

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Presented to Parliament pursuant to paragraph 13(3) of Schedule 31 to the Local Government,
Planning and Land Act 1980.

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Contents

General Information	2
Introduction	3
Annual Report	9
Management Commentary	18
Statement of the Board's and Accounting Officer's Responsibilities	23
Statement on Internal Control	24
Remuneration Report	30
Auditor's Report	34
Financial Statements	37
Accounts Direction	74

General Information

Board

William McKee (Chair)
William Samuel (Deputy Chair)
Sunny Crouch
Martin Leigh-Pollitt
Christopher Paveley
Grahame Thomas
Garry Hague
John Kent
Valerie Liddiard (to end December 2009)
Richard Reynolds
Deep Sagar
Benjamin Stoneham

Chief Executive and Accounting Officer

Niall Lindsay

Principal Office

Thurrock Thames Gateway Development Corporation
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RM19 1NX

External Auditor

The Comptroller and Auditor General

Introduction

The future of the Corporation is still under consideration by the Secretary of State for Communities and Local Government, thus this report may be one of the last produced by the Corporation in its existing form. Accordingly, before I deal with 2009/10 I consider it important to set out the Corporation's key achievements in the three and half years from when it became operational in October 2005 until the end of 2008/09:

Establishing a Policy Framework

The Corporation has:

- approved its Regeneration Framework and Spatial Plan for Thurrock providing a clear land use policy framework to guide and influence the regeneration and development of the borough;
- approved Master Plans for Purfleet, Grays Town Centre, Lakeside and West Thurrock, Aveley & South Ockendon and East Thurrock;
- drafted and consulted on Master Plans for South East Thurrock, (Tilbury, Chadwell St Mary, East Tilbury, Linford), and North Grays (open land to North and East of Grays town);
- completed Development Briefs for three areas of Grays Town Centre (North, South and Riverside) and prepared development briefs for Purfleet Town Centre and West Thurrock Riverside;
- completed and approved the preparation of an Economic Development Strategy and Implementation Plan for Thurrock focusing on indigenous growth, sector diversification and inward investment. The strategy builds on the Corporation's land use policy framework directing interventions to secure jobs and business growth within the Corporation's five economic hubs;
- commissioned and co-funded the development of a Sports and Active Recreation Facilities Strategy and Implementation Plan to inform key decisions on the future provision of sports and active recreation facilities across the borough.

Project Delivery

The Corporation has:

- established a partnership with the Royal Opera House, Thurrock Council, the Arts Council England East and the East of England Development Agency to bring the Royal Opera House production facility and its costume archive to Purfleet. As part of this project partners are also working with the Sector Skills Council for Creative and Cultural Skills to secure for Purfleet the development of a National Skills Academy for the performing arts and live music sectors. This is a £60 million public sector led project and will become a Gateway exemplar of arts and culture led regeneration;
- awarded grant funding in excess of £4 million in support of transport and social infrastructure projects including the development of a new roundabout at Stonehouse Corner in Purfleet, a major extension to Thurrock's cycle network and a cyber café together with improved classroom facilities at the Thurrock Adult Community College;

Introduction

- in partnership with the learning and skills sector commissioned and co-funded the preparation of a comprehensive Post 14, FE/HE, Community Education and Workforce Development Strategy which is now being used to inform key decisions on the future provision of Thurrock's learning services and the location of important new learning infrastructure. The Corporation with its partners proposes to develop a new Learning Campus in Grays Town Centre and has incorporated land use proposals for the new facility within the emerging Grays Town Centre Master Plan and Southern Quarter Development Brief. To build capacity for the new learning campus a temporary facility has been constructed in Grays Town Centre. The Corporation granted £228,000 towards the new Centre of Vocational Excellence in IT at the new facility, which opened in January 2009 and has already attracted over 100 students;
- established the Corporation's Community Development Fund for small scale voluntary and community sector projects to develop stronger links and relationships with local communities whilst the Corporation's major projects are being assembled. To end of 2008/09 the Corporation has distributed £588,000 to over 100 groups since its creation. The recipients are involved in a many kinds of activity that will help to further the achievement of the Development Corporation's regeneration goals. The beneficiaries are all local and the grants have supported sports and leisure activities, community premises improvements, health and welfare pursuits and environmental heritage projects. Over £1 million of additional funding has been brought to projects as a direct or indirect result of the Community Fund;
- The Corporation granted over £1.8 million to help develop the RSPB Nature Reserve on the Rainham Marshes and also helped fund the award-winning RSPB Visitor Centre;
- The Corporation awarded £292,000 to the Corringham Fire Station Community Safety Centre housing advanced youth and fire break activities, including the highly successful Firebreak scheme where fire fighters act as community role models and mentors to support young people who have "lost their way" in life;
- The Corporation awarded a total of £990,000 (£250,000 disbursed in 2008/09) to Thurrock Council towards the West Thurrock Civic Amenity Site, which provides new recycling and re-use facilities in the Borough.

Strategic Land Acquisition

The Corporation has:

- the Corporation had by end of 2008/09 acquired 87.6 acres of land and at that stage had a further 124.6 acres under negotiation on which it needs to start its planned programme of strategic interventions. In addition, the Corporation has under option through either option agreements, joint venture agreements or equitable interests a further 279.6 acres in its control. The land acquisition effort is of particular importance as the Corporation was established without any land asset base and sufficient additional funding or the ability to raise it on the market must be provided in the near future to enable this work to continue;

Introduction

- as part of its Purfleet Centre initiative the Corporation had acquired 37.8 acres of land in Botany Way Quarry in Purfleet and a further 21.1 acres on Purfleet waterfront in order to deliver against the land use and regeneration objectives of its Purfleet Master Plan and evolving Purfleet Centre Development Brief. This initiative will create a new residential and mixed use centre for Purfleet and will secure the provision of new social infrastructure including: a new three form entry primary school; health and social care facilities; new and improved public open space; and improvements to the local transport network. On completion this initiative will provide around 3,000 new homes and over 1,000 jobs;
- acquired land at Tilbury that will assist the Corporation in its ambition to relocate some commercial and industrial activity away from planned and established residential communities in Thurrock;
- secured the last and most important major riverside site (23 acres) for housing and commercial development on the western fringe of Grays Town Centre in partnership with the East of England Development Agency and Family Mosaic Housing Association. A planning application is in process and the redevelopment of this site will provide circa 1,200 new homes and establish a new community on the West Thurrock Thames Riverside;
- acquired land and initiated compulsory purchase proceedings to assemble a strategic site at Hogg Lane South in order to accommodate a New Generation Community Hospital. Located in close proximity to the town centre and its transport interchange this important new public infrastructure will provide a fully integrated 21st Century health and social care facility for the residents of Thurrock.

Turning now to 2009/10 and building on the good progress made to date, I am pleased to report that against a backdrop of a lengthy recession the Corporation has continued its strong record of delivery against its strategic goals in the year 2009/10. During the year, amongst many other activities, we:

- secured funding commitments from the Learning Skills Council (LSC) and Homes and Communities Agency (HCA) in support of the National Skills Academy for Creative and Cultural Skills, an important part of the Production Park development;
- acquired a further 25.7 acres of land enabling us to bring forward new sites for housing and commercial development;
- secured land and buildings in South Grays to facilitate the development of the proposed Thurrock Learning Campus;
- promoted and secured Secretary of State approval for the implementation of compulsory purchase powers to assemble land in North Grays to accommodate a New Generation Community Hospital;
- refurbished the former Grays Post Office providing a new Learning Shop and Business Centre providing information, advice and guidance on training, skills and learning opportunities and providing business support and micro incubation space;
- established an Inward Investment Service for Thurrock;
- launched the Next Top Boss skills project for young people in Thurrock;
- set up a pilot business database, in partnership with Thurrock Council;
- published the East Thurrock Master Plan (April 2009) and the South East Thurrock Master Plan (November 2009) as well as the Purfleet Centre Development Framework (September 2009). The North Grays Master Plan was approved by the Board in March 2010. A published version will be available by June 2010;
- completed work on a development framework for the West Thurrock Riverside;
- completed work on the North Grays Detailed Design Brief;

Introduction

- commenced the Tilbury Marshes and Riverfront Development Brief;
- prepared the development platform (Ground Works) for the ROH Production Park and commenced work on the refurbishment of the Listed Farm Buildings and Walled Garden – a ground breaking development for the Creative and Cultural Industries in Thurrock and the UK;
- secured Secretary of State approval to procure a development partner to deliver a new “heart” for Purfleet creating a new centre with new homes, jobs, shops and a primary school.

Foundation for Change

These are significant achievements which lay the foundation for real change in Thurrock in three important ways.

First, by proactively acquiring land and negotiating with landowners, relocating and remediating where needed, we have begun to reshape Thurrock from a fragmented and incongruent pattern of conflicting land uses in which poor quality residential housing sits alongside industrial sites, to a coherent landscape, where sustainable communities are linked together by green spaces that the public can use and enjoy. For example our transformational place making plans for Purfleet are now moving from concept to real action on the ground with the construction of the ROH fabrication facility and the refurbishment of the Listed Farm Buildings and Walled Garden. Linked with our detailed plans for a new Purfleet Centre, the ROH Production Park and ongoing developments at RSPB Rainham Marshes ensure Purfleet’s growth and regeneration is now on a positive and sustainable trajectory.

Second, the Development Corporation has approved a planning policy framework to guide growth and regeneration and to inform, and provide, confidence to investors. This policy framework includes a series of Master Plans and more detailed design and viability work through a selection of Development and Design Briefs. To date, the Development Corporation has approved Master Plans for Purfleet, Aveley and South Ockendon, Lakeside and West Thurrock, Grays town centre, South East Thurrock, East Thurrock and North Grays. All Master Plans have been subject to at least two stages of public consultation.

Third, with the plans complete and the land assembled, we have begun to deliver perhaps the most challenging phase of Thurrock’s growth and regeneration – the delivery of homes; growing existing businesses and attracting new sectors to the area. The Royal Opera House Production Park in Purfleet is an early example of our approach: by bringing in a major brand (the ROH) we have been able to establish a creative and cultural hub that will provide the catalyst for growth in this sector across Thurrock. Over time, we expect to draw more creative and cultural businesses to Thurrock, making it a natural home for one of the UK’s fast growing sectors. We are already looking at similar approaches in other sectors, such as environmental technologies and will complement this with work to develop the skills we need among Thurrock’s young people.

Introduction

We recognise the impact that the current credit crunch and economic recession is having and will continue to have for some time on both Thurrock's development and the Thurrock community in general. We see our role in this changed economic climate as being proactive with public resources in the face of the economic difficulties affecting the whole of the UK:

- taking advantage of lower land values to acquire sites that will bring much needed development;
- bringing together housing associations and developers to get development moving again;
- using public resources to kick start work where we can;
- continuing to plan for the upturn through our development plans.

Our role will be crucial in this situation to get projects moving which would otherwise be abandoned, to position ourselves well for the upturn when it comes (through skills training and readily available land) and to encourage that upturn to come quicker in Thurrock than it would without the Corporation. While we face substantial challenges - not least the economic climate and the need to marry environmental, economic, transportation and other social goals – we see our role as taking action to ensure the delivery of major projects, working with different Government departments to ensure a positive outcome. Our ability to work in a creative and practical way with the private sector as well as public sector partners has been vital to our success so far and will continue, crucially so during a time of recession, to be the central plank of our approach in the future. Looking ahead, our focus will be to continue the delivery of the Master Plans in our five key areas:

Looking Ahead

Lakeside/ West Thurrock – This will deliver a considerable number of new job opportunities and is increasingly important given the delay in bringing forward a new deep-water port at London Gateway. The Development Corporation has recognised the importance of Lakeside, the sense of place that it creates and has identified strong opportunities for transformational change. In bringing forward regeneration, the Development Corporation challenged the draft East of England Regional Spatial Strategy and assisted in securing its formal amendment, to include provision for an additional 50,000m² net of comparison retail floorspace. This could provide up to 6,500 new jobs and improved leisure facilities.

Grays – Our next step is to secure the development of the New Generation Community Hospital in partnership with the South West Essex PCT and to secure the development of the Thurrock Learning Campus in partnership with South Essex College, Thurrock Council and other key partners. Beyond that, plans for a revitalised town centre and river front will ensure that the town is transformed into a vibrant, lively and economically sustainable place, firmly establishing the town's role as Thurrock's municipal centre.

Purfleet – Following the Secretary of State's go-ahead, we are procuring a private sector partner to help us to create a proper 'heart' to the community, with a new centre including a primary school and health facility together with significant new housing and employment to support major Gateway initiatives particularly the London Gateway Port and Lakeside. Meanwhile, work continues on the £60m state-of-the-art Royal Opera House Production Park, which we believe will become a national centre of excellence for the creative and cultural industries.

South East Thurrock – We plan to improve the housing mix, regenerate the town centre and provide better access to the river and secure the future growth of the Port of Tilbury. The Port

Introduction

of Tilbury is integral to the town and is forecast to expand in the future. The Port is an important logistics base and entry point for London and the South East including supplying materials to the Olympic Park site in Stratford.

East Thurrock – A £1.5bn world-class container port and logistics park is being provided in East Thurrock. We are working with the owner, DP World, to maximise the benefits for Thurrock's businesses and residents.

