000).

² Land and Buildings includes £2,122,000 for train depot lease charges from Heathrow Airport Limited for the year ended 31st December 2018 (2017: £2,122,000).

³ Other Operating Leases includes £10,296,000 for track access charges payable to Heathrow Airport Limited for the year ended 31st December 2018 (2017: £58,885,000) for the right to use the 9km rail infrastructure at Heathrow Airport from the tunnel entrance at Hayes & Harlington to, and including, the stations at terminal 2/3, terminal 4 and terminal 5. The reduction was due to change in the calculation of the charge following review with the ORR (Office of Rail and Road). It also includes £9,369,000 (2017: £7,507,000 restated as £9,101,000) for track access charges payable to Network Rail for the full year for the right to use the 18km route from Paddington station to the Heathrow tunnel entrance at Hayes & Harlington.

Auditor's remuneration

Audit fees and non-audit fees for the current year were borne by Heathrow Airport Limited and recharged to the Company.

	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts:		
Audit of the Company pursuant to legislation	19	22

Employee information

The average number of employees of the Company during the year was 398 (Head office 43, Operational 355); 2017: 460 (Head Office 46, Operational 414). The number of employees disclosed is the monthly average number in line with Companies Act requirements. As set out in the Strategic Report, as part of a long term strategy to ensure the continuity of the Heathrow Express Service, on the 1st November 2018 Heathrow Express Train Drivers, Paddington station staff and management were transferred to Greater Western Railway (GWR). In addition station staff and management were transferred to Heathrow Airport Limited.

Directors' remuneration

	Year ended 31-Dec-18 £'000	Year ended 31-Dec-17 £'000
Directors' remuneration		
Salaries and employee benefits ^{1 2}	244	232
Value of Company pension contributions to pension schemes	6	77
	251	309

¹ For the year ended 31 December 2018 aggregate emoluments includes salaries, allowances, director fees, accrued bonuses and amounts payable under long term incentive plans ('LTIP').

² £Nil bonus was paid in cash in 2018 (2017: Nil)

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

2 Operating costs continued

Directors' remuneration continued

Ross Baker, Andrew Macmillan, Fraser Brown and Stephen Chambers were directors of a number of companies within the Heathrow Airport Holdings Group during the year. The remuneration of Ross Baker and Andrew Macmillan was disclosed in the financial statements of Heathrow Airport Limited and the directors do not believe it is possible to accurately apportion their remuneration to individual companies based on services provided. Fraser Brown and Steve Chambers were paid by, but are not directors of Heathrow Airport Limited and the directors do not believe it is possible to accurately apportion their remuneration to individual companies based on services provided. Antony Caccavone, Robert Smallwood, Christopher Edward Wastie Green, Lesley Freer, Michael Hodson and Phillip Bearpark were paid by and are directors of the Company.

	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
Highest paid director's remuneration		
Salaries and employee benefits ^{1 2}	180	92
Value of Company pension contributions to pension schemes	5	66
	185	158

1 For the year ended 31 December 2018 aggregate emoluments includes salaries, allowances, director fees, accrued bonuses and amounts payable under long term incentive plans ('LTIP').

2 £Nil bonus was paid in cash in 2018 (2017: Nil)

	Year ended 31 December 2018 Number	Year ended 31 December 2017 Number
Number of directors who:		
- are members of a defined benefit pension scheme	2	1
- are members of a defined contribution pension scheme	2	1

None of the directors (2017: none) exercised share options during the year in respect of their services to the Heathrow Airport Holdings Group and no shares (2017: none) were received or became receivable under long term incentive plans.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

3 Finance Income

	Year ended 31 December 2018	Year ended 31 December 2017
	£'000	£'000
Interest receivable from group undertaking	1,295	556
Interest receivable on bank deposits	1	1
Net interest receivable and similar income	1,296	557

4 Taxation expenses

	Year ended 31 December 2018	Year ended 31 December 2017
	£'000	£'000
Current tax		
Group relief payable	(8,597)	(1,477)
Adjustments in respect of prior periods	(64)	(47)
Total current tax expenses	(8,661)	(1,524)
Deferred tax		
Origination and reversal of timing differences	3	5
Adjustments in respect of prior periods	1	2
Total deferred tax credit	4	7
Tax charge	(8,657)	(1,517)

Reconciliation of tax expenses

The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 19.00% (2017: 19.25%). The actual tax charge for the current and prior years differs from the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 December 2018	Year ended 31 December 2017
	£'000	£'000
Profit before tax	42,986	3,431
Tax on profit at 19.00% (2017: 19.25%)	(8,167)	(660)
Effect of:		
Expenses not deductible for tax purposes	(427)	(812)
Adjustments in respect of prior periods – current tax	(64)	(47)
Adjustments in respect of prior periods – deferred tax	1	2
Tax charge	(8,657)	(1,517)

The tax charge recognised for the year ended 31 December 2018 was £8,657,000 (2017: £1,517,000). Based on a profit before tax for the year of £42,986,000 (2017: £3,431,000 loss), this results in an effective tax rate of 20.1% (2017: 44.2% negative). The tax charge is more (2017: more) than implied by the statutory rate of 19.00% (2017: 19.25%) primarily due to non-deductible expenses in respect of the intangible amortisation in 2018 and 2017.

