

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

**Directors' Report, Strategic Report and Financial
Statements**

For the 15 months ended 31 March 2023

Registered number 01712661

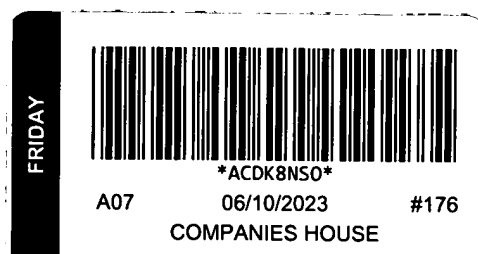


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Company Information

Directors	S J R MacLeod N P Crossfield D A Johnston
Secretary	C G Hakes
Registered office	Litchurch Lane Derby Derbyshire DE24 8AD United Kingdom
Registered number	01712661
Auditors	Mazars LLP One St. Peters Square Manchester M2 3DE
Principal bankers	Deutsche Bank AG London 6 Bishopsgate London EC2P 2AT United Kingdom
Solicitors	Hogan Lovells Atlantic House Holborn Viaduct London EC1A 2FG Pinsent Masons LLP 30 Crown Place London EC2A 4ES

Directors' Report

The Directors present their Report and the Financial Statements.

The accounting reference date was changed from 31 December to 31 March during the period, and consequently the Directors elected to prepare the Report and Financial Statements for a 15 month period ended 31 March 2023.

The profit for the period, after taxation, amounted to 20.0m EUR (2021: 4.5m EUR). In the current period, the Company received 6.1m EUR in dividend income (2021: Nil) and booked a charge for impairment of investments of 5.3m EUR (2021: 0.9m EUR). No dividends were paid during the period (2021: nil).

Future developments

Following the dividends received during the period, and subsequent impairment to investments, the Directors anticipate that any dividend income in the future for this Company will be minimal. In all other respects, the Directors consider that the business will continue to operate as it has done during the period.

Directors

The Directors, who served during the period and subsequently, are noted on the Company Information page.

The Company has granted an indemnity to one or more of its Directors against any liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provisions remains in force as at the date of approving the Directors' Report.

Political and charitable donations

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

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are discussed in the Strategic Report, and these factors have been considered when preparing the financial projections of the Company.

The Financial Statements of Alstom (Litchurch) UK Limited have been prepared on a going concern basis, which assumes the Company will continue in operational existence for the foreseeable future.

The balance sheet at 31 March 2023 shows net assets of 1,815.0m EUR. This represents an increase over the year ended 31 December 2021 which had net assets of 1,795.0m EUR. The cash balance at the period end was 62.1m EUR.

The financial projections to 30 September 2024 show that the Company does not have any financial commitments or cash outflows in respect of third parties. The timing of settlement of inter-group balances is within the Group's control, and such balances would only be settled to the extent that sufficient cash resources were available at that time. The only anticipated transactions are those relating to interest receivable and payable in respect of group balances, and the Company is therefore anticipated to be both profitable and cash positive.

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

Directors' Report, Strategic Report and Financial Statements for the 15 months ended 31 March 2023

Directors' Report (continued)

Disclosure of information to the auditors

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

On behalf of the Board,



S J R Macleod

Director

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

Directors' Report, Strategic Report and Financial Statements for the 15 months ended 31 March 2023

Strategic Report

The Directors have pleasure in presenting their Strategic Report for the 15 months ended 31 March 2023.

Principal activities and business review

The principal activity of the Company is that of a holding company.

Results for the period

The profit for the period, after taxation, amounted to 20.0m EUR (2021: 4.5m EUR). No dividends were paid during the period (2021: nil).

Post balance sheet events

There are no events occurring since the balance sheet date that are required to be disclosed.

Principal risks and uncertainties

The main risk arising from the Company's financial instruments is liquidity risk. However, the Company has access to borrowing facilities provided by ALSTOM Holdings SA, which ensures that the Company always has immediate access to cash funds in order to settle its liabilities as they fall due.

On behalf of the Board,



S J R MacLeod

Director

Sep 5, 2023

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report, Strategic Report and the Financial Statements in accordance with applicable UK 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 101 'Reduced Disclosure Framework'. 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 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 a going concern basis unless they consider that to be inappropriate.