Driving quality development ahead in this market has not been easy and will continue to be a challenge next year. Funding constraints, both in the public and private sectors, present an additional hurdle for plans which must already seek to address environmental and social needs while achieving economic targets. However, we firmly believe that our planned and measured approach, which focuses our effort on a select number of key transformational projects that have multiple benefits for the local community and beyond, will continue to yield results.

I would like to thank our dedicated staff, board members and partners, whose hard work made this year's progress possible.



William McKee C.B.E.
Chair
Thurrock Thames Gateway Development Corporation
8TH July 2010

Annual Report

1. Statutory Background

The Thurrock Thames Gateway Development Corporation was established by Statutory Instrument (2003 No. 2896) on the 29 October 2003 pursuant to the provisions of sections 134 and 135 of, and Schedule 26 to, the Local Government, Planning and Land Act 1980 to bring about the regeneration of Thurrock. The Thurrock Development Corporation (Area and Constitution) Order also determined the Corporation's operational boundary as being coterminous with that of Thurrock Council and the broad composition of the Corporation's Board (thirteen members including Chair and Deputy Chair).

The statutory objectives and powers of the Corporation are set out in section 136 of the Local Government, Planning and Land Act 1980. The Corporation's broad statutory objective is to secure the regeneration of its area, by:

- bringing land and buildings into effective use;
- encouraging the development of existing and new industry and commerce;
- creating an attractive environment; and
- ensuring that housing and social facilities are available to encourage people to live and work in the area.

For the purpose of achieving the regeneration of its area, the Corporation may:

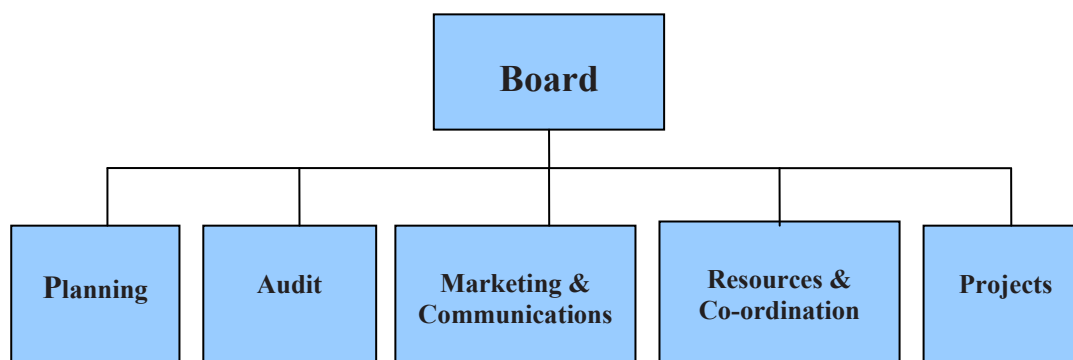
- acquire, hold, manage, reclaim and dispose of land and other property;
- carry out building and other operations;
- seek to ensure the provision of water, electricity, gas, sewerage and other services;
- carry on any business or undertaking for the purposes of regenerating its area; and
- generally do anything necessary or expedient for this purpose, or for purposes incidental to those purposes.

Within the founding legislation, the then First Secretary of State defined the overall objective of the Thurrock Thames Gateway Development Corporation:

“To promote and deliver the sustainable regeneration and growth of Thurrock, within the context of the national policy set out in the Sustainable Communities Plan, the plans for the wider Thames Gateway sub-region, and for the eastern region as a whole”

Annual Report

2. The Board



The Board of the Thurrock Thames Gateway Development Corporation is made up of 13 members (including Chair and Deputy Chair). All members were selected through a competitive process supervised by the Office of the Commissioner for Public Appointments (OCPA) and appointed by the Secretary of State. At the end of March 2010 there were two Board positions unfilled. Four out of the 13 board member positions are reserved for elected members from Thurrock Borough Council. Board members are collectively responsible for the conduct of all business undertaken by the Corporation. Consequently, in addition to the statutory powers and duties of the Corporation, members have both fiduciary duties and general duties of skill and care. This means that they are not only responsible for the Board's strategic direction and policies but also for ensuring that it is properly and effectively managed. In particular, members are responsible for the stewardship of the public funds entrusted to the Board. The Board meets on a six-weekly cycle. The Board has created a number of committees to manage its key functional areas. With the exception of the Planning Committee, which meets four-weekly, and the Audit Committee, which meets quarterly, the committees meet on the same six-weekly cycle as the Board. The committees and their membership during 2009/10 are set out below:

Committee Memberships	Planning	Audit	Marketing & Communications	Resources & Co-ordination	Projects
William McKee (Chair of Board)	■	■	■	■	■
William Samuel (Deputy Chair of Board)	Chair			■	
Sunny Crouch	■		Chair	■	
Martin Leigh-Pollitt				Chair	■
Christopher Paveley	■			■	Chair
Grahame Thomas	■	Chair	■		
Garry Hague			■	■	■
John Kent		■	■		■
Valerie Liddiard (to end December 2009)			■		■
Richard Reynolds	■	■			■
Deep Sagar	■	■			
Ben Stoneham	■	■			

Annual Report

3. Vision and Strategic Goals

Vision

“To secure the comprehensive and sustainable housing, economic and social growth of Thurrock, through the structured development and regeneration of the borough for the benefit of new and existing communities and for visitors to the area.”

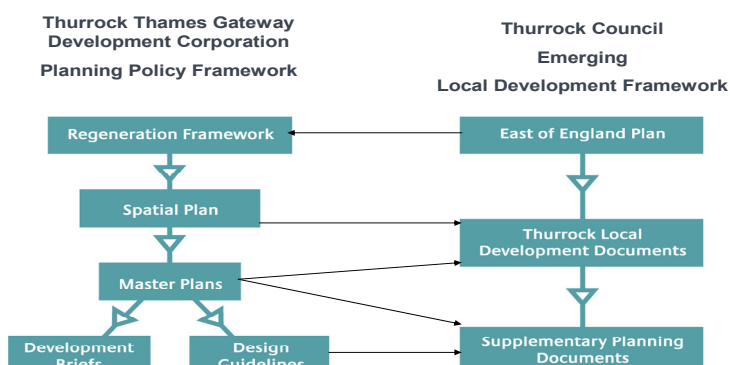
Strategic Goals

The Corporation has developed nine Strategic Goals, which have been established to guide the organisation’s strategic direction and to inform its investment decisions. These are:

1. Contribute to the provision of sufficient capacity to meet strategic growth targets including 26,000 new jobs and 18,500 new homes in a sustainable way by 2021;
2. Increase participation and attainment in lifelong education and skills development;
3. Create a wide range of jobs with a future;
4. Increase the choice and quality of housing provision for everyone;
5. Provide modern community infrastructure and service delivery;
6. Enhance the quality and use of valuable green space;
7. Increase opportunities for entertainment, leisure and culture;
8. Ensure that all parts of Thurrock are accessible to, from and within the borough; and
9. Ensure that development and regeneration take place in an environmentally sensitive way.

4. Planning Policy Framework

The Corporation continues to work closely with Thurrock Council in order to ensure that its Planning Policy Framework is in alignment with the local authority’s emerging Local Development Framework and associated Local Development Documents. This policy alignment is depicted in the graphic below:



Annual Report

5. Review of Progress on Principal Activities in 2009/10

During the year we made important progress in our key areas of activity: completing strategic and detailed plans, assembling land, beginning the construction and delivery of projects and providing grants or other incentives for regeneration.

5.1 Planning

- Published the East Thurrock Master Plan (April 2009) and the South East Thurrock Master Plan (November 2009);
- Completed two phases of public consultation on the North Grays Master Plan, which was approved by the Board in March 2010 and will be published in June 2010;
- Published the Arisdale Design Brief.

The Development Corporation has now approved seven Master Plans. It is not anticipated that any further Master Plans will be prepared. A series of more detailed Development and Design Briefs have been approved, with more expected to follow in 2010.

5.2 Planning Applications

During 2009/10 the Development Corporation determined 51 planning applications, of which 40 were categorised as “major” developments. In addition to these, it has determined 13 Listed Building consents, all in less than 8 weeks.

The Development Corporation has “approved” or “resolved to approve” planning applications which will result in 1,613 new homes and approximately 1,450 new jobs.

The Development Corporation has worked closely with developers to ensure that almost 70% of determined applications have been approved. Since receiving its planning powers in October 2005 it has maintained 100% success at planning appeals.

Developer Contributions

During 2009/10 the Development Corporation received approximately £680,000 in developer contributions. In addition, a total of £9.3 million is awaiting release once certain conditions are met.

5.3 Land Acquisition

Acquiring land is vital to our success as we were established without any land asset base to deliver the growth and regeneration agenda required by central government. We acquired a further 25.7 acres of land in 2009/10, bringing our total land ownership to over 115 acres. In addition, the Corporation has secured under option and/or through creating a special purpose vehicle a further 92 acres taking this category of land interest to over 116 acres.

Key land acquisitions in 2009/10 include:

- the acquisition of Marston House, a 90 unit medium rise hostel in Grays town centre, occupying 0.70 acres on land identified for the Thurrock Learning Campus;

Annual Report

- the acquisition of approximately 9 acres of brownfield and commercial land plus other interests in Purfleet in support of the Corporation's plans for a new Purfleet Centre;
- the acquisition of about 4.7 acres of land in West Thurrock in support of residential development in line with the Lakeside and West Thurrock Master Plan and South Stifford Framework for Change;
- the acquisition of about 2.4 acres of land in Purfleet in support of business growth and relocation;
- we have promoted and secured Secretary of State approval for the use of our compulsory purchase powers to assemble land at Hogg Lane South to accommodate the New Generation Community Hospital and to secure replacement premises for existing occupiers.

In the financial year 2010/11 we will continue to acquire land for the major projects as set out in the organisation's Corporate Plan.

5.4 General Development Approach

We are developing new partnerships with the private sector which use our capital (and other public assets) to encourage a higher level of private sector investment. The first of these partnerships in Purfleet will enable us to create a new centre for Purfleet as well as bring additional jobs and houses.

In this difficult market it is very important that we come up with imaginative ways of ensuring that we engage developers effectively, particularly in the challenging housing market. We are working with house builders and housing associations to achieve this in order to bring forward our developable housing sites.

We continue to work with Thurrock Council, South West Essex Primary Care Trust, South Essex College and other key stakeholders on plans to transform Thurrock's health and social care facilities and to improve opportunities for learning and skills development across the borough. The Community Hospital, temporary Learning Campus facility, the Learning Shop and the National Skills Academy for Creative and Cultural Skills provide examples of our approach and dedication to delivery.

5.5 Construction and Project Delivery

Our work focuses on delivering transformational projects in the five key hubs set out in our Corporate Plan. Highlights of work this year and priorities in the immediate future are:

Annual Report

5.5.1 Grays

The Corporation has secured a strategically important site (Marston House) occupying land which will accommodate the Thurrock Learning Campus. The site is adjacent to the temporary Campus facility secured by the Corporation and its partners last year. The assembly of the site strengthens the Corporation's position and that of its partners with respect to the delivery of the permanent Campus facility. Subject to a Campus Design Appraisal and other work to inform the range of services to be provided, the development is expected to provide capacity for circa 3,000 students and 500 professional, support and administrative staff.

When fully operational the Campus will have a significant and enduring impact on the economic growth and regeneration of Grays town centre. The Campus will also have a positive impact on the economic fortunes of the borough, matching skills to the needs of Thurrock's indigenous businesses and to those sectors the Corporation and its partners are seeking to attract to the area (as defined within the Corporation's Economic Development Strategy and Implementation Plan).

Complementing the Corporation's aspirations for the Campus the Corporation has refurbished the former post office in Grays town centre which (through the Thurrock Learning Shop) now provides valuable access to information, advice and guidance on learning, training and skills development. Part of the refurbished former post office will also be used to provide business support and accommodation for new micro businesses.

Working alongside the NHS South West Essex PCT the Corporation continues its work to assemble land at Hogg Lane South to accommodate a New Generation Community Hospital. The Corporation has already acquired land from Defence Estates (Grays Territorial Army Centre) and has reached agreement with other land owners with respect to their relocation to alternative premises. In February 2010 the Secretary of State approved the use of the Corporation's compulsory purchase powers to secure the assembly of the site.

5.5.2 Lakeside and West Thurrock

In December 2004 the East of England Regional Assembly (EERA) published its policy recommendations for the East of England Plan. Under the recommendations for Lakeside EERA proposed that there should be no further retail development inside the Lakeside Basin. The Development Corporation could not support this recommendation as Lakeside is an important economic driver for the area with the potential to secure approximately £700m of private sector investment and to deliver approximately 6,500 new jobs. After extensive work by the Corporation, the Secretary of State announced in May 2008 a Single Issue Review in respect of the Lakeside Basin and directed that EERA produce a revised policy and framework to guide redevelopment of the Lakeside Basin.

The Single Issue Review was subject to an Examination in Public in 2009, with the Secretary of State publishing his decision in early 2010 which led to a formal amendment of the East of England Regional Spatial Strategy, which now provides policy support for an additional 50,000m² net of comparison retail floorspace. There is also greater scope for increased leisure facilities within the Lakeside Basin which, combined, could create up to 6,500 new jobs.

Policy support for the proposals by Thurrock Council to the Government Office for the East of England and the Development Corporation is critical to avoid delays. Without this support, we will risk reducing investor confidence, hindering inward investment and the creation of job opportunities.

