
Secretariat memorandum

Author : Sharon Malley

Agenda item: 12

LTW411

Drafted: 17.07.12

Annual accounts 2011/12

1 Purpose of report

1.1 To receive at Annex A the audited financial statements for the year ended 31 March 2012 and the Annual Review.

2 Recommendation

2.1 This report is for information only.

3 Equalities and inclusion implications

3.1 There are no equalities or inclusion implications arising from this report.

4 Legal powers

4.1 Section 251 of the Greater London Authority Act 1999 places a duty upon London TravelWatch to prepare a statement of accounts for the financial year on the basis directed by the London Assembly.

5 Financial implications

5.1 This report is wholly concerned with the financial status of the organisation. However, there are no additional financial implications arising from the report.

LONDON TRAVELWATCH

The operating name of London Transport Users Committee

AUDITED FINANCIAL STATEMENTS

◆Year ended 31 March 2012◆



INFORMATION

Chair Sharon Grant

Chief Executive Janet Cooke

Deputy Chair David Leibling

Board Members
David Barry
Terry Bennett
Gail Engert
Sophia Lambert

Office Address
6 Middle Street
London EC1A 7JA

Dexter House
2 Royal Mint Court
London EC3N 4QN
(From July 2012)

Auditors Moore Stephens LLP

150 Aldersgate Street
London EC1 4AB

Bankers The Royal Bank of Scotland PLC
St. Paul's Branch
9-13 Paternoster Row
London EC4M 7EH

REPORT OF THE BOARD

The Board and Chief Executive present their report and audited financial statements for the year ended 31 March 2012.

Statutory background

London Transport Users Committee was established as a body corporate on 3 July 2000 under provisions in the Greater London Authority Act 1999 (Commencement No 4 and Adaptation) Order 2000. Under Clause 4 of the London Transport Users Committee (Transitional Provisions) Order 2000 all property, rights and liabilities of London Regional Passengers Committee (LRPC) were transferred to London Transport Users Committee (LTUC). Clause 5 of the same Order provided for a continuity of functions between LRPC and LTUC, hence the new Committee inherited the full range of activities of LRPC, together with such additional functions as are set out in the relevant provisions of the Greater London Authority Act 1999 as amended by the Transport Act 2000. On 20 October 2005 the Committee adopted the title London TravelWatch as its operating name. From 1 January 2007 London TravelWatch has operated as a Board and its principal subsidiary bodies, legally Sub-Committees under the Greater London Authority Act 1999, have been established as Committees.

Principal activity

London TravelWatch's function is to represent the interests of the users of transport services provided by, or on behalf of Transport for London, together with the users of Heathrow Express, and within defined geographical boundaries, the national rail network and Eurostar. It fulfils this responsibility by:

- (i) Acting as the appeals body for complaints from, or on behalf of transport users, that have not been dealt with to the complainants' satisfaction by the service provider.
- (ii) Responding to consultation exercises by the service providers, by regulatory bodies, by central and local government and by others on matters to do with services within its remit in particular and transport policy in general.
- (iii) Undertaking pro-active research into transport needs in its area.
- (iv) Actively promoting the benefits to the wider community of public transport.

Finance

London TravelWatch is financed by grants from the Greater London Authority as approved by the London Assembly. The Grant-in-aid is primarily of a revenue nature, but occasionally may contain an element relating to capital expenditure, and is credited to the income and expenditure account in the year in which it is received. London TravelWatch is paid by Passenger Focus (the operating name of the Rail Passengers Council) for consultancy work done on its behalf.

Creditors / suppliers payments policy

London TravelWatch has a policy of settling all valid bills according to terms agreed with individual suppliers. In practice, this can vary between 14 and 30 days following the invoice date, although every effort is made to ensure earlier payment where this is possible. There were no claims for interest payment – under the terms of the Late Payment of Commercial Debts (interest) Act 1998 in this financial year. At least 99% of the suppliers' invoices not in dispute were paid within 30 days of receipt.

Fixed assets

Details of the movements in the tangible fixed assets are set out in note 11 to the financial statements.

Staff matters

During the year the London TravelWatch implemented a major staffing restructure. Through a combination of voluntary redundancy and recruitment freeze it reduced its staffing establishment from 23 in March 2011 to 15.5 at the end of March 2012. Moving forward, the effects of this, combined with the savings that will accrue from moving to smaller offices in July 2012, mean that London TravelWatch will have reduced its operating budget by a third since 2010.

London TravelWatch met the full costs of the restructure from its reserves and the savings on salaries budget. The total cost was £314,159, as detailed in notes 5, 6 and 9.