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.

Independent Auditor's Report to the Members of Alstom (Litchurch) Limited

Opinion

We have audited the financial statements of Alstom (Litchurch) Limited for the 15 months ended 31 March 2023 which comprise the Statement of Profit or Loss and Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the 15 months 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.

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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

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.

Responsibilities of Directors

We have nothing to report in respect of the following matters in relation to which 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.

The Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report

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

Matters on which we are required to report by exception

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 have been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Companies Act 2006

We have nothing to report in this regard.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditor's Report to the Members of Alstom (Litchurch) Limited

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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements being anti-money laundering regulation and the Bribery Act.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006. In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

Independent Auditor's Report to the Members of Alstom (Litchurch) Limited

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.

Use of the audit 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.

Tim Hudson

Timothy Hudson (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
One St Peter's Square
Manchester
M2 3DE
Sep 7, 2023

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

Directors' Report, Strategic Report and Financial Statements for the 15 months ended 31 March 2023

Statement of Profit or Loss and Other Comprehensive Income

For the 15 months ended 31 March 2023

	Note	31 March 2023 €'m	31 Dec 2021 €'m
Administrative expenses		-	-
OPERATING PROFIT	4	-	-
Income from shares in group undertakings		6.1	-
Interest receivable	6	23.7	12.6
Interest payable and similar charges	7	-	(5.9)
Impairment of investments		(5.3)	(0.9)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		24.5	5.8
Income tax	9	(4.5)	(1.3)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		20.0	4.5

The notes on pages 13 to 21 form part of these Financial Statements.

In both the current and preceding period, the Company made no material acquisitions and had no discontinued operations.

There were no gains or losses recognised in either the current or the preceding period other than those disclosed in the Statement of Profit or Loss and Other Comprehensive Income, therefore the profit after tax is the total comprehensive income.

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

Directors' Report, Strategic Report and Financial Statements for the 15 months ended 31 March 2023

Statement of Changes in Equity

For the 15 months ended 31 March 2023

	Share capital	Share premium account	Retained earnings	Total
	€m	€m	€m	€m
At 1 January 2021	582.3	1,157.2	51.0	1,790.5
Profit for the year	-	-	4.5	4.5
At 1 January 2022	582.3	1,157.2	55.5	1,795.0
Profit for the period	-	-	20.0	20.0
At 31 March 2023	582.3	1,157.2	75.5	1,815.0

The notes on pages 13 to 21 form part of these Financial Statements.

Balance Sheet

	<i>Note</i>	31 Mar 2023 €'m	31 Dec 2021 €'m
Fixed Assets			
Investments	10	0.1	5.4
Current assets			
Cash at bank and in hand		62.1	58.3
Debtors due within one year	11	1,758.7	1,803.2
Total current assets		<u>1,820.8</u>	<u>1,861.5</u>
Current liabilities			
Creditors amounts falling due within one year	12	<u>(5.9)</u>	<u>(71.9)</u>
		(5.9)	(71.9)
Net current assets		<u>1,814.9</u>	<u>1,789.6</u>
Total assets less current liabilities		<u>1,815.0</u>	<u>1,795.0</u>
Net assets		<u>1,815.0</u>	<u>1,795.0</u>
Capital and reserves			
Called up share capital	13	582.3	582.3
Share premium account	14	1,157.2	1,157.2
Profit and loss account	14	<u>75.5</u>	<u>55.5</u>
Shareholders' funds		<u>1,815.0</u>	<u>1,795.0</u>

The notes on pages 13 to 21 form part of these Financial Statements.

These Financial Statements were approved and authorised for issue by the Board of Directors on the date shown below and were signed on its behalf by:



S J R Macleod
 Director

Sep 5, 2023

Registered number: 01712661

Notes to the Financial Statements

1. Authorisation of financial statements and compliance with FRS 101

The financial statements of Alstom (Litchurch) Limited (the "Company") for the 15 months ended 31 March 2023 were authorised and issued by the Board of Directors as indicated on page 12.