Annual Report

The Corporation has secured land in South Stifford for residential development in line with the South Stifford Framework for Change. This development framework promotes a balanced neighbourhood of residential/mixed use development in South Stifford, creating a new local centre, improving access to the river front and identifying capacity for circa 2,000 new homes.

5.5.3 Purfleet

As described elsewhere we have made substantial progress in the delivery of the Royal Opera House Production Park. The Corporation has successfully managed the assembly of the site, and substantially completed the ground and infrastructure works, providing the building platform for the Royal Opera House Fabrication Facility, SME Units, Costume Archive, Artists Studios and the National Skills Academy. The Royal Opera House commenced development of their building at the beginning of March 2010 and are expected to take occupation of the facility in November this year.

In November 2009, the Secretary of State for Communities and Local Government gave the go-ahead for the Corporation to embark on the procurement of a private sector partner to work with the Corporation to comprehensively develop the centre of Purfleet. This will involve completing the acquisition of in excess of 40 sites totalling about 100 acres inside Botany Way, west of the railway station and along the Thames river front in Purfleet. Once acquired, the Corporation will be able to begin development in the area and implement the Purfleet Centre Development Framework to deliver 3,500 new homes and 1,100 new jobs through this public/private development partnership. It is anticipated that a private sector partner will be on board before the end of 2010.

5.5.4 Aveley and South Ockendon

We have prepared and submitted an outline planning application for 85,000 sqm of commercial development on land at Ponds Farm (South East of Aveley) adjacent to the A13.

5.6 Grant Funding

The Corporation's Community Fund had another successful year, fully committing its budget of £240,000 by 31st March 2010. Applications were received for 71 projects of which 54 were supported. The total value of grants applied for was £461,213. The Community Team with the support of the Grants Panel endeavour to lever in additional funding by supporting applications from community and voluntary groups to other funding organisations, building capacity within the community to successfully apply for and secure grant funding. A total of £663,059 matched funding was secured against projects funded by the Corporation, giving a 'leverage' of 1:2.8.

Annual Report

The Community Fund has assisted a wide range of projects including a youth engagement day at Coalhouse Fort attended by over 500 with many young people enjoying interactive heritage activities. The *Theatre Is* production 'Slam Night' at the local theatre involved singing, dancing and high quality performances from young people across the Borough. The Fund also provided IT equipment for the Society for Artist with Disabilities, an anthology of poems for the Writers' Circle, decorative security and fencing at the Belmont Road Allotment Association and a history pamphlet for the Bata Reminiscence Society. Sporting activities were not overlooked with grants to the Pegasus and Corringham Cricket Clubs, children's coaching at the local tennis club, referee's training for the Comets Youth Football club, and a grant to the social enterprise, Impulse Leisure for portable dance mats. We had a focus this year on Purfleet and funded an archivist and the car park renovation at the Heritage Centre and music recording equipment for the Purfleet Performing Arts group. The latter performed at the Purfleet Open Day in June that also celebrated the Corporation's engagement and lead on the opening of the new Mardyke Bridge and Sun Arch public art.

6. Economic and Business Development and Marketing

A thriving and sustainable economy is vital for Thurrock's future. Understanding the needs of business is a key plank of our regeneration approach. During the year we have developed our relationships with the major businesses in Thurrock, with the focus on launching two key projects.

Next Top Boss is a skills and brand building project targeting 1,000 young people in Thurrock. We have engaged over 20 major local organisations in a challenge competition that will prepare young people for work, developing their skills and confidence. The project has secured significant benefits from the private sector including a range of jobs, placements and work experience opportunities for winners.

Next Top Boss is successfully promoting Thurrock as a proactive vibrant place to do business and has won plaudits from the business community as a vehicle for uniting organisations and facilitating networking.

We also launched a new project to build a searchable database of key Thurrock businesses. Working with the Council and other stakeholders, we began a 3 month research project to map major businesses by sector and other criteria, including their customers and suppliers. The project fills a gap for quality information for Thurrock businesses and inward investors and has also been welcomed by the Council and the business community.

Skills is one of Thurrock's most important challenges. Across a range of areas, the Corporation continued to work with local agencies like Business Link and with local colleges and the Council to help build skills and develop people to meet the needs of Thurrock's economy, today and in the future.

7. Stakeholder Relationships

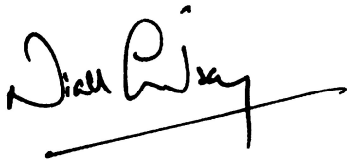
Close working relationships with our key stakeholders in Thurrock and the region is vital to deliver the regeneration effort. These include Thurrock Council, community groups, private and public partners as well as the various statutory agencies and government departments that have an interest in our work.

Annual Report

In particular, we need to build on past discussions with local people about our plans for the area. During 2009/10 we held a variety of community and stakeholder events including public exhibitions, development workshops and tailored seminars. In the coming year we are expanding our active programme of general communication.

We have worked with the Local Strategic Partnership (LSP) in the development and implementation of the Borough's Community Strategy and have fostered a good and productive working relationship with Thurrock Council, South Essex College, National Skills Academy (for Creative and Cultural Skills) East of England Development Agency, three higher education institutions, South West Essex Primary Care Trust and other key local, regional and national partners in the public, private and voluntary sectors. The Corporation is proud of its approach to partnership working and has demonstrated through action on the ground how structured partnerships can secure and deliver the growth and regeneration of Thurrock.

We value the co-operation of our partners highly, in taking forward our shared agenda for improving the physical, environmental, economic and social outlook for Thurrock and its people.

A handwritten signature in black ink, appearing to read 'Niall Lindsay', with a long horizontal stroke extending to the right from the bottom of the signature.

Niall Lindsay
Chief Executive
Thurrock Thames Gateway Development Corporation
8TH July 2010

Management Commentary

Overview

The Annual Accounts cover both the Corporation and the consolidated position of both the Corporation and the High House Production Park Ltd (HHPP) - the Group.

High House Production Park Ltd

High House Production Park Ltd (HHPP) is a wholly owned subsidiary set up by the Corporation. The Certificate of Incorporation is dated 28th August 2008. The company was registered at Companies House on 30th October 2008. The company forms the landholding entity for a project that will ultimately comprise a campus consisting of the Royal Opera House (ROH) Production Facility, a training/educational facility run by the National Skills Academy, a number of artists' studios and warehouse/office space for small and medium enterprises operating in fields related to the cultural sector. The Corporation is a short life entity, but it is envisaged that the HHPP will continue over the life of the campus.

Format of Accounts

The accounts on pages 37 - 73 have been prepared in a form notified by the Secretary of State with the consent of HM Treasury in accordance with the Local Government, Planning and Land Act 1980.

Background Information

As part of its broad delivery agenda for the Thames Gateway, the Government set out proposals in the Communities Plan (February 2003) to establish a development corporation in Thurrock, to oversee the regeneration and development of the borough. The Thurrock Development Corporation was established by Statutory Instrument (2003 No. 2896) on 29 October 2003.

Principal Activities of the Corporation

The Corporation is a non-departmental public body, which is sponsored by the Department for Communities and Local Government (CLG). The principal activities of the Corporation during the period from 1 April 2009 to 31 March 2010 are detailed under "Review of Principal Activities" within this Annual Report.

Changes in Non-current Assets

The movement in property, plant and equipment and intangible assets is shown in Notes 8 and 9 to the Annual Accounts.

Research and Development

During the period under review, the Corporation completed and approved the East Thurrock Master Plan (April 2009) and the South East Thurrock Master Plan (November 2009) as well as the Purfleet Centre Development Framework (September 2009). The North Grays Master Plan was approved by the Board in March 2010. A published version will be available by June 2010.

Management Commentary

Results

The net expenditure for the year to 31st March 2010 for the Corporation was £26,037,000 (2008/09 £23,604,000). Net expenditure for the Group for the same period was £22,879,000 (2008/09 £23,538,000). The net expenditure, after taking account of non-cash costs such as inventory impairment and depreciation, is not a loss but instead will be met in full by “grant-in-aid”. Gross expenditure by the Corporation for the year to 31st March 2010 totalled £27,768,000 (2008/09 £24,892,000). Gross expenditure for the Group for the same period was £26,907,000 (2008/09 £25,262,000).

Pension Scheme and Pension Liabilities

The Corporation offers membership of the Local Government Pension Scheme (LGPS) to all permanent and temporary staff. More information on pensions and pension liabilities can be found in the Remuneration Report and in Note 5 to the Accounts.

Resources Available

The Corporation is funded principally by grant-in-aid by CLG. A key strength of the Corporation is the professional skills of its workforce.

Review of Development of Business and Future Developments

The majority of work undertaken by the Corporation in 2009/10 related to the acquisition of land with the intention of development and subsequent resale. The Corporation’s forward work programme is detailed under “Future Developments” within the Corporation’s Annual Report.

Principal Risks and Uncertainties

The Corporation has reviewed, updated and approved its risk management policy in 2009/10 and adopted a new strategy to deal with the key risks it faces. The principal risks and uncertainties include the announcement in January 2010 that the Corporation is to transfer to HCA in April 2011 and the current position where this decision is being reconsidered by the Secretary of State for Communities and Local Government. This brings a risk of uncertainty of lack of clarity about how that will impact on the Corporation’s operations and the possibility that public sector funding levels are constrained and may be insufficient to support the Corporation’s regeneration programme.

In light of these risks and uncertainties over the future of the Corporation, this has led the Corporation to consider its continuing operations as a going concern. After making enquiries and discussing the situation with the sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2010-11. The Board and Executive are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. For these reasons, the Corporation continues to adopt the going concern basis in preparing the annual report and financial statements.

Management Commentary

Social and Community Issues

As part of the process of creating its strategic plan framework the Corporation has consulted extensively with stakeholders including the local community. Plans forming part of the strategic plan framework undergo a sustainability appraisal and strategic environmental assessment.

Charitable Donations

During the period under review, the Corporation did not make or receive any charitable donations.

Board Membership

Membership of the Corporation's Board is detailed under "General Information" on page 2 of the Corporation's Annual Report.

Board Member Responsibilities

The responsibilities of the Corporation's Board members are to:

- contribute to the direction of the Corporation to ensure that regeneration is achieved, while having regard to the need to ensure the highest standards of regularity, propriety and value for money in the use of public funds;
- contribute to the formulation of strategies and programmes to achieve regeneration;
- contribute to the direction of the Corporation in the production of the Corporate Plan strategy which will make economic and effective use of public funds;
- represent the Corporation in public, promote its interests and communicate its aims to CLG, Corporation staff and others;
- make full use of any property or commercial experience, special local knowledge or other relevant skills in reaching decisions;
- help to ensure the Corporation's activities conform to legislative requirements and bear in mind the collective responsibility of the Board for the conduct of Corporation business;
- help to ensure the Corporation achieves maximum value for money from its administrative expenditure; and
- avoid bringing discredit to the Corporation or its relations with Government.

Employer Responsibilities and Employee Relations

The Corporation aims to be a responsible employer and to this end has produced and distributes to all staff a guidance document (the Corporation's "Employee Handbook") modelled on the terms and conditions of employment of other non-departmental public bodies and CLG.

The Corporation is fully committed to a policy of equal opportunities in all respects of employment. The aim of the policy is to ensure that all job applicants and employees receive fair treatment regardless of their age, gender, sexual orientation, race, nationality, ethnic origin, colour, creed, disability, mental status, and trade union membership, religious or political beliefs.

Management Commentary

Payment Policies

The Corporation's policy is to pay a supplier within 10 working days of the submission date of a valid invoice unless the terms of contract stipulate otherwise. During the period under report the Corporation performed largely within its 10 working day policy. The Corporation did not incur any interest charges with respect to late payments against submitted invoices (as defined by the Payment of Commercial Debts (Interest) Act 1988).

Environmental Issues

The Corporation is committed to creating a sustainable and green environment in the Thurrock area both in the delivery of its front line services and within the administration of the Corporation itself. This approach is reflected in the Corporation's work on the Regeneration Framework, Spatial Plan and area Master Plans, each of which have been subject to a sustainability appraisal and a strategic environmental assessment.

Corporate Governance

The Corporation has a full set of key corporate policies in place, including a Governance Statement that accords closely with the conclusions of the Independent Commission for Good Governance in Public Services as well as the relevant guidance of the Cabinet Office, CLG and the Audit Commission. The Governance Statement is kept under review and amended from time to time by the Board as required. The Corporation has an annual internal audit programme, which is provided under a service contract by the internal audit division of CLG and carried out according to Government Internal Audit Standards. Progress on the internal audit programme is monitored regularly by the Audit Committee.

A Risk Management Strategy has been developed and approved. A corporate risk register is maintained and formally reviewed on a quarterly basis. In addition individual risk registers are maintained for all projects incurring significant expenditure.

Further details on the Corporation's Corporate Governance can be found on page 9 (Board and committee structure and role) and on pages 24 to 29 (Statement on Internal Control).

Key Performance Indicators

Key performance indicators have been established for indirect numbers of jobs created and indirect numbers of dwellings consented by planning permissions. The Development Corporation's published Corporate Plan for the period 2008/09 to 2010/11 identifies targets of 3,900 jobs delivered and 2,820 dwellings completed over the plan period. However, we are aware that in the current economic climate that the dwellings and employment creation targets will be challenging.