The GLA assisted by amending its grant payment profile so that London TravelWatch was able to meet the redundancy costs in the early part of the year to realise maximum savings.

Pay

On 1 April 2006 London TravelWatch introduced a banded pay structure for its staff based on the revised structure implemented by the Greater London Authority in 2005.

This was continued during the year.

Training and development

As part of the performance management system, training needs are identified and training plans established by line managers for their staff. Individual training is then provided to enhance skills and performance. During the year, particular attention was paid to assisting staff who were leaving to enhance their skills before re-entering the jobs market, as well as equipping those taking on new responsibilities with the knowledge they need and providing a comprehensive induction for new staff.

Equal opportunities and disability

All employees have equal opportunities for employment and advancement solely on basis of ability, qualifications and relevant skills and experience for the work. It is the formal and written policy of London TravelWatch that there shall be no discrimination on any grounds, including gender, racial or national origin, religious beliefs, sexuality, age, disability, marriage/civil partnership, pregnancy or gender realignment..

Statement of London TravelWatch's and the Chief Executive's responsibilities

Under section 251 of the Greater London Authority Act 1999, London TravelWatch is required to prepare a statement of accounts for the financial year on the basis directed by the Assembly. The accounts are prepared on an accruals basis and must show a true and fair view of London TravelWatch's state of affairs at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing the accounts London TravelWatch is required to:

- Observe the Accounts Direction issued by the Assembly, including the relevant accounting and disclosure requirements, and apply suitable policies on a consistent basis. The Accounts direction is shown as an appendix to the accounts;
- Make judgements and estimates on a reasonable basis;
- State whether applicable UK Accounting Standards have been followed and are in accordance with Parts 1 to 3 of Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations issued under the Companies Act 2006, which replaced Schedule 4, Parts I to III of the Companies Act 1985, and explain any material departures in the financial statements.

London TravelWatch has designated its Chief Executive as the Accounting Officer. Her relevant responsibilities as the Accounting Officer, including her responsibility for the propriety and regularity of public finances and for the keeping of proper records, are set out in the London Transport Users Committee (Transitional Provisions) Order 2000.

Corporate governance: statement of the Accounting Officer on the system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that the effective system of internal financial control is maintained and operated by London TravelWatch.

The system of internal financial control can provide only reasonable not absolute assurance that the assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected within a timely period.

During the year we commissioned Mark Merrill to undertake a review of our financial policies and procedures and to recommend changes to streamline procedures whilst still maintaining the level of control necessary for an organisation of our size. These changes were approved by our Governance Committee in December 2011.

The system of financial control is based on administrative procedures including the segregation of duties. In particular this includes:

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the London Assembly;
- Procedures to review and agree budgets; and
- The preparation of regular financial reports, which includes actual expenditure against forecasts.

In addition, the internal financial control is exercised by a requirement for all payments over £1,000 to be signed by two authorised signatories, and all expenditure is covered by invoice, signed certificate or utilities bill and / or receipt, direct debit mandate or standing order instruction.

28/06/2012

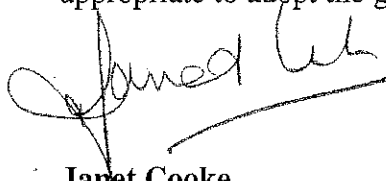
I consider these measures in addition to simple arithmetic checks of invoices, adequate for the size of the organisation. In my view, the effectiveness of the system of internal financial control is informed by our own management checks, and comments made by the external auditors in their management letters and other reports.

Risk Statement

London TravelWatch has a robust system for assessing and managing risk and ensuring business continuity. Both have been the subject of internal audit by the GLA in recent years and given a 'substantial assurance' rating. The minor items identified for attention have been addressed.

Going Concern

On the basis of London TravelWatch's budget and Business Plan for the next financial year, to 31 March 2014, prepared in accordance with the directions from the Greater London Assembly, the Chief Executive has reasonable expectation that London TravelWatch will continue in operational existence in the foreseeable future and accordingly considers that it is appropriate to adopt the going concern basis in preparing accounts.



Janet Cooke
Chief Executive
London TravelWatch
26 June 2012

Independent Auditor's Report to the London Assembly

We have audited the financial statements of London Travel Watch for the year ended 31 March 2012 which are set out on pages 8 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the London Assembly, as a body, in accordance with the Accounts Directions given by the London Assembly and attached on page 19. Our audit work has been undertaken so that we might state to the London Assembly 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 London TravelWatch and the London Assembly as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of London TravelWatch and auditor

As explained more fully in the statement of London TravelWatch's and the Chief Executive's Responsibilities Statement set out on pages 3 to 5, London TravelWatch are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the London TravelWatch's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of London TravelWatch's affairs as at 31 March 2012 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Accounts Direction issued by the London Assembly.