Alstom (Litchurch) UK Limited is incorporated and domiciled in England and Wales. The company is privately held limited by shares.

These Financial Statements are presented in Euros and all values are rounded to the nearest €m, except where otherwise stated. The Financial Statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company has taken advantage of the exemption provided by FRS 101, from the requirement to provide a cash flow statement.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's Financial Statements.

2.1 Basis of preparation

The Company prepares its accounts in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The Financial Statements have been prepared under the historical cost convention, in accordance with applicable International Financial Reporting Standards.

FRS 101 requires that the Statement of Profit or Loss and Other Comprehensive Income and Balance Sheet are presented in the format requirements of the Companies Act 2006, rather than the requirements of International Accounting Standard (IAS) 1 - Presentation of Financial Statements.

The Company has taken advantage of the exemption from the requirement to prepare group accounts by virtue of Section 401 of the Companies Act 2006, as the Company is a wholly owned subsidiary. These Financial Statements therefore present information about Alstom (Litchurch) Ltd as an individual undertaking and not about its Group.

A summary of the disclosure exemptions adopted under FRS 101 are presented below. Equivalent disclosures for share-based payments and financial instruments are included in the group consolidated Financial Statements allowing the exemptions to be applied.

Area	Disclosure exemption
Cash flow statements	Complete exemption from preparing a cash flow statement
Financial instrument disclosures	Exemption from the disclosure requirements of IFRS 7 (Financial Instruments) and related IFRS 13 disclosures
Comparative information	Disclosures in respect of management's objectives, policies and processes for managing capital (IAS1, 134 to 136) Exemption from comparative for movements on share capital, tangibles, intangibles and investment property
Related party disclosures	Exemption from the disclosure requirements of IAS 24 paragraph 17
Presentation of financial statements	the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are discussed in the Strategic Report, and these factors have been considered when preparing the financial projections of the Company.

The Financial Statements of Alstom (Litchurch) Limited have been prepared on a going concern basis, which assumes the Company will continue in operational existence for the foreseeable future.

The balance sheet at 31 March 2023 shows net assets of 1,815.0m EUR. This represents an increase over the year ended 31 December 2021 which had net assets of 1,795.0m EUR. The cash balance at the period end was 62.1m EUR.

The financial projections to 30 September 2024 show that the Company does not have any financial commitments or cash outflows in respect of third parties. The timing of settlement of inter-group balances is within the Group's control, and such balances would only be settled to the extent that sufficient cash resources were available at that time. The only anticipated transactions are those relating to interest receivable and payable in respect of group balances, and the Company is therefore anticipated to be both profitable and cash positive.

2.2 International Financial Reporting Standards Issued prior to their mandatory effective date.

In terms of FRS 101, the company is exempt from disclosures regarding the impact of accounting standards issued but not yet effective.

2.3 Judgements and key sources of estimating uncertainty

The preparation of Financial Statements requires management to make judgement, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The principal judgement impacting the company for the period was management's assessment of the carrying value of investments. However, there were no indicators of impairment during the period.

2.4 Significant accounting policies

Income recognition

Interest receivable, which arises on inter-group receivable balances accrues using the effective interest method. Income from dividends is recognised when the Company's right to receive payment is established.

Investments

Investments are stated at cost less any provision for impairment. In accordance with International Accounting Standard 36, the Directors consider the carrying value of investments for impairment. Any reductions in value arising from the impairment of investments are charged to the Statement of Profit or Loss and Other Comprehensive Income. When the Directors consider that an impairment of an investment has been reversed this is credited to the Statement of Profit or Loss and Other Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value. The Company deposits its cash and cash equivalents with the ALSTOM Group's treasury function on overnight deposit. The amounts deposited are pursuant to intercompany loan arrangements. While the Group has the power to control decisions of subsidiaries of which it is the majority owner, its subsidiaries are distinct legal entities and their payment of dividends and granting of loans, advances and other payments to the Group may be subject to legal or contractual restrictions, be contingent upon their earnings or be subject to business or other constraints. As such, the Directors consider that the amounts deposited under such intercompany loan arrangements should be included within 'cash and cash equivalents'.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

Deferred taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

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

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

Deferred taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which temporary differences reverse, based on taxation rates and laws enacted or substantively enacted at the Balance Sheet date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available for sale. Such assets are carried at amortised cost using the effective interest method if the time value of the money is significant. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial liabilities

Financial liabilities are recognised when the Company becomes party to the contracts that give rise to them and are classified as financial liabilities at fair value through profit or loss.