In 2009/2010 the Development Corporation has "approved" or "resolved to approve" planning applications which will result in 1,613 new homes and approximately 1,450 new jobs.

Management Commentary

Staff Sickness

The total number of sickness days taken by staff in 2009/10 totalled 224, an average of 5 days per member of staff (4.2 days in 2008/09). National comparisons undertaken by the CBI based on the calendar year 2009 show an average of 6.4 days across the all employment sectors breaking down into an average of 8.3 days in the public sector and 5.8 days in the private sector.

Personal Data Related Incidents

There were no personal data related incidents in 2009/10. Full details can be found within the Statement on Internal Control on pages 24 to 29.

Register of Interests

A Register of Interests is maintained by the Corporation which is open to the public and can be obtained from the Principal Office of Thurrock Thames Gateway Development Corporation.

Disclosure

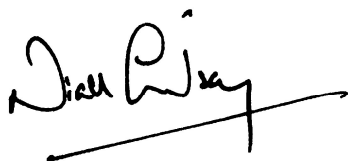
- a. So far as the Accounting Officer is aware, there is no relevant audit information of which the Corporation's auditors are unaware; and
- b. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Corporation's auditors are aware of that information.

Auditors

The Comptroller and Auditor General is the statutorily appointed auditor under the provisions of the Local Government, Planning and Land Act 1980 and the Government Resources and Accounts Act 2000.

The cost of work performed by the auditors in respect of the year ended 31 March 2010 is as follows:

Statutory Audit Fee	£23,500
Fee for grant certification	£5,000
Fee for IFRS transition audit	£3,000
Fee for HHPP Ltd	£5,750



**Signed by Accounting Officer
Niall Lindsay
Chief Executive
8th July 2010**



**and on behalf of the Board
William McKee
Chair
8th July 2010**

Statement of the Board's and Accounting Officer's Responsibilities

The Accounts were prepared on 31 March 2010 in accordance with the Accounts Direction provided by the Secretary of State. A copy of the Accounts Direction is provided on pages 74 to 78 of this document.

On 29 October 2004, Niall Lindsay was appointed as Chief Executive and the designated Accounting Officer. The relevant responsibilities of the Accounting Officer, including the responsibilities for the propriety and regularity of the public finances for which an Accounting Officer is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum.

The accounts were prepared on an accruals basis and show a true and fair view of the Corporation's state of affairs at the period-end and of its income and expenditure and cash flows for the financial period.

In drawing up these accounts the Board is required to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- prepare financial statements on a going concern basis, unless it is inappropriate to presume that the Corporation will continue in operation.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Corporation's assets, are set out in Managing Public Money published by HM Treasury.

Statement on Internal Control

1 Scope of responsibility

As Accounting Officer, and Chief Executive of the Corporation, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible in accordance with the responsibilities assigned to me in "Managing Public Money". The Accounting Officer of CLG has delegated to me the responsibility for management of the Corporation. I am accountable both to the Accounting Officer of CLG and, in my Accounting Officer role, directly to Parliament.

2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives; and
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Corporation for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The Corporation has agreed a risk management policy and strategy for identifying, mitigating and managing key risks. This includes a corporate risk register with assigned responsibilities and a process of risk assessment for all projects that the Corporation undertakes. All reports to the Board and its committees require consideration of risk and indicate whether an assessment of risk has been undertaken.

3 Capacity to handle risk

As Accounting Officer, I have ultimate responsibility for the risk management process. All projects involving significant expenditure include an individual project risk register. A template of this project risk register has been produced and all appropriate staff members have been trained and apprised of the requirement to complete this template which identifies the key risk headings that have to be considered. In addition a risk register covering the whole Corporation is maintained and updated regularly by an appropriately qualified risk manager. All reports to the Board and committees require a statement of confirmation that a proper risk assessment has been undertaken. All staff members are aware of this requirement. At Board level responsibility for the risk management process, on an ongoing basis, is included within the Terms of Reference of the Resources and Co-ordination Committee. The Corporate Risk Register is monitored by the Resources and Co-ordination Committee on a quarterly basis and annually reviewed each autumn. The outcome of the Committee's deliberations is reported to the following Board. In turn the risk management process is audited by the Audit Committee.

Statement on Internal Control

4 The risk and control framework

The risk management policy and strategy, including the way in which risk (or change in risk) is identified, evaluated and controlled, is reviewed and audited by the Audit Committee. This role is included in the Audit Committee's Terms of Reference and forms a key part of the assurance framework for the Corporation. Internal Audit (a service provided by CLG) undertakes an annual programme of audits that are determined on the degree of perceived risk. During 2009/10 all reports from these audits gave a marking of at least "substantial assurance" under the risk management category.

Internal Audit has produced an annual audit report and opinion for 2009/10 which is considered by the Audit Committee. This report provides the Head of Internal Audit's opinion on the adequacy and effectiveness of risk management, control and governance in the Corporation. The Head of Internal Audit's opinion is that the risk management, control and governance structures that have been put in place within the Corporation are adequate and effective. Where there were weaknesses, these required some moderate enhancements. The response by the Corporation to audit findings has been prompt, with the majority of recommendations being dealt with within a month of issue of the final audit report.

The risk and control framework which provides evidence to support this statement on internal control includes:

- preparation of monthly management accounts for examination by the Executive. This ensures the Corporation's finances are within acceptable parameters and identifies any areas of concern requiring attention;
- regular reporting of the Corporation's financial position to each meeting of the Resources and Co-ordination Committee and the Board;
- a Governance Statement including a Code of Conduct and a Statement of Roles and Responsibilities was first approved by the Board in November 2005 and is regularly reviewed (latest review December 2009);
- a Resources and Co-ordination Committee that regularly monitors and reviews the corporate risk register;
- an Audit Committee that reports annually on its work to the Board including its review of the risk management process as well as receiving the reports of the internal auditors and overseeing their implementation;
- an internal audit function (part of CLG) which sets its work programme based on an analysis of risks and which reports on its findings directly to the Audit Committee;
- a multi-disciplinary Project Review Group who review and assess all Corporation projects through each gateway stage to determine and manage risks and issues that may need addressing; and
- boards for all major projects and programmes that manage and monitor project and programme risks.

Statement on Internal Control

5 Other key risks and events that have been considered within the risk and control framework for 2009/10.

There are a number of other key risks and events that are relevant to the consideration of the Corporation's risk and control framework. These and how the Corporation has dealt with them (or where relevant proposes to deal with them) have been identified as follows:

- in January 2010 the then Secretary of State for CLG, following a quinquennial review of the Corporation, announced that from 1st April 2011 the Corporation would become part of the Homes and Communities Agency (HCA). The Corporation has been working since with the HCA and CLG to manage the transfer in an orderly and efficient manner as possible. The new coalition government has indicated it is to consider again this decision and the Corporation is looking at alternatives to both its current arrangements and those as part of the HCA to be in readiness for the outcome of this re-consideration of its future;
- a key risk arising from the decision to transfer the Corporation to the HCA is the effect on continuity of Board membership. Of the 13 Board Member posts, two are currently vacant, four more will come vacant after September 2010 and further one after December 2010 leaving less than half the posts filled in latter part of 2010/11. The main impact on the Corporation is the ability of its governance arrangements to function effectively - in a particular its statutory functions as a local planning authority. CLG is actively considering this issue to ensure proper continuity in the transition of the Corporation to the HCA;
- the Corporation maintains a system of risk registers in order to record and manage the risks it faces. These range from individual project risk registers to a corporate risk register that considers the key risks faced by the organisation. These key corporate risks have been identified and regularly reviewed by both the Audit and Resources & Co-ordination Committees. Mitigation measures have been put in place to reduce these key corporate risks and, where the risks are still identified as significant, actions have been identified to manage their impact. At the end of 2009/10 the key risks identified were: the transfer of the Corporation to the HCA and its impact on its work programmes, key stakeholders and staff (including the impact on its organisational capacity and capability); the lack of timeliness of CLG and HCA in approving the Corporation's project submissions; the inadequate and congested transport infrastructure within Thurrock; and the low skill levels together with the lack of further education opportunities;
- in May 2010 the new coalition government announced funding reductions within 2010/11 across government totalling £6.2 billion. The Corporation's share of the CLG allocation totals £850,000 or 12% of its revenue budget. This in-year reduction was largely met at the time the Corporation considered its 2009/10 budget prior to the start of the financial year by identifying £500,000 of savings. Of the remainder, £250,000 has been met by a reduction in the contingency held by CLG for planning appeals and £100,000 by further budget savings. The main impact is a slow down in the Corporation's programme to deliver its key projects. In the emergency budget on 22nd June 2010, the Chancellor of the Exchequer announced significant changes to public sector expenditure. When the impact of any additional funding reductions on the Corporation are clarified, a further review of the Corporation's budget will be undertaken as well as consideration of the implications for its forward work programme;

Statement on Internal Control

- at the end of 2009/10 the Corporation reviewed its policies and plans for business continuity, disaster recovery and crisis management. It now has a new set of each in place and undertook a desktop exercise in June 2010 to test the robustness of each. This proved successful with the lessons learned taken on board in the policies and plans. The Corporation proposes to test these further later in the year by simulating a real life denial of service scenario;
- as part of its response to government's requirements for effective IT security management the Corporation has been successful in obtaining ISO27001 certification. The Corporation is the first within the CLG family of organisations to achieve this accreditation and one of the first in central government.

6 Information Risk

It is a requirement to report information risk related incidents to the Information Commissioner's Office and the Corporation takes a serious approach to the way it handles the information that is generated and received by the organisation.

During the 2009/10, Internal Audit reviewed the Corporation's adequacy of information security and compliance with the Government's Mandatory Minimum Measures and concluded that substantial assurance could be seen in the progress and work undertaken and a submission was presented to CLG based on the Cabinet Offices' Security Policy Framework which denoted that 45 of the 54 applicable requirements on information security had been fully met.

Also during 2009/10 the Corporation pursued the international standard for an Information Security Management System, ISO27001, successfully passing its stage one audit and successfully undertook a comprehensive penetration test.

The tables below indicate the number of incidents relating to information risk management throughout 2009/10 including incidents surrounding protected personal data.

SUMMARY OF PROTECTED PERSONAL DATA RELATED INCIDENTS FORMALLY REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2009/10				
Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
N/A	N/A	N/A	N/A	N/A
Further action on information risk	<p>The Corporation will continue to monitor and assess its information risk, in light of the events noted above, in order to identify and address any weaknesses and ensure the continuous improvement of its systems.</p> <p>Planned objectives for the upcoming year include presenting a Security Policy Framework return to CLG, becoming ISO 27001 (Information Security Management Systems) certified and then setting an audit schedule to ensure the security schedule's continual improvement.</p>			

Statement on Internal Control

SUMMARY OF OTHER PROTECTED PERSONAL DATA RELATED INCIDENTS IN 2009/10		
<p>Incidents deemed by the Data Controller not to fall within the criteria for report to the Information Commissioner's Office but recorded centrally within the Corporation are set out in the table below. Small, localised incidents are not recorded centrally and are not cited in these figures.</p>		
Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	N/A
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises	N/A
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	N/A
IV	Unauthorised disclosure	N/A
V	Other	N/A

The Corporation is also required to report the number of protected personal data related incidents in the previous three years (2006/07, 2007/08 and 2008/09). The total number in this period was three.

Statement on Internal Control

7 Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the Executive managers within the Corporation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Resources & Co-ordination Committee (the Committee responsible for risk management) and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board has responsibility for the Corporation's strategic and financial policies and oversees the effective corporate governance of the Corporation.

The Resources & Co-ordination Committee is responsible for all financial aspects of the Corporation's business including risk management and it regularly monitors the financial performance of the Corporation.

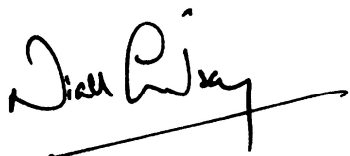
The Audit Committee reviews the Corporation's financial management arrangements including the corporate risk register.

The Head of Internal Audit of CLG provides me with an opinion on the overall arrangements for gaining assurance through the assurance framework and on the controls reviewed as part of the internal audit work. The Director of Resources who has responsibility for the development and maintenance of the system of internal control provides me with assurance that adequate controls are in place and are operating effectively.. The assurance framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by CLG and the National Audit Office (NAO).

I am satisfied that the system of internal control is operating effectively.

8 Significant control issues

There are no significant control issues to report on this occasion.



**Signed by the Accounting Officer
Niall Lindsay
Chief Executive
8th July 2010**

Remuneration Report

The remuneration of the Chair and Board is set by the Corporation's sponsor, CLG. The terms and conditions of employment of the Chief Executive Officer and Directors are determined by the Board and subject to the approval of the Secretary of State for Communities and Local Government.

In reaching its determination the Board has regard to the following considerations:

- the need to recruit, retain and motivate suitably qualified people to exercise their different responsibilities;
- the regional/local labour market and its effect on the recruitment and retention of staff;
- Government policies for improving public services including the requirement to meet output targets for the delivery of the Corporation's objectives; and
- the funds available to the Corporation as outlined by the sponsor's resource allocations.

Board appointments are for a fixed term (three years for the Chairman and from one to three for other members). Four members (one vacancy at end of March 2010) of the Board are Thurrock Councillors, two of whom serve on the Board as nominees of Thurrock Council and two of whom, the Leader of the Council and the Leader of the Opposition, serve as ex-officio members of the Board. All the other members are recruited independently through CLG which by means of interview assess candidates' suitability for the post following public advertisement in accordance with commonly accepted best practice in Corporate Governance. In addition Board members are appraised annually on their performance.