28/06/2012

Independent Auditor's Report to the London Assembly (continued)

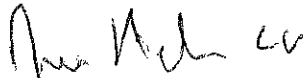
Opinion on other matter prescribed by the Accounts Direction issued by the London Assembly

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Accounts Directions issued by the London Assembly 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 board members' remuneration and transactions with London TravelWatch are not made; or
- we have not received all the information and explanations we require for our audit.



Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

28 June 2012

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2012

	Note	2012	2011
		£	£
Income			
Greater London Authority grant received and other income	2	1,456,181	1,629,088
Expenditure			
Chair's costs	3	25,545	25,269
Board's Representative on Passenger Focus	4	18,180	18,180
Employee costs – pay	5	1,091,621	1,025,571
Employee costs - non pay	6	32,567	30,445
Board Members' costs	7	28,179	46,472
Accommodation costs	8	240,622	212,012
Supplies and Services	9	138,875	168,348
Depreciation of tangible fixed assets	11	52,471	38,540
		1,628,060	1,564,837
Operating(Deficit)/Surplus		(171,879)	64,251
Interest receivable	10	84	63
(Deficit/)/Surplus for the financial year		(171,795)	64,314
Retained surplus brought forward		191,579	127,265
Retained surplus carried forward	14	19,784	191,579

London TravelWatch had no recognised gains or losses in the year ended 31 March 2012 other than those noted above and all operations are continuing.

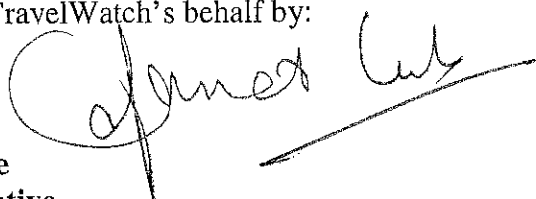
The accounting policies and notes on pages 11 to 18 form part of these financial statements.

BALANCE SHEET
at 31 March 2012

	Note	2012 £	2011 £
Fixed Assets			
Tangible assets	11	<u>68,561</u>	<u>121,032</u>
Current Assets			
Debtors	12	50,218	55,984
Cash at bank and in hand		49,927	89,100
		100,145	145,084
Creditors: amounts falling due within one year	13	(148,922)	(36,365)
Net Current (Liabilities)/Assets		<u>(48,777)</u>	<u>108,719</u>
Total Assets less current liabilities		<u>19,784</u>	<u>229,751</u>
Creditors: amounts falling due after one year (Deferred Income)	13	-	(38,172)
Net assets		<u>19,784</u>	<u>191,579</u>
Financed by:			
General reserve	14	19,784	191,579
		<u>19,784</u>	<u>191,579</u>

The accounting policies and notes on pages 11 to 18 form part of these financial statements.

The financial statements were approved by the Chief Executive on 26 June 2012 and signed on London TravelWatch's behalf by:



Janet Cooke
Chief Executive
London TravelWatch
 26 June 2012

CASH FLOW STATEMENT
for the year ended 31 March 2012

	2012	2011
	£	£
Operating (Deficit)/Surplus	(171,879)	64,251
Depreciation of tangible fixed assets	52,471	38,540
Decrease in debtors	5,766	165
Increase/(Decrease) in creditors	74,385	(37,854)
Net (Outflow)/inflow from operating activities	(39,257)	65,102
Return on investment and servicing of finance		
Interest received	84	63
Capital expenditure and financial investment		
Purchases of tangible fixed assets	0	0
(Decrease)/Increase in cash	(39,173)	65,165

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012

1. ACCOUNTING CONVENTION**Basis of Accounting**

These financial statements have been produced in accordance with the Accounts Direction given by the Assembly (Section 251 of the Greater London Act 1999 which is reproduced as an appendix to these accounts) and without limiting the information given meet the disclosure requirements of the Companies Act 2006 as detailed in the statement of responsibilities on page 4. The principal accounting policies are set out below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts have been prepared under the historical cost convention.

GLA Grants receivable

During the period covered by the accounts, London TravelWatch was funded primarily by grant-in-aid from the Greater London Authority under the provisions of the Act. This was accounted for on a receivable basis and credited to the income and expenditure account. London TravelWatch also received income from the Rail Passengers Council (now known as Passenger Focus) for consultancy work done by London TravelWatch's Safety and Policy advisor in respect of Rail Safety issues.