Forward currency contracts and hedging

The Company uses forward currency contracts to hedge its risks associated with foreign currency fluctuations. These are initially recognised at fair value on the date on which a contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The criteria for forward foreign currency contracts are:

- The instrument must be related to a firm foreign currency commitment;
- It must involve the same currency as the hedged item; and
- It must reduce the risk of foreign currency exchange movements on the Company's operations.

The Group's treasury function takes out foreign currency contracts on behalf of ALSTOM operating companies to manage these risks.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the statement of profit or loss. The treatment of gains and losses arising from revaluing derivatives designated as hedging instruments depends on the nature of the hedging relationship, as follows:

Fair value hedges

For fair value hedges, the carrying amount of the hedged item is adjusted for gains and losses attributable to the risk being hedged; the derivative is re-measured at fair value and gains and losses from both are taken to profit and loss. For hedged items carried at amortised cost, the adjustment is amortised through the statement of profit or loss such that it is fully amortised by maturity. When an unrecognised firm commitment is designated as a hedged item, this gives rise to an asset or liability in the balance sheet, representing the cumulative change in the fair value of the firm commitment attributable to the hedged risk.

The Company discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting, or the Company revokes the designation.

Cash flow hedges

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred to the statement of profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs. Where the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If a forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity until the forecast transaction occurs and are transferred to the statement of profit or loss or to the initial carrying amount of a non-financial asset or liability as above.

3. Changes in accounting policies

There have been no changes in accounting policies impacting the Company in the current financial period.

4. Operating Profit

Auditors' remuneration has been borne by a Group company, ALSTOM Engineering and Services Ltd.

5. Dividends received

Dividend income of £6.1m was received during the period (2021: Nil).

Notes to the Financial Statements (continued)

6. Interest receivable

	2023	2021
	€'m	€'m
Interest receivable from Group undertakings	<u>23.7</u>	<u>12.6</u>
	<u>23.7</u>	<u>12.6</u>

7. Interest payable and similar charges

	2023	2021
	€'m	€'m
Foreign exchange losses	<u>-</u>	<u>(5.9)</u>
	<u>-</u>	<u>(5.9)</u>

8. Staff costs and Directors' emoluments

a) Staff costs

There are no employees of the Company and therefore employee costs are not disclosed.

b) Directors' emoluments

The Directors of the Company are also Directors or officers of a number of the companies within the Alstom Group. The Directors' services to the Company do not occupy a significant amount of their time. As such the Directors do not consider that they have received any remuneration for their incidental services to the Company for the current period or prior year.

Notes to the Financial Statements (continued)

9. Taxation on profit

a) Analysis of taxation charge

	2023 €'m	2021 €'m
Current tax charge (note 9(b))	<u>4.5</u>	<u>1.3</u>
	<u>4.5</u>	<u>1.3</u>

b) Reconciliation of the total tax charge

The tax charge in the statement of profit or loss and other comprehensive income is lower than the standard rate of corporation tax in the UK of 19% (2021: 19%). The tax charge is reconciled as follows:

Profit before tax	<u>24.5</u>	<u>5.8</u>
Profit multiplied by standard rate of corporation taxation in the UK of 19.00% (2021: 19.00%)	4.7	1.1
Non-taxable dividend income	(1.2)	-
Impairment of investments	<u>1.0</u>	<u>0.2</u>
Total tax charge for the period/year (Note 9(a))	<u>4.5</u>	<u>1.3</u>

c) Factors that may affect future tax charges

The company has UK tax losses of 33.9m EUR (2021: 35.5m EUR), which are available indefinitely for offset against future capital gains. No deferred tax asset has been recognised in respect of these losses due to uncertainty over the quantum and timing of future capital gains.