The Chief Executive and Directors are appointed on permanent contracts of employment. These contracts contain a performance element which is dependent upon the achievement of objectives set each year by the Chairman with advice, in the case of the Directors, from the Chief Executive.

Board members commit to devoting 3 days of their time per month with the exception of the Chair and Deputy Chair whose commitment is 2 days per week. Most Board members – and committee Chairs in particular – significantly exceeded this commitment during the year.

(Audited Information)

The following table shows the salaries of the members during the year under review. The Corporation paid benefits in kind to Board Members during the year in respect of their home to Gateway House journeys and for refreshments for Board and committee meetings. The total taxable benefit of these payments in 2009/10 amounted to £9,200 (£10,000 in 2008/09). No Board member received any performance pay, bonus or other allowance during the year.

Remuneration Report

Salary	2009-10	2008-09
	£	£
Members:		
WA McKee	48,897	48,897
WE Samuel	36,732	36,732
SJ Crouch	12,364	12,364
G Hague	12,364	12,364
TB Hipsey	-	12,364
JG Kent	12,364	12,364
MJ Leigh-Pollitt	12,364	12,364
VD Liddiard	9,273	12,364 ¹
CJ Paveley	12,364	12,364
R Reynolds	12,364	12,364
D Sagar	12,364	12,364
BR Stoneham	12,364	12,364
GE Thomas	12,364	12,364
TOTALS	206,178	221,633

¹ Members' salaries were £12,364 for the whole year (£12,364 2008/09). Where reduced amounts are shown the members concerned were not in post throughout the year and their salaries were earned pro-rata to this figure.

No member of the Board accrued pension benefits during the year except the Chairman. Employers' pension contributions of £7,383 were accrued during the year (2008-09: £7,383) and paid into a personal pension scheme in the name of the Chairman. Personal pension schemes are defined benefit-type schemes which do not accrue liabilities in respect of future benefits payable to scheme members.

Salaries of the directors are shown in the following table. 'Salary' includes gross salary and performance-related bonus earned during the year. No benefits in kind were paid or payable during the year.

The Directors' bonus scheme provides for the payment of up to 10% of salary subject to the achievement of set objectives identified at the start of the year.

The Directors' contracts of employment provide for 6 months' notice by both employer and employee. The terms of any compensation for early termination of employment are determined by the Local Government Pension Scheme (LGPS) and depend upon the age and length of service of the employee at the point of termination.

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Remuneration Report

Directors:		2009-10 Salary	2008-09 Salary
		£000s	£000s
Niall Lindsay	<i>Chief Executive Officer</i>	140-145	145-150
Sean O'Donnell	<i>Director of Resources</i>	120-125	135-140
Peter Bassett	<i>Director of Planning</i>	120-125	130-135
Tom Gardiner	<i>Director of Delivery</i>	115-120	130-135
Juliet Sychrava	<i>Director of Marketing</i>	110-115	15-20*

*Denotes part year. Juliet Sychrava joined the Corporation on 2nd February 2009.

The Directors are entitled to join the LGPS along with all other members of staff on temporary and permanent contracts of employment.

The LGPS is a funded "final salary" pension scheme, meaning that the scheme's liabilities are backed by investment assets. The Corporation and its employees pay contributions into the fund at rates intended to meet the growth in pension liabilities over the longer term. The scheme is subjected to an independent, triennial valuation conducted by the scheme's actuaries. The main features of the scheme are outlined in Note 5 to the accounts.

The following table shows the accrued pension entitlements, Cash Equivalent Transfer Values and related information in respect of each of the Directors as at 31 March 2010. The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The figures shown represent the values that would be paid by the LGPS should the member leave and choose to transfer his or her accrued benefits into another pension scheme. The figures include amounts accrued as a result of the individual's total membership of the scheme, not just their service in the capacity to which the disclosure applies.

	Niall Lindsay £000's	Peter Bassett £000's	Tom Gardiner £000's	Sean O'Donnell £000's	Juliet Sychrava £000's
Accrued pension as at 31 March 2010	10-15	45-50	35-40	50-55	0-5
Accrued related lump sum	15-20	120-125	95-100	140-145	-
Real increase in pension over the year	2.5-5	2.5-5	5-7.5	2.5-5	0-2.5
Real increase in related lump sum over the year	0-2.5	5-7.5	10-12.5	0-2.5	-
CETV at 31 March 2009	131	1,028	494	1,024	3
CETV at 31 March 2010	173	1,104	614	1,127	25
Real Increase in CETV	31	65	88	53	14

Remuneration Report

The real increase in pension and related lump sum figure represents the increase in the value of the pension over the year after taking into account the effect of inflation.

The real increase in the CETV figure represents the increase in the value of the CETV over the year after taking account of the effect of inflation, investment returns and contributions made by the member and by the employer.

The above figures for members' salaries, directors' salaries and directors' pensions have been audited.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and to the Board of Thurrock Thames Gateway Development Corporation

I certify that I have audited the financial statements of Thurrock Thames Gateway Development Corporation for the year ended 31 March 2010 under the Local Government, Planning and Land Act 1980. These comprise the Group and Parent Net Expenditure Account, Group and Parent Statements of Financial Position, the Group and Parent Statements of Cash Flow, the Group and Parent Statements of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to Thurrock Thames Gateway Development Corporation's and the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Thurrock Thames Gateway Development Corporation; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and to the Board of Thurrock Thames Gateway Development Corporation

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Thurrock Thames Gateway Development Corporation's and the group's affairs as at 31 March 2010 and of Thurrock Thames Gateway Development Corporation's and the group's net expenditure, parent and group changes in taxpayers' equity and parent and group cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Local Government, Planning and Land Act 1980; and
- the information given in the Introduction, Annual Report and the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

**The Certificate and Report of the Comptroller and Auditor General to
the Houses of Parliament and to the Board of Thurrock Thames
Gateway Development Corporation**

Report

I have audited the financial statements which are prepared on a going concern basis. The financial statements disclose that the future status of the Corporation is under review by the Secretary of State for Communities and Local Government. Notwithstanding this announcement, I am content that the basis of preparation remains appropriate and that the evidence available to me at the date of this report does not indicate that there is a material uncertainty which may cast doubt upon the Corporation's ability to continue as a going concern.

*Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP*

Group Net Expenditure Account

for the year ended 31 March 2010

		GROUP 2009-10	TTGDC 2009-10	GROUP 2008-09
	Notes	£000	£000	£000
Expenditure				
Staff costs	4	3,231	3,180	2,873
Non cash items	6	454	454	398
Other expenditure	6	23,222	24,134	21,992
Total expenditure		26,907	27,768	25,263
Income				
Other operating income	7	4,212	1,915	1,709
Net expenditure for the period		(22,695)	(25,853)	(23,554)
Notional cost of capital		-	-	(1,942)
Interest receivable		4	4	152
Net expenditure after cost of capital charge and interest		(22,691)	(25,849)	(25,344)
Taxation		(188)	(188)	(136)
Deficit on ordinary activities after tax		(22,879)	(26,037)	(25,480)
Reversal of notional cost of capital		-	-	1,942
Net expenditure for the period		(22,879)	(26,037)	(23,538)

The notes on pages 46 to 73 form part of these accounts

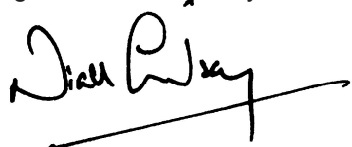
Group Statement of Financial Position

as at 31 March

		31 March 2010	31 March 2009	1 April 2008
	Notes	£000	£000	£000
Non-current assets:				
Property, plant and equipment	8	7,574	1,717	784
Intangible assets	9	378	350	360
Total non-current assets		7,952	2,067	1,144
Current assets:				
Inventories	11	71,121	60,274	45,118
Trade receivables	12	4,616	2,856	1,581
Cash and cash equivalents	13	5,163	4,301	22,217
Total current assets		80,900	67,431	68,916
Total assets		88,852	69,498	70,060
Current liabilities				
Trade and other payables	14	12,110	6,186	17,349
Deferred income	14	1,622	113	50
Total current liabilities		13,732	6,299	17,399
Non-current assets plus/less net current assets/liabilities		75,120	63,199	52,661
Non-current liabilities				
Pension liabilities	5	1,994	1,250	1,071
Provisions	15	1,466	1,476	543
Total non-current liabilities		3,460	2,726	1,614
Assets less liabilities		71,660	60,473	51,047
Reserves				
Revaluation reserve		30	2,250	-
Pension reserve		(1,994)	(1,250)	(1,071)
General reserve		73,624	59,473	52,118
		71,660	60,473	51,047

The notes on pages 46 to 73 form part of these accounts

The financial statements on pages 37 to 45 were approved by the board on 8th July 2010 and were signed on its behalf by:



Chief Executive/Accounting Officer



Chairman

Group Statement of Cash Flows

for the year ended 31 March 2010

	2009-10	2008-09
	£000	£000
Cash flows from operating activities	(30,587)	(47,590)
Tax paid	(176)	(51)
Net cash from operating activities	(30,763)	(47,641)
Cash flows from investing activities		
Purchase of intangible assets	(278)	(183)
Purchase of property, plant and equipment	(5,131)	(1,138)
Interest received	4	152
Net cash from investing activities	(5,405)	(1,169)
Cash flows from financing activities		
Grant-in-aid received	37,030	30,893
Net cash from financing activities	37,030	30,893
Increase/(decrease) in cash and cash equivalents	862	(17,917)
Cash and cash equivalents at beginning of year	4,301	22,217
Cash and cash equivalents at end of year	5,163	4,301

The notes on pages 46 to 73 form part of these accounts

Group Statement of Cash Flows

for the year ended 31 March 2010

1 Reconciliation of loss before tax to cash generated from operations

	2009-10	2008-09
	£000	£000
Net expenditure for the financial year	(22,695)	(23,554)
Depreciation and amortisation	414	398
Inventory impairment	5,169	11,950
Loss on disposal of intangible assets	31	-
Loss on disposal of property, plant and equipment	9	-
Change in receivables	(1,760)	(1,253)
Change in inventory	(19,166)	(24,856)
Change in payables	5,912	(11,271)
Change in provisions	(10)	933
Change in deferred income	1,509	63
Net cash (outflow)/inflow from operating activities	(30,587)	(47,590)

Cash and cash equivalents

	2009-10
	£000
Balance at 1 April 2009	4,301
Net change in cash and cash equivalent balances	862
Balance at 31 March 2010	<u>5,163</u>

The following balances at 31 March were held at:

Commercial banks and cash in hand	5,163
Balance at 31 March	<u>5,163</u>

The notes on pages 46 to 73 form part of these accounts

Group Statement of Taxpayers' Equity

for the year ended 31 March

	Revaluation Reserve	Pensions Reserve	General Reserve	Total Reserves
	£000	£000	£000	£000
Balance at 31 March 2008	-	(1,071)	52,118	51,047
Changes in accounting policy	-	-	-	-
Restated balance at 1 April 2008	-	(1,071)	52,118	51,047
Changes in taxpayers equity 2008-09				
Gain on revaluation of inventories	2,250			2,250
Current service cost		(319)		(319)
Employer contributions		317		317
Past service settlement gain		(52)		(52)
Net return on assets		(1)		(1)
Actuarial loss		(124)		(124)
Retained deficit			(23,538)	(23,538)
Total recognised income and expense for 2008-09	2,250	(179)	(23,538)	(21,467)
Grant-in-aid from sponsor department			30,893	30,893
Balance at 31 March 2009	2,250	(1,250)	59,473	60,473
Changes in taxpayers equity 2009-10				
Gain/loss on revaluation of inventories	(2,220)			(2,220)
Current service cost		(257)		(257)
Employer contributions		322		322
Net return on assets		(101)		(101)
Actuarial loss		(708)		(708)
Retained deficit			(22,879)	(22,879)
Total recognised income and expense for 2009-10	(2,220)	(744)	(22,879)	(25,843)
Grant-in-aid from sponsor department			37,030	37,030
Balance at 31 March 2010	30	(1,994)	73,624	71,660

There were no losses or "special payments" as defined within the Corporation's Accounts Direction, made or incurred during the year.

The notes on pages 46 to 73 form part of these accounts

Corporation Statement of Financial Position

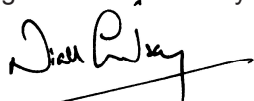
as at 31 March

		31 March 2010	31 March 2009 Restated	1 April 2008
	Notes	£000	£000	£000
Non-current assets:				
Property, plant and equipment	8	2,510	717	784
Intangible assets	9	378	350	360
Total non-current assets		2,888	1,067	1,144
Long term receivables	*12	1,000	1,000	-
Current assets:				
Inventories	11	71,121	60,274	45,118
Trade receivables	12	2,782	2,760	1,581
Cash and cash equivalents	13	4,806	4,280	22,217
Total current assets		78,709	67,314	68,916
Total assets		82,597	69,381	70,060
Current liabilities				
Trade and other payables	14	10,623	6,135	17,349
Deferred Income	14	78	113	50
Total current liabilities		10,701	6,248	17,399
Non-current assets plus/less net current assets/liabilities		71,896	63,133	52,661
Non-current liabilities				
Pension liabilities	5	1,994	1,250	1,071
Provisions	*15	1,466	1,476	543
Total non-current liabilities		3,460	2,726	1,614
Assets less liabilities		68,436	60,407	51,047
Reserves				
Revaluation reserve		30	2,250	-
Pension reserve		(1,994)	(1,250)	(1,071)
General reserve		70,400	59,407	52,118
		68,436	60,407	51,047

* The long term receivables and provision were understated by £1,000,000 in the 2008-09 accounts.