The headline UK corporation tax rate was 20% up until 1 April 2017, when it reduced to 19%. This is due to fall to 17% with effect from 1 April 2020. [The effect of these rate reductions has been reflected in the deferred tax balances in the financial statements.]

In November 2017 the Finance (No.2) Act 2017 received Royal Assent, giving effect to a new interest deductibility regime. This regime is in response to the Organisation for Economic Co-operation and Development (OECD) reports on base erosion and profit shifting (BEPS). As a result of the new legislation, from 1 April 2017, interest deductions are limited to 30% of tax based EBITDA, with the ability to apply a group ratio rule (GRR) and a public infrastructure exemption (PIE). Heathrow is to a large extent protected from the 30% of tax based EBITDA cap therefore no interest disallowance has been reflected in the 2018 tax charge (2017: nil).

Other than these changes there are no items which would materially affect the future tax charge.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

5 Tangible fixed assets

	IT equipment, software & other assets £'000
Cost	
1 January 2017	654
Additions	29
31 December 2017	683
Additions	184
Disposals	(389)
31 December 2018	478
Depreciation	
1 January 2017	477
Charge for the year	89
31 December 2017	566
Charge for the year	100
Disposals	(390)
31 December 2018	276
Net book value 31 December 2018	202
Net book value 31 December 2017	117

6 Intangible fixed assets**Heathrow Express Operating Company Limited Right to Operate**

	£'000
Cost	
1 January 2017, 31 December 2017, 31 December 2018	38,013
Amortisation	
1 January 2017	11,109
Charge for the year	4,141
31 December 2017	15,250
Charge for the year	2,710
31 December 2018	17,960
Net book value 31 December 2018	20,053
Net book value 31 December 2017	22,763

Rights to Operate

For regulatory reasons, the Company has operated as a Train Operating Company ("TOC") with effect from 1 September 2015, operating the HEX and Connect services as a TOC.

A Business Transfer Agreement ("BTA") was signed between the Company and HAL, with effect from 1 September 2015, which transferred the beneficial ownership of the HEX and Connect businesses from HAL to the Company, for an arm's length consideration which was based on market valuation for the transaction of £38m, representing the value to the Company, at the date of transfer, for the ability to operate the services.

The original track access agreement with Network Rail dated 16 August 1993 allows the Company to operate its services until June 2023. The Secretary of State for Transport has, through the Heathrow Express Overarching Agreement dated 17 April 2018 with the Company and Heathrow, committed to providing reasonable assistance in obtaining extended track access rights beyond June 2023. However, as at the year ended 31 December 2018 no negotiations had commenced

At 31 December 2018, management reviewed the carrying value of the intangible asset and concluded that there was sufficient uncertainty at that date as to whether there was a permanent diminution in value and consequently no impairment was recognised at that date. (2017: £NIL).

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

7 Debtors

	31 December 2018	31 December 2017
	£'000	£'000
Current		
Trade debtors	9,725	1,822
Accrued income	4,164	9,699
Amounts owed by group undertakings ¹	92,807	37,772
Other debtors	1,414	1,555
	108,110	50,848
Non-current		
Deferred tax asset	59	55
Total debtors	108,169	50,903

¹ Amounts owed by group undertakings are due from Heathrow Airport Limited, are repayable on demand and accrue interest at 1.5% plus Bank of England base rate. The increase is due to net flow of revenue funds from the Company to Heathrow Airport Limited. Heathrow Express Operating Company Limited is a wholly owned subsidiary of Heathrow Airport Limited.

Deferred tax

	£'000
1 January 2018	55
Credited to profit and loss account	4
31 December 2018	59

Analysis of the deferred tax asset balances is as follows:

	31 December 2018	31 December 2017
	£'000	£'000
Excess of depreciation over capital allowances	46	39
Other timing differences	13	16
	59	55

Provision has been made for deferred taxation in accordance with FRS 102. It is anticipated that there will be no net reduction in the deferred tax asset in the next twelve months.