10. Investments

	Investments in subsidiary undertakings €'m	Investments in associate undertakings €'m	Total €'m
Cost			
At 1 January 2022	7.2	0.3	7.5
Disposals	(7.1)	-	(7.1)
At 31 March 2023	<u>0.1</u>	<u>0.3</u>	<u>0.4</u>
Depreciation			
At 1 January 2022	2.1	-	2.1
Charge for the period	5.0	0.3	5.3
Disposals	(7.1)	-	(7.1)
At 31 March 2023	<u>-</u>	<u>0.3</u>	<u>0.3</u>
Net book value			
At 31 December 2021	<u>5.1</u>	<u>0.3</u>	<u>5.4</u>
At 31 March 2023	<u>0.1</u>	<u>-</u>	<u>0.1</u>

Alstom (Litchurch) Limited (formerly Bombardier Transportation (Holdings) UK Limited)

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Notes to the Financial Statements (continued)

10. Investments (continued)

Name of Company	Country of registration	Proportion of voting rights and shares held	Nature of Business
Held directly by the Company:			
Bombardier Saudi Arabia Limited ^^	Saudi Arabia	49% Ordinary	Construction of track works
South Eastern Train Maintenance Limited^	England	40% Ordinary	Dormant

^ 60% of this investment is held by ALSTOM Engineering and Services Limited

^^ 51% of this investment is held by ALSTOM Engineering and Services Limited

The disposals shown above are in relation to the dissolution of the Company's non-trading subsidiary, SETML Transportation Limited during the period.

11. Debtors: amounts due within one year

	2023	2021
	€'m	€'m
Amounts owed by Group undertakings	1,758.6	1,802.5
Forward currency contract assets	0.1	0.7
	<u>1,758.7</u>	<u>1,803.2</u>

12. Creditors: amounts falling due within one year

	2023	2021
	€'m	€'m
Amounts owed to Group undertakings	1.3	65.7
Group relief payable	4.5	5.7
Forward currency contract liabilities	0.1	0.5
	<u>5.9</u>	<u>71.9</u>

Notes to the Financial Statements (continued)

13. Share capital

	2023 €'m	2021 €'m
Authorised, allotted, called up and fully paid:		
382,440,110 (2021: 382,440,110)		
Ordinary shares of £1 each	453.4	453.4
108,508,073 (2021: 108,508,073)		
Redeemable ordinary shares of £1 each	128.9	128.9
	582.3	582.3

The redeemable shares shall be redeemed on the following terms:

- i) the Company may redeem the redeemable ordinary shares at any time following a minimum of three months' notice period to the holders of the redeemable ordinary shares;
- ii) upon the redemption date, the holders of the redeemable ordinary shares shall deliver the certificates for the shares to the Company's registered office, in exchange for the amount due to said holders;
- iii) the amount redeemable on each share shall be the amount paid, including any premium; and
- iv) the receipt, by the holders of the redeemable ordinary shares, of the amount payable on redemption shall constitute an absolute discharge to the Company in respect of such redemption.

14. Reserves

	Share capital €m	Share premium account €m	Retained earnings €m	Total €m
At 1 January 2021	582.3	1,157.2	51.0	1,790.5
<i>Profit for the year</i>	-	-	4.5	4.5
At 1 January 2022	582.3	1,157.2	55.5	1,795.0
<i>Profit for the period</i>	-	-	20.0	20.0
At 31 March 2023	582.3	1,157.2	75.5	1,815.0

15. Dividends

No dividends were declared and paid during the period (2021: nil).

16. Post balance sheet events

There are no events occurring since the balance sheet date that are required to be disclosed.

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Notes to the Financial Statements (continued)

17. Parent company

The Company's immediate parent companies are Alstom Transportation Germany GmbH and Alstom Holdings SA. The Company's immediate controlling party is Alstom Transportation Germany GmbH, which is incorporated in Germany.

The company's ultimate parent undertaking and ultimate controlling party is ALSTOM SA, a company incorporated in France and which is both the smallest and the largest group of undertakings for which group accounts are drawn up and of which the Company is a member. Its address is 48, rue Albert Dhalenne, 93842 Saint-Ouen, France.