The notes on pages 46 to 73 form part of these accounts

The financial statements on pages 37 to 45 were approved by the board on 8th July 2010 and were signed on its behalf by:



Chief Executive/Accounting Officer



Chairman

Corporation Statement of Cash Flows

for the year ended 31 March 2010

	2009-10	2008-09
	£000	£000
Cash flows from operating activities	(34,987)	(45,949)
Tax paid	(176)	(51)
Net cash from operating activities	(35,163)	(46,000)
Cash flows from investing activities		
Purchase of intangible assets	(278)	(183)
Purchase of property, plant and equipment	(1,067)	(138)
Interest received	4	152
Net cash from investing activities	(1,341)	(169)
Cash flows from financing activities		
Grant-in-aid received	37,030	30,893
Net cash from financing activities	37,030	30,893
Increase/(decrease) in cash and cash equivalents	526	(15,276)
Cash and cash equivalents at beginning of year	4,280	22,217
Cash and cash equivalents at end of year	4,806	4,280

The notes on pages 46 to 73 form part of these accounts

Corporation Statement of Cash Flows for the year ended 31 March 2010

1 Reconciliation of loss before tax to cash generated from operations

	2009-10	2008-09
	£000	£000
Net expenditure for the financial year	(25,853)	(23,488)
Depreciation and amortisation	414	398
Inventory impairment	5,169	11,950
Loss on disposal of intangible assets	31	-
Loss on disposal of property, plant and equipment	9	-
Change in receivables	(22)	(943)
Change in inventory	(19,166)	(24,856)
Change in payables	4,476	(10,006)
Increase in provisions	(10)	933
Change in deferred income	(35)	63
Net cash (outflow)/inflow from operating activities	(34,987)	(45,949)

Cash and cash equivalents

	2009-10
	£000
Balance at 1 April 2009	4,280
Net change in cash and cash equivalent balances	526
Balance at 31 March 2010	<u>4,806</u>

The following balances at 31 March were held at:

Commercial banks and cash in hand	4,806
Balance at 31 March	<u>4,806</u>

The notes on pages 46 to 73 form part of these accounts.

Corporation Statement of Taxpayers' Equity
for the year ended 31 March

	Revaluation Reserve	Pensions Reserve	General Reserve	Total Reserves
	£000	£000	£000	£000
Balance at 31 March 2008		(1,071)	52,118	51,047
Changes in accounting policy	-	-	-	-
Restated balance at 1 April 2008	-	(1,071)	52,118	51,047
Changes in taxpayers equity 2008-09				
Gain on revaluation of inventories	2,250			2,250
Current service cost		(319)		(319)
Employer contributions		317		317
Past service settlement gain		(52)		(52)
Net return on assets		(1)		(1)
Actuarial loss		(124)		(124)
Retained deficit			(23,604)	(23,604)
Total recognised income and expense for 2008-09	2,250	(179)	(23,604)	(21,533)
Grant-in-aid from sponsor department			30,893	30,893
Balance at 31 March 2009	2,250	(1,250)	59,407	60,407
Changes in taxpayers equity 2009-10				
Gain/loss on revaluation of inventories	(2,220)			(2,220)
Current service cost		(257)		(257)
Employer contributions		322		322
Net return on assets		(101)		(101)
Actuarial loss		(708)		(708)
Retained deficit			(26,037)	(26,037)
Total recognised income and expense for 2009-10	(2,220)	(744)	(26,037)	(29,001)
Grant-in-aid from sponsor department			37,030	37,030
Balance at 31 March 2010	30	(1,994)	70,400	68,436

There were no losses or "special payments" as defined within the Corporation's Accounts Direction, made or incurred during the year.

The notes on pages 46 to 73 form part of these accounts.

Notes to the accounts

1 Revised accounting policies under IFRS

1.1 Basis of presentation

These accounts have been prepared under the historical cost convention modified where material to account for the revaluation of fixed assets at their value to the business by reference to their current cost.

1.2 Going concern

The outcome of the Quinquennial Review was announced in January 2010 and recommended that the Corporation should merge into the Homes and Communities Agency. However, the Corporation's future status is now subject to further consideration by the Secretary of State for Communities and Local Government. A possible outcome of this consideration is a change to the proposed arrangements announced in the Quinquennial review. The timing of any announcement over the future of the Corporation is currently uncertain.

In light of this development, the Board and Chief Executive have reviewed the appropriateness of the preparation of the financial statements on a 'going concern' basis.

After making enquiries and discussing the situation with the sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2010-11. The Board and Executive are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. For these reasons, the Corporation continues to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Statement of compliance

The financial statements of the Corporation have been prepared in accordance with the Government Financial Reporting Manual (FReM) and the accounts direction issued by the Secretary of State with the approval of HM Treasury. The accounting policies contained in the FReM follow International Financial Reporting Standards for companies to the extent that they are meaningful and appropriate to the public sector.

The High House Production Park Limited (HHPP) is a wholly owned subsidiary set up by the Thurrock Thames Gateway Development Corporation (the Corporation). It is a company limited by guarantee, with a Certificate of Incorporation dated 28th August 2008. The company was registered at Companies House on 30th October 2008, thus 2009/10 represented the first complete year of trading for the company.

The company forms the landholding entity for a project entitled the Royal Opera House Production Park that will ultimately comprise a campus consisting of the Royal Opera House (ROH) Production Facility, a training/educational facility run by the National Skills Academy, a number of artists' studios and warehouse/office space for small and medium sized enterprises operating in fields related to the cultural sector. The Corporation is a short life entity, but it is envisaged that the HHPP will continue over the life of the campus.

The Corporation has no monetary investment in the company.

Notes to the accounts

1.4 Property, plant and equipment (IAS 16 "Property, Plant & Equipment")

In adopting IAS16, Property, Plant and Equipment is valued at depreciated historic cost, which is used as a proxy for fair value. Where there is a material difference between depreciated historic cost and depreciated replacement cost the latter basis of valuation is incorporated in the accounts.

It is the Corporation's policy to capitalise individual items with a cost of £2,500 or more, and groups of items with a cost of £5,000 or more in aggregate. Individual items below this value are expended in the Net Expenditure Account during the period when incurred.

Land held for use in the business is held at cost.

1.5 Intangible assets (IAS 38 "Intangible Assets")

Intangible Assets are recognised as detailed below where expenditure of £2,500 or more is incurred and where it is probable that future economic benefits attributable to the asset will flow to the Corporation or for the benefit of the public good.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight line method over the estimated useful lives of the assets unless the term of the licence is shorter.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Corporation, and that will probably generate benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised using the straight line method over the estimated useful lives of the assets.

1.6 Depreciation

Depreciation is provided to write off the cost of Property, Plant & Equipment and intangible assets over their expected useful lives on a straight line basis at the following rates:

Land – not depreciated

Leasehold Improvements – over the life of the lease

Fixtures & Fittings – 5 years

Office Equipment – 4 years

Information Technology Equipment, Software Licences and Development – 3 years

1.7 Government grants

The Corporation's activities are funded primarily by way of grant-in-aid provided by the Corporation's sponsor, CLG. In accordance with Government guidance these are credited directly to the General Reserve. Grants received from other sources are disclosed as other operating income - see Note 7 to the accounts.

Notes to the accounts

1.8 Cost of capital

Until 31 March 2009 the Corporation was required to charge a notional cost of capital charge against the Group Net Expenditure Account to ensure it bore an appropriate charge for the use of capital in the business in the year. No charge has been calculated for 2009-10 due to the removal of cost of capital charges from the accounts as per Chapter 11 of the Financial and Reporting Manual effective from December 2009.

1.9 Inventories (IAS 2 "Inventories")

Land and buildings purchased for resale are treated as Inventories and are held at the lower of estimated replacement cost and estimated net realisable value. This accounting policy is in line with the accounts direction issued by the first secretary of state and overrides the IFRS requirement for inventories to be carried at the lower of cost and net realisable value.

These holdings are formally revalued every three years by independent chartered surveyors and in the intervening years values are reviewed by independent chartered surveyors for material changes.

1.10 Employee benefits IAS 19

Pension Costs

Corporation staff are entitled to join the Local Government Pension Scheme (LGPS) which is administered on the Corporation's behalf by Essex County Council. The scheme is subjected to a triennial actuarial valuation. Pension costs are accounted for in accordance with the revised format of the Accounting Standard IAS 19 "Retirement Benefits" as disclosed in Note 5.

Other Staff benefits

The Corporation operates a staff bonus scheme based upon performance objectives set annually for individual members of staff. Bonuses are paid in arrears for performance already delivered and such bonuses are accrued at the year end.

The leave entitlement for all staff is 28 days and up to five days untaken can be carried forward to the following year, in exceptional circumstances, additional days may be carried forward with line manager approval. Unpaid annual leave, if material, is accrued at the year end.

1.11 Leases (IAS 17 "Leases")

The total cost of operating lease rentals is charged to the Income & Expenditure Account over the period of the lease on a straight line basis. All Lease incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset and are recognised over the whole of the lease term.

There are no finance leases.

1.12 Value added tax

The Corporation's activities comprise those which are fully VAT-recoverable, those which are partially VAT-recoverable, those which are exempt from VAT and those which are outside the scope of VAT. Where output tax is charged or input tax is recoverable the amounts are stated net of VAT. Irrecoverable VAT is charged to the

Notes to the accounts

relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.13 Corporation tax

Corporation Tax is provided in full on surpluses arising from the Corporation's trading activities. In 2009/10 this activity comprised rental income arising indirectly from land and buildings acquired with the primary purpose of furthering the Corporation's regeneration agenda.

1.14 Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

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 have not been discounted.

1.15 Financial instruments (IAS 39)

Financial assets and liabilities are valued in the Statement of Financial Position at fair value. This is usually the amount expected to be received or paid unless the terms of the contract make the use of such a basis of valuation misleading.

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Notes to the accounts

2 First-time adoption of IFRS

	Group General Reserve	Group Revaluation Reserve	Group Pension Reserve	Group Total
	£000	£000	£000	£000
Taxpayers' equity at 31 March 2009 under UK GAAP	59,389	2,250	(1,250)	60,389
Adjustments for:				
Increase in rental income due to SIC 15	106	-	-	106
Increase in staff cost due to accrual for untaken annual leave	(22)	-	-	(22)
Taxpayers' equity at 1 April 2009 under IFRS	59,473	2,250	(1,250)	60,473
				Group
Net expenditure for 2008-09 under UK GAAP				£000 23,622
Adjustments for:				
Increase in rental income due to SIC 15				(106)
Increase in staff cost due to accrual for untaken annual leave				22
Net expenditure for 2008-09 under IFRS				<hr/> 23,538 <hr/>

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Notes to the accounts

2 First-time adoption of IFRS (Continued)

	TTGDC General Reserve	TTGDC Revaluation Reserve	TTGDC Pension Reserve	TTGDC Total
	£000	£000	£000	£000
Taxpayers' equity at 31 March 2009 under UK GAAP	59,323	2,250	(1,250)	60,323
Adjustments for:				
Increase in rental income due to SIC 15	106	-	-	106
Increase in staff cost due to accrual for untaken annual leave	(22)	-	-	(22)
Taxpayers' equity at 1 April 2009 under IFRS	59,407	2,250	(1,250)	60,407
				TTGDC
				£000
Net expenditure for 2008-09 under UK GAAP				23,688
Adjustments for:				
Increase in rental income due to SIC 15				(106)
Increase in staff cost due to accrual for untaken annual leave				22
Net expenditure for 2008-09 under IFRS				23,604

THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10

Notes to the accounts

3 Analysis of net expenditure by segment

					2009-10	2008-9
	Planning Department £000	Rent Delivery Department £000	Non-Rent Delivery Department £000	Support Functions £000	HHPP £000	Total £000
Gross expenditure	1,583	318	20,654	3,363	989	26,907
Income	(438)	(897)	(570)	(10)	(2,297)	(1,709)
Net expenditure	1,145	(579)	20,084	3,353	(1,308)	22,695
Total assets	-	-	73,040	8,498	7,314	88,852

The segments shown above are the same as those used in the Management Reports of the Corporation, with the exception that Marketing, Resources and Executive Departments have been aggregated into the column entitled "Support Functions" and the Delivery Department has been split into its operational and land management functions.

4 Staff numbers and related costs

	Group 2009-10 Permanent staff £000	Group 2009-10 Other staff £000	Group 2009-10 Total £000	2008-09 Total £000
Salaries/fees	2,627	91	2718	2,434
Social security costs	246	-	246	222
Pension costs	267	-	267	217
Total	3,140	91	3,231	2,873

	TTGDC 2009-10 Permanent staff £000	TTGDC 2009-10 Other staff £000	TTGDC 2009-10 Total £000
Salaries/fees	2,585	91	2,676
Social security costs	242	-	242
Pension costs	262	-	262
Total	3,089	91	3,180

The Corporation rarely pays for untaken leave as staff eventually take the annual leave brought forward, hence untaken annual leave will only be accrued if the amount is deemed to be material. At the year ended 31 March 2010 £36,309 (2009: £22,120) has been accrued for untaken annual leave. No Loans were advanced to any employee during the year (2008/09 - nil). No staff costs were capitalised during the year (2008/09 - nil).

Notes to the accounts

4 Staff numbers and related costs (continued)

Staff numbers (full time equivalent)

Group	2009-10	2009-10	2009-10	2008-09
	Permanently employed staff	Other staff	Totals	Totals
Executive	5	-	5	5
Executive support	5	-	5	5
Resources	14	1	15	10
Planning	10		10	10
Delivery	12	1	13	13
Marketing	3	1	4	1
Totals	49	3	52	44
Board members*	11		11	13

* Board members' commitment is to work 2 days per week (Chair and Deputy Chair) or 3 days per month (other members). At the year end there were 11 members of the board.

Staff numbers (full time equivalent)

TTGDC	2009-10	2009-10	2009-10	2008-09
	Permanently employed staff	Other staff	Totals	Totals
Executive	4	-	4	5
Executive support	5	-	5	5
Resources	14	1	15	10
Planning	10		10	10
Delivery	12	1	13	13
Marketing	3	1	4	1
Totals	48	3	51	44
Board members*	11		11	13

* Board members' commitment is to work 2 days per week (Chair and Deputy Chair) or 3 days per month (other members). At the year end there were 11 members of the board.

Notes to the accounts

5 Employee benefits

The Local Government Pension Scheme (LGPS) is a “final salary” pension scheme, meaning that benefits are normally based upon the salaries achieved in the last year of active service of members before retirement. In order to fund current and future benefits it is necessary to build a portfolio of investments and to compare investment performance over time with current and estimated future calls made upon those investments to ensure schemes remain fully funded throughout the lives of the membership.

The Corporation is a “scheduled” i.e. admitted body to the Essex County Council LGPS, which administers the scheme on its behalf and appoints independent actuaries to calculate the required total contribution rates.

In 2009-10 employer’s contributions amounting to £254,493 were made on behalf of participating employees at a contribution rate of 12.60% of gross salaries exclusive of bonus (2008-09: £217,251) at a contribution rate of 12.60%). Total pension costs charged to the Group Net Expenditure Account amounted to £267,074 (2008-09 £225,635) which included payments made to defined contribution schemes on behalf of certain employees not eligible for entry to the LGPS.

As required by IAS 19 the following table shows the difference between the amounts charged to the Group Net Expenditure Account and the actuarially calculated operating cost of providing retirement benefits during the year:

Operating & finance costs	2009-10	2008-09
	£000	£000
Current service costs	(257)	(319)
Past service gain	-	-
Operating loss	(257)	(319)
Expected return on assets	176	179
Interest on scheme liabilities	(277)	(230)
Net finance gain	(101)	(51)
Net revenue cost	(358)	(370)

The Pension Liability and Pension Reserve Accounts in the Statement of Financial Position show the difference between the actual cost of pensions payable and the expected future liabilities and assets calculated by the actuary on the basis of existing assumptions in accordance with IAS 19. In practice before these balances crystallise any net liability will be made good by increased employer contributions over the remaining working lives of the employees.

Notes to the accounts

5 Employee benefits (continued)

The following information reflects the position of the scheme as at 31 March 2010 as outlined by the disclosure requirements of IAS 19:

Investment categories	At 31 March 2010		At 31 March 2009	
	£000	%	£000	%
Equities	2,622	67.5%	1,812	74.5%
Government bonds	307	7.9%	211	8.7%
Other bonds	389	10.0%	129	5.3%
Property	361	9.3%	238	9.8%
Cash/liquid assets	206	5.3%	41	1.7%
Other	-	-	-	-
Total assets	3,885		2,431	
Liabilities	(5,879)		(3,681)	
(Deficit)	(1,994)		(1,250)	

The movement in the net pension liability for the year ended 31 March 2010 is as follows:

	2009-10	2008-09
	£000	£000
Net liability as at 1 April 2009	(1,250)	(1,071)
Current service cost	(257)	(319)
Employer contributions	322	317
Past service settlement gain		(52)
Net return on assets	(101)	(1)
Actuarial loss	(708)	(124)
Net liability at 31 March 2010	(1,994)	(1,250)

The actuarial loss shown in the above table arises from the following differences:

Actuarial loss	2009-10	2008-09
	£000	£000
Differences between actual and expected returns on assets	(708)	(124)
Differences between actuarial assumptions and experience	-	-
Changes in demographic and financial assumptions used to estimate liabilities	(708)	(124)

Notes to the accounts

5 Employee benefits (continued)

The assumptions used by the actuary in valuing the scheme are as follows:

Financial assumptions	2009-10	2008-09
Rate of inflation	3.3%	3.3%
Rate of increase in salaries	4.8%	4.8%
Rate of Increase in pensions	3.3%	3.3%
Discount rate	5.6%	7.1%
Expected rate of return on assets		
Equities	7.5%	7.5%
Government bonds	4.5%	4.0%
Other bonds	5.2%	6.0%
Property	6.5%	6.5%
Cash/liquidity	0.5%	0.5%
Other	7.5%	7.5%

Notes to the accounts

6 Other expenditure

	GROUP 2009-10 £000	TTGDC 2009-10 £000	GROUP 2008-09 £000
Grants payable			
Grants to voluntary sector	209	209	945
Grants to public sector	1,005	2,855	1,248
Total	1,214	3,064	2,193
Administrative expenditure			
IT costs	262	262	258
Office costs	309	268	301
Professional costs	240	234	579
Staff recruitment	29	29	167
Staff training	72	72	62
Travel and subsistence	73	68	50
Auditors remuneration:			
- Statutory accounts	24	24	22
- Grant certification	5	5	3
- IFRS transition audit	3	3	3
- Company audit	6	-	4
Operating lease rentals:			
- Head office rent	128	128	129
- Vehicles	9	9	12
- Office equipment	13	13	7
Totals	1,173	1,115	1,597
Programme expenditure			
Consultancy costs	1,502	1,130	696
Exhibitions and sponsorship	33	33	87
Legal and professional	11,848	11,346	3,943
Premises /sites costs*	481	481	57
Inventory impairment	5,169	5,169	11,950
Strategies and studies	53	53	367
Marketing costs	471	466	249
Plans and master plans	1,142	1,142	790
Public consultation	70	70	16
Publicity materials	21	20	4
Subscriptions to partnership bodies	45	45	43
Total	20,835	19,955	18,202
Total other expenditure	23,222	24,134	21,992

Notes to the accounts

6 Other expenditure (continued)

Non-cash Items	GROUP 2009-10 £000	TTGDC 2009-10 £000	GROUP 2008-09 £000
Depreciation			
Depreciation on office equip and fixtures and fittings	45	45	-
Depreciation on property, plant and equipment	150	150	205
Development costs amortisation software licences	126	126	116
Computer software amortisation software development	93	93	77
Totals	414	414	398
Loss on disposal of intangible assets	31	31	-
Loss on disposal of property, plant and equipment	9	9	-
Total non-cash items	454	454	398
Total other expenditure	23,676	24,588	22,390

Grants payable

During the year grants were paid to 54 (2008/09 – 48) third parties in respect of projects which were deemed to meet the Corporation's strategic objectives for the regeneration of Thurrock.

As at 31 March 2010 the Corporation had £310,000 in grant commitments not yet paid to third parties.

Programme expenditure

Programme expenditure comprises expenditure incurred directly in pursuit of the Corporation's objectives.

Legal and Professional Costs include Stamp Duty Land Tax (SDLT) of £1,006,997 (2008/09 £1,151,495). This has been written off to the Group Net Expenditure Account as required by the Accounts Direction of the Corporation.

No provision or unwinding of any provisions had an impact on the Net expenditure account.

Premises/sites costs

Premises /Sites costs comprise of expenditure incurred on maintaining sites owned by the Corporation. These costs have historically been shown as Office costs. Considering the high level of costs incurred in the year it has become necessary to show this cost separately in the accounts.

Interest receivable

Interest receivable relates to bank interest earned on overnight and other short-term deposit accounts.

Notes to the accounts

7 Other operating income

Other operating income from activities comprises:

	GROUP	TTGDC	GROUP	TTGDC
	2009-10	2009-10	2008-09	2008-09
	£000	£000	£000	£000
Planning fees income	408	408	353	353
Rent income	897	897	758	758
Other income	2,907	610	598	183
Totals	4,212	1,915	1,709	1,294

Other income includes £22,803 being previously deferred Planning Grant received in 2008-09. Unutilised deferred Planning grant as at the 31 March 2010 totals £16,700.

Other operating income in the year includes grant contributions from East of England Development Agency of £3,940,262 (2008/09 - (£415,000) in respect of preliminary work on the High House Site and Old Post Office site, out of which a total of £1,622,000 was transferred from other operating income to deferred income.

THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10

Notes to the accounts

8 Property, plant and equipment

	Leasehold Improvements £000	Information Technology £000	Office Equipment £000	Fixtures & Fittings £000	Land & Buildings excluding Dwellings £000	Payments on Account & Assets under Construction £000	TTGDC Total £000
Cost or valuation							
At 1 April 2009	749	384	59	179	-	-	1,371
Additions	-	57	-	21	-	989	1,067
Disposals	-	-	-	10	-	-	10
Reclassifications	-	-	-	-	900	-	900
Revaluations	-	-	-	-	30	-	30
At 31 March 2010	749	441	59	190	930	989	3,358
Depreciation							
At 1 April 2009	235	257	53	109	-	-	654
Charged in year	75	75	6	39	-	-	195
Disposals	-	-	-	1	-	-	1
At 31 March 2010	310	332	59	147	-	-	848
Net book value at 31 March 2009	514	127	6	70	-	-	717
Net book value at 31 March 2010	439	109	-	43	930	989	2,510

Notes to the accounts

8 Property, plant and equipment (continued)

	TTGDC Total £000	Land and Buildings £000	Payments on Account & Assets under Construction £000	Group Total £000
Cost or valuation				
At 1 April 2009	1,371	1,000	-	2,371
Additions	1,067	-	4,064	5,131
Disposals	10	-	-	10
Reclassifications	900	-	-	900
Revaluations	30	-	-	30
At 31 March 2010	3,358	1,000	4,064	8,422
Depreciation				
At 1 April 2009	654	-	-	654
Charged in year	195	-	-	195
Disposals	1	-	-	1
Revaluations	-	-	-	-
At 31 March 2010	848	-	-	848
Net book value at 31 March 2009	717	1,000	-	1,717
Net book value at 31 March 2010	2,510	1,000	4,064	7,574

Assets are carried at fair value and depreciated historic costs is used as a proxy for fair value.

THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10

Notes to the accounts

8 Property, plant and equipment (continued)

	Leasehold Improvements £000	Information Technology £000	Office Equipment £000	Fixtures & Fittings £000	Land & Buildings excluding Dwellings £000	Payments on Account & Assets under Construction £000	TTGDC Total £000
Cost or valuation							
At 1 April 2008	708	294	59	172	-	-	1,233
Additions	41	90	-	7	-	-	138
At 31 March 2009	749	384	59	179	-	-	1,371
Depreciation							
At 1 April 2008	161	176	38	74	-	-	449
Charged in year	74	81	15	35	-	-	205
Disposals	-	-	-	-	-	-	-
At 31 March 2009	235	257	53	109	-	-	654
Net book value at 31 March 2008	547	118	21	98	-	-	784
Net book value at 31 March 2009	514	127	6	70	-	-	717

Notes to the accounts

8 Property, plant and equipment (Continued)

	TTGDC Total £000	Land and Buildings £000	Payments on Account & Assets under Construction £000	Group Total £000
Cost or valuation				
At 1 April 2008	1,233		-	1,233
Additions	138	1,000	-	1,138
At 31 March 2009	1,371	1,000	-	2,371
Depreciation				
At 1 April 2008	449	-	-	449
Charged in year	205	-	-	205
Disposals	-	-	-	-
Reclassifications	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2009	654	-	-	654
Net book value at 1 April 2008	784	-	-	784
Net book value at 1 April 2009	717	1,000	-	1,717

Assets are carried at fair value and depreciated historic costs is used as a proxy for fair value.

Notes to the accounts

9 Intangible assets

	Software Licences £000	Software Development £000	Assets Under Construction £000	TTGDC Total £000
Cost or valuation				
At 1 April 2009	421	243	82	746
Additions	148	51	79	278
Disposals	46	27	-	73
Reclassification	41	41	82	-
At 31 March 2010	564	308	79	951
Amortisation				
At 1 April 2009	285	111	-	396
Charged in year	126	93	-	219
Disposals	24	18	-	42
At 31 March 2010	387	186	-	573
Net book value at 31 March 2009	136	132	82	350
Net book value at 31 March 2010	177	122	79	378

Notes to the accounts

9 Intangible assets (continued)

	Software Licences £000	Software Development £000	Assets Under Construction £000	TTGDC Total £000
Cost or valuation				
At 1 April 2008	345	218	-	563
Additions	76	25	82	183
At 31 March 2009	421	243	82	746
Amortisation				
At 1 April 2008	169	34	-	203
Charged in year	116	77	-	193
At 31 March 2009	285	111	-	396
Net book value at 1 April 2008	176	184	-	360
Net book value at 1 April 2009	136	132	82	350

10 Financial Instruments

Under Treasury Guidance, the provisions of IFRS 7, IAS 39 and IAS 32 are deemed to apply to the Corporation. Under those provisions disclosures are required in respect of the financial instruments (financial assets and financial liabilities) maintained by the Corporation, the risks associated with them and the Corporation's approach to that risk.