The headline UK corporation tax rate was 20% up until 1 April 2017, when it reduced to 19%. This is due to fall to 17% with effect from 1 April 2020. The effect of these rate reductions has been reflected in the deferred tax balances in the financial statements

8 Cash at bank and in hand

	31 December 2018	31 December 2017
	£'000	£'000
Cash at bank and in hand	548	2,657

Cash at bank and in hand earns interest at floating rates based on daily bank deposits rates and is subject to interest rate risk.

9 Trade and Other Payables

	31 December 2018	31 December 2017
	£'000	£'000
Current		
Trade Creditors	217	14
Accruals	5,257	4,465
Deferred income	10,826	279
Other tax and social security	200	584
Other creditors	45	120
	16,545	5,462

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Accruals and deferred income includes £9.0m of compensation received from the Department for Transport as part of the Heathrow Express Overarching Agreement (see Strategic Report). The amount will be released to the Profit and Loss account over the ten years of the agreement, to offset the additional costs incurred by the Company as a result of the agreement.

10 Called up share capital

	£
Authorised	
At 1 January 2018 and 31 December 2018:	
100 ordinary shares of £1 each	100
Called up, allotted and fully paid	
At 1 January 2018 and 31 December 2018	4

11 Share Premium

	£'000
Cost	
1 January 2018	38,000
31 December 2018	38,000

12 Retained Earnings

	£'000
1 January 2018	31,501
Profit for the financial year	34,329
31 December 2018	65,830

13 Commitments and contingent liabilities

Non-cancellable operating lease commitments – Company as a lessee

Total future minimum rentals payable at the end of the year are as follows:

	31 December 2018		31 December 2017	
	Land & buildings £'000	Other leases £'000	Land & buildings £'000	Other leases £'000
Within one year	2,122	35,469	2,155	27,891
Within two to five years	2,122	115,800	8,488	105,866
After five years	0	82,313	6,366	40,926
	4,244	233,582	17,009	174,683

The Company leases various buildings, plant and machinery under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights.

The Land & Buildings lease commitments include the lease of a train care depot from Heathrow Airport Limited.

Other leases commitments include Track Access and Rolling Stock agreements with Heathrow Airport Limited, and also Track Access agreements with Network Rail. The commitment level on "Other Leases" has increased from 2017 to 2018 following the agreement between Heathrow Airport Limited, Heathrow Express Operating Company Limited and the Secretary of State for Transport to ensure continued Heathrow Express services up to 2028.

Heathrow Express Operating Company Limited

Notes to the financial statements for the year ended 31 December 2018 continued

Securities and guarantees

The Company, Heathrow Express Operating Company Limited, Heathrow (SP) Limited and Heathrow (AH) Limited (together, the 'Obligors') have granted security over their assets to secure their obligations under their financing agreements. Each Obligor has also provided a guarantee of the obligations of the other Obligors.

BAA Pension Trust Company Limited is a Borrower Secured Creditor and has a right to receive up to approximately £284 million out of the proceeds of enforcement of the security granted by the Obligors, such right ranking pari passu with the senior (Class A) creditors to the Obligors.

The Company and Heathrow Express Operating Company Limited have provided a guarantee in favour of Lloyds bank plc as Borrower Account Bank in respect of their liabilities under the Borrower Account Bank Agreement.

14 Ultimate parent undertaking

The immediate parent undertaking of the Company is Heathrow (AH) Limited, a company registered in England and Wales.

The ultimate parent entity is FGP Topco Limited, which is the parent undertaking of the largest group to consolidate these financial statements. The shareholders of FGP Topco Limited are Hubco Netherlands B.V. (25.00%) (an indirect subsidiary of Ferrovial, S.A., Spain), Qatar Holding Aviation (20.00%) (a wholly-owned subsidiary of Qatar Holding LLC), Caisse de dépôt et placement du Québec (12.62%), Baker Street Investment Pte Ltd (11.20%) (an investment vehicle of GIC), QS Airports UK, LP (11.18%) (an investment vehicle managed by Alinda Capital Partners), Stable Investment Corporation (10.00%) (an investment vehicle of the China Investment Corporation) and USS Buzzard Limited (10.00%) (wholly-owned by the Universities Superannuation Scheme).

The Company's results are also included in the audited consolidated financial statements of Heathrow (SP) Limited for the year ended 31 December 2018, which is the parent undertaking of the smallest group to consolidate these financial statements. They are also included in the audited consolidated financial statements of Heathrow Finance plc and Heathrow Airport Holdings Limited for the year ended 31 December 2018.

Copies of the financial statements of FGP Topco Limited, Heathrow Airport Holdings Limited, Heathrow Finance plc and Heathrow (SP) Limited may be obtained by writing to the Company Secretarial Department at The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW, which is also the registered address of these companies.