Fixed assets

Expenditure on tangible fixed assets is capitalised for each item, the cost of which exceeds £5,000 or in case of minor computer hardware, group of assets. Items falling below this value are charged as an expense to the income and expenditure account.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its useful life, as follows:

- Short-term leasehold improvements Duration of lease (10 years from 2002)
- Telephone equipment 5 years
- Computer equipment 3 years

Value Added Tax

London TravelWatch is not VAT registered.

Pensions

Retirement Benefits / pension costs have been accounted for under FRS 17. Certain additional disclosures are given as required by FRS 17 (Note 15).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012 £	2011 £
2 Income		
Grants received from the Greater London Authority	1,443,000	1,603,000
Passenger Focus	12,890	26,088
Miscellaneous income	291	-
	<u>1,456,181</u>	<u>1,629,088</u>

Income received from Passenger Focus was in respect of consultancy work done by London TravelWatch's Safety and Policy advisor on rail safety issues.

3 Chair's Costs

Chair's Salary, National Insurance & Pension Contributions	25,005	25,038
Chair's Travel & Subsistence costs	540	231
Chair's Conference & Seminar costs	-	-
	<u>25,545</u>	<u>25,269</u>

The Chair received no benefits in kind and no annual bonus. No incentive schemes were in operation. The Chair is an office holder appointed by the London Assembly.

4 Pay of London TravelWatch's Representative on Passenger Focus including National Insurance Contributions	18,180	18,180
	<u>18,180</u>	<u>18,180</u>

The Railway Act 2005 requires London TravelWatch to pay the salary of the Board Member of London TravelWatch appointed by the London Assembly to serve on the Board of Passenger Focus.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012	2011
	£	£
5 Employee Costs – pay		
Staff salaries	651,228	795,490
Compensation to staff on cessation of employment due to reorganisation	263,252	-
National Insurance Contributions	51,880	63,314
ASLC (Accruing Superannuation Liability Charge)	125,261	157,470
Temporary Agency Staff	-	9,297
	1,091,621	1,025,571

The average number of persons employed by London TravelWatch this year, not including Board Members of London TravelWatch, was 20.6 (17.1 fte) working in the following teams:

	No.	No.
Senior Management	3.5	4.0
Research, policy development and consultation responses (previously included committee)	3.9	7.0
Casework and Public Liaison	6.4	8.0
Corporate management, stakeholder engagement, communications and committee	4.2	3.0
Financial control, personnel and premises management	2.6	3.0
	20.6	25.0
	(17.1 fte)	(22.2 fte)

At 31 March 2012 the staffing establishment was 15.5 fte.

The number of employees who received remuneration in the following bands were

£40,000 to 50,000	-	-
£50,000 to 60,000	3	3
£60,000 to 70,000	-	-
£70,000 to 80,000	1	1

6 Employee Costs – non pay

	£	£
Staff Transport Costs	950	1,343
Staff Subsistence Costs	69	97
Recruitment Costs	10,464	3,068
Training & Development (Includes £10,683 reorganisation costs)	13,433	12,211
Payroll Charges	6,299	7,196
Investors in People	-	2,674
Occupational Health	1,352	3,856
	32,567	30,445

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012	2011
	£	£
7 Board Members' Costs		
Members' salaries & National Insurance contributions	27,655	44,792
Travel and Subsistence	524	1,680
Conference fees	-	-
	28,179	46,472

No Board members received remuneration above £40,000 in the 12 months to 31 March 2012 nor in the previous year.

8 Accommodation costs

Rent and Service Charge	116,812	141,002
Premises Repair and Maintenance	55,023	3,844
Non Domestic Rates	40,902	37,989
Cleaning Charges	10,609	11,409
Electricity Charges	8,209	9,922
Health & Safety	4,123	3,663
Premises Insurance	2,854	2,600
Equipment Repair and Maintenance	2,025	1,542
Equipment Hire/Purchase and Furniture Purchase	65	41
	240,622	212,012

Rent and Service charge reflect the true effective rental for which the current offices have been occupied irrespective of the agreed rent- free period. The "spreading forward" accounting treatment has been applied to the future period over which the benefit is recognised (UITF 28).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012	2011
	£	£
9 Supplies and Services		
Legal and Professional (Includes £40,224 reorganisation costs)	41,200	43,420
IT Software and Consumables	19,500	27,656
Research and Inquiry/Publication costs	11,736	29,603
External Audit fees	11,400	11,400
Communications, Publication and Information, Internet and electronic publication	10,950	8,377
Postage, Telephone and Fax	10,904	11,877
Insurance	9,466	9,411
Annual Report Costs	7,632	6,500
Photocopier Hire and Document Reproduction	6,116	10,791
Books, Periodicals, Stationery and Office Supplies	5,763	5,033
Meetings' costs	2,668	3,502
Bank Charges	1,540	778
Total	138,875	168,348

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012	2011
	£	£
10 Interest Receivable		
Received during the year	84	63
	<u>84</u>	<u>63</u>

Interest receivable represents interest on short-term deposits on the Business High Interest Account.