All Financial assets and liabilities are recognised and valued in the Statement of Financial Position at fair value.

Except for short term receivables and payables the only financial instrument maintained by the Corporation is cash held on deposit and current account.

At the Statement of Financial Position date cash balances were £5,163,000 (2009/10 £4,301,000). The Corporation has no borrowings and relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. All material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

Not included in Property, Plant and Equipment is an amount of £9,000,000 which represents the Corporation's investment in a joint venture with Family Mosaic (Thurrock) Ltd and East of England Development Agency in respect of a site at Wouldham Road, South Stifford in Thurrock. The Corporation contributed a sum of £9,000,000 towards the purchase of the site which was valued at £23,000,000. This contribution was written off in the year of purchase.

Notes to the accounts

The amount receivable by the Corporation depends upon the proceeds from the ultimate sale of the site. In view of the current uncertainty in the property market the Corporation does not feel that it is prudent to include this asset in the accounts as of the Statement of Financial Position date. If the Corporation's interest in the site had been recorded on the Statement of Financial Position as at 31 March 2010 it would have been treated as a financial instrument.

11 Inventories

Inventories comprise land and buildings acquired for the purpose of land assembly, remediation and subsequent resale. At the year-end a valuation of the sites held was not materially different from the acquisition costs at the time of purchase except for four sites. One site increased by £30,000. Three sites reduced in value resulting in impairment of £5,168,920 being written off during the year and has been included in Programme expenditure.

The Corporation has reclassified £900,000 (plus £30,000 increase in valuation) from inventory to Land and Buildings. This represents the value of the Old post office site which the Corporation started refurbishing in the year 2009-10. As the intention is not to hold the site for sale it has been reclassified from Inventory to Land and Buildings.

	£000
Cost or valuation	
At 1 April 2009	60,274
Additions in year	19,166
Inventory impairment	(5,169)
Revaluation	(2,250)
Reclassifications	(900)
At 31 March 2010	71,121

	£000
Cost or valuation	
At 1 April 2008	45,118
Additions in year	24,856
Inventory impairment	(11,950)
Revaluation	2,250
Reclassifications	-
At 31 March 2009	60,274

Notes to the accounts

12 Trade receivables and other current assets

	Group 2009-10	TTGDC 2009-10	Group 2008-09	TTGDC 2008-09
Amounts falling due within one year	£000	£000	£000	£000s
Other receivables	4,458	2,638	2,687	2,591
Prepayments	158	144	169	169
Totals	4,616	2,782	2,856	2,760

Intra-government balances

Balances with central government bodies	2,925	2,246	1,794	1,794
Balances with local authorities	22	22	150	150
Balances with non-government bodies	1,669	514	912	816
Totals	4,616	2,782	2,856	2,760

Amounts falling due after more than one year

Other receivables	-	1,000	-	1,000
Totals	-	1,000	-	1,000

	Group 1 April 2008	TTGDC 1 April 2008
Amounts falling due within one year	£000	£000
Other receivables	1,460	1,460
Prepayments	121	121
Totals	1,581	1,581

Intra-government balances

Balances with central government bodies	1,424	1,424
Balances with local authorities	-	-
Balances with non-government bodies	157	157
Totals	1,581	1,581

Other Receivables includes an amount of £2,694,874 (2008/09 £1,736,544) due in recoverable VAT from HM Revenue & Customs. The net value being £2,444,572.

No debts were provided for during the period (2008/09 - nil). Bad debts of £92,751 were written off during the year.

Notes to the accounts

13 Cash and cash equivalents

	Group 2009-10	TTGDC 2009-10
	£000	£000
Balance at 1 April 2009	4,301	4,280
Net change in cash and cash equivalent balances	862	526
Balance at 31 March 2010	5,163	4,806

	Group 2009-10	TTGDC 2009-10	Group 2008-09	TTGDC 2008-09
	£000	£000	£000	£000
The following balances at 31 March were held at:				
Commercial banks and cash in hand	5,163	4,806	3,551	3,530
Short term investments	-	-	750	750
Balance at 31 March 2010	5,163	4,806	4,301	4,280

14 Trade payables and other current liabilities

	Group 2009-10	TTGDC 2009-10	Group 2008-09	TTGDC 2008-09
	£000	£000	£000	£000
Amounts falling due within one year				
Trade & Other payables	3,606	2,748	3,762	3,762
Other Tax & Social Security	398	398	283	234
Accruals	8,106	7,477	2,141	2,139
Totals	12,110	10,623	6,186	6,135
Intra-government balances				
Balances with central government bodies	720	710	2,687	2,685
Balances with local authorities	2,009	2,009	622	573
Balances with non-government bodies	9,381	7,904	2,877	2,877
Totals	12,110	10,623	6,186	6,135
Other payables				
Deferred income	1,622	78	113	113
	1,622	78	113	113

Notes to the accounts

14 Trade payables and other current liabilities (continued)

	Group 1 April 2008	TTGDC 1 April 2008
Amounts falling due within one year	£000	£000
Trade & other payables	1,543	1,543
Other tax & social security	139	139
Accruals	15,667	15,667
Totals	17,349	17,349
Intra-government balances		
Balances with central government bodies	420	420
Balances with local authorities	319	319
Balances with non-government bodies	16,610	16,610
Totals	17,349	17,349
Other payables		
Deferred income	50	50
	50	50

15 Provisions, Liabilities and Charges

Provisions, liabilities and charges include a provision for costs of £123,000 in the case of a conservation body which had been granted leave to appeal to the House of Lords over an earlier judgment in favour of the Corporation involving a planning decision reached by the Corporation in 2005/06. The House of Lords ruled in favour of the Corporation. However, although the body has no further right to appeal in the UK, it still has the option to appeal to the European Court of Justice. Provisions, liabilities and charges also include a provision for £343,000 in relation to the past service deficit of the Corporation's pension scheme.

The Corporation's Statement of Financial Position has been restated to include a £1,000,000 provision which was erroneously disclosed in High House Production Park Ltd accounts for the year ended 31 March 2009. The provision has been made as the Corporation has an obligation to transfer to Thurrock Council a site of equivalent value to the site acquired from it on the 27th March 2009.

	Group	TTGDC	TTGDC	TTGDC	TTGDC
		Liability to Thurrock Council	Pension Deficit	Planning Legal Case	Total
	Total	£000	£000	£000	£000
Balance at 1 April 2009	1,476	1,000	343	133	1,476
Utilised during the year	(10)	-	-	(10)	(10)
Balance at 31 March 2010	1,466	1,000	343	123	1,466

Notes to the accounts

15 Provisions, Liabilities and Charges (continued)

	Group	TTGDC	TTGDC	TTGDC	TTGDC
	Total	Liability to Thurrock Council	Pension Deficit	Planning Legal Case	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2008	543	-	343	200	543
Arising during year	1,000	1,000	-	-	1,000
Utilised during the year	(67)	-	-	(67)	(67)
Balance at 31 March 2009	1,476	1,000	343	133	1,476

16 Capital Commitments

There is a capital commitment of £2,859,469 as at 31 March 2010 (2008/09 - nil)

17 Commitments under leases

Operating leases

Commitments under operating lease to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires:

	2009-10	2009-10	2009-10	2009-10	2008-09
	Vehicles	Office Equipment	Head Office	TOTAL	TOTAL
	£000	£000	£000	£000	£000
Not later than one year	8	11	136	155	155
Later than one year and not later than five years	23	29	546	598	722
Later than five years	-	-	14	14	14
	31	40	696	767	891

Rental costs of operating leases and rental income on leased property owned by the Corporation are charged to the Net Expenditure Account on a straight line basis over the term of the lease. In accordance to SIC 15 the rent incentive has been treated as an integral part of the net consideration and has been recognised over the lease term.

Notes to the accounts

18 Other financial commitments

The Corporation has entered into non-cancellable contracts (which are not leases or PFI contracts), for the services listed below. The payments to which the Corporation is committed during 2009–10, analysed by the period during which the commitment expires are as follows.

				2009-10	2008-09
	Non HR Consultancy Services £000	HR Consultancy £000	IT Software/ Database £000	Total £000	Total £000
Not later than one year	3,903	20	193	4,116	2,210
Later than one year and not later than five years	-	19	260	279	3,902
Later than five years	-	-	-	-	-
	3,903	39	453	4,395	6,112

19 Contingent liabilities

There are no contingent liabilities at the Statement of Financial Position date. (2008/09 – nil).

20 Related Party Transactions

The Corporation is a Non-Departmental Government Body sponsored by CLG. CLG is regarded as a related party, as are other entities that it sponsors. One board member, Deep Sagar is a non-executive director of the Planning Inspectorate, an entity sponsored by CLG.

No Board Member or key management staff or other related parties have undertaken any material transactions with the Corporation during the period.

As outlined in Note 5 to the accounts, the Corporation is a “scheduled” (admitted) body to the Local Government Pension Scheme (LGPS). The LGPS exists for the benefit of its members and as such is deemed to be a related party under the terms of the Corporation’s accounts direction and IAS 24.

The High House Production Park Limited (HHPP) is a wholly owned subsidiary set up by the Thurrock Thames Gateway Development Corporation (the Corporation). It is a company limited by guarantee with a Certificate of Incorporation dated 28th August 2008. The company was registered at Companies House on 30th October 2008. Thus 2008/09 represented the first year of trading for the company.

During the year the Corporation provided a £1,850,000 grant to HHPP. At the end of the year HHPP owed the Corporation a net amount of £33,804, being the difference between the invoices paid by the Corporation on behalf of HHPP and the Grant provided to the Company but not remitted as at the 31 March 2009. The amount of £33,804 is disclosed as a receivable in the Corporation’s Statement of Financial Position.

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Notes to the accounts

20 Related Party Transactions (continued)

During the year the following payments were made to related parties:

Organisation	Amount Paid £000	Amount Accrued/ Provision £000	2009/10 Total £000	2008/09 Total £000	Nature of Transactions
Thurrock Borough Council	866	-	866	1,878	Planning Expenditure, Capital grants and rates
Department for Communities and Local Government	12	5	17	17	Internal Audit costs & PGA Licence
Essex County Council	24	-	24	7	LGPS Administration Charge
National School of Government	1	-	1	6	Training costs
South East England Development Agency	14	-	14	13	Contribution re: OFFPAT
Land Registry	1	-	1	2	Land registry fees
National Grid Gas PLC	-	1	1	-	Service to Disconnect line
Essex Fire Authority	-	-	-	292	Capital Grant
Planning Inspectorate	8	-	8	-	Recovery of Secretary of State Costs
Totals	926	6	932	2,215	

Notes to the accounts

21 Events after the reporting period

Going concern

The outcome of the Quinquennial Review was announced in January 2010 and recommended that the Corporation should merge into the Homes and Communities Agency. However, the Corporation's future status is now subject to further consideration by the Secretary of State for Communities and Local Government. A possible outcome of this consideration is a change to the proposed arrangements announced in the Quinquennial review. The timing of any announcement over the future of the Corporation is currently uncertain.

In light of this development, the Board and Chief Executive have reviewed the appropriateness of the preparation of the financial statements on a 'going concern' basis.

After making enquiries and discussing the situation with the sponsor Department, the Board and Chief Executive are satisfied that the remit and funding for the Corporation remain in place for 2010-11. Management are satisfied that sufficient funding is in place to enable the Corporation to continue operations and to meet its obligations as they fall due. For these reasons, management continue to adopt the going concern basis in preparing the annual report and financial statements.

Changes to Pensions Schemes

It was announced in the Budget on 22 June 2010 that the Government intends to adopt the Consumer Price Index (CPI) for the indexation of public service pensions from April 2011. This will have an impact upon the future operation of the pension schemes that Thurrock Thames Gateway Development Corporation provides to employees.

The date on which the accounts were authorised for issue is 14th July 2010.

**THURROCK THAMES GATEWAY DEVELOPMENT CORPORATION
ANNUAL REPORT and ACCOUNTS 2009/10**

Accounts direction

THURROCK DEVELOPMENT CORPORATION

**ACCOUNTS DIRECTION GIVEN BY THE FIRST SECRETARY OF STATE WITH THE CONSENT OF
THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 10(3) OF SCHEDULE 31 TO THE LOCAL**

GOVERNMENT, PLANNING AND LAND ACT 1980

1. The annual accounts of Thurrock Thames Gateway Development Corporation (hereafter in this accounts direction referred to as “the Corporation”) shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts for 2006/07 and for subsequent years shall be prepared in accordance with:-

(a) the accounting and disclosure requirements given in *Government Accounting* and in, the *Government Financial Reporting Manual* issued by the Treasury (“the FReM”) as amended or augmented from time to time, and subject to Schedule 1 to this direction;

(b) any other relevant guidance that the Treasury may issue from time to time;

(c) any other specific disclosure requirements of the Secretary of State;

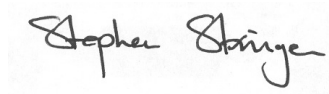
insofar as these requirements are appropriate