11 Fixed Assets

	Short-term lease Improvements	Telephone Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 April 2011	67,492	16,154	263,408	347,054
Additions during the year	-	-	-	-
Disposals during the year	-	-	-	-
At 31 March 2012	<u>67,492</u>	<u>16,154</u>	<u>263,408</u>	<u>347,054</u>
Depreciation				
At 1 April 2011	38,258	15,752	172,012	226,022
Charged during the year	21,261	402	30,808	52,471
Disposals during the year	-	-	-	-
At 31 March 2012	<u>59,519</u>	<u>16,154</u>	<u>202,820</u>	<u>278,493</u>
Net book value				
At 31 March 2012	<u>7,973</u>	-	60,588	68,561
At 31 March 2011	<u>29,234</u>	402	91,396	121,032

The short-term lease improvement depreciation includes an impairment charge of £16,761 following the decision, made in the year, to exercise the lease break clause in August 2012.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

	2012	2011
	£	£
12 Debtors - amounts falling due within one year		
Other debtors	4,058	5,766
Prepayments and accrued income	46,160	50,218
	<u>50,218</u>	<u>55,984</u>

Included within 'Other debtors' are season ticket loans made to staff as follows:

Outstanding at 1 April 2011	5,766	6,374
Made during the year	5,401	12,588
Repaid during the year	(7,109)	(13,196)
Outstanding at 31 March 2012	<u>4,058</u>	<u>5,766</u>

13 Creditors: amounts falling due within one year

Creditors	63,432	10,299
Accruals and deferred income	85,490	26,066
	<u>148,922</u>	<u>36,365</u>

Creditors: amounts falling due after one year

Deferred income	-	<u>38,172</u>
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14 Reserves

	General Reserve	Total
	£	£
At 1 April 2011	191,579	191,579
(Deficit) for the year	(171,795)	(171,795)
At 31 March 2012	<u>19,784</u>	<u>19,784</u>

NOTES TO THE FINANCIAL STATEMENTS

31 March 2012 (cont'd)

15 Pensions**Principal Civil Service Pension Scheme**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The Scheme is an unfunded multi-employer defined benefit scheme but London TravelWatch is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details are available in the resource accounts of the Cabinet Office Civil Superannuation (www.civilservice.gov.uk/my-civilservice/pensions).

For 2011-12, employers' contributions of £128,683 were payable to the PCSPS (2010-11 £156,947) at one of four rates in the range 16.7 to 24.3 per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2011-12 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Partnership Pension Account

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution.

Employers' contributions of £Nil (2010-11 £3,821) were paid to one or more of the panel of three appointed stakeholders' pension providers.

Employer contributions are age-related and range from 3% to 12.5% of pensionable pay.

Employers also match employee contributions up to 3% of pensionable pay.

ACCOUNTS DIRECTION GIVEN BY THE ASSEMBLY

The Assembly, in exercise of their powers under section 251 of the Greater London Authority Act 1999, hereby make the following Directions:

1. The statements of accounts which is the duty of the Committee (London TravelWatch) to prepare in respect of their financial year ended 31 March 2001 and in each of the subsequent years shall comprise:
 - 1.1 an explanatory introduction
 - 1.2 a statement of accounting policies adopted, drawing attention to any changes in policy which have a significant effect on the results shown by the statement of account;
 - 1.3 a statement of income and expenditure;
 - 1.4 a balance sheet;
 - 1.5 a cash flow statement
 - 1.6 a summarised statement of capital expenditure, showing the sources of finance of the total capital expenditure in the period;
 - 1.7 notes to the accounts which include the information referred to in paragraph 1.6.
2. Proper practice shall mean in accordance with schedule 4, Parts I to III, of the Companies Act 1985, in order that a true and fair view of the Committee's (London TravelWatch's) financial status at the end of the accounting year and its income and expenditure for that year shall be given.
3. Capital shall mean expenditure of £5,000 or more on the acquisition, creation or enhancement of an asset, with a useful life of more than one year, which will be used on a continuous basis in the Committee's (London TravelWatch's) activities.
4. Notes required by paragraph 1.7 above shall include the number of employees and Board Members in the year to which the accounts relate whose remuneration fell in brackets of a scale in multiples of £10,000 starting with £40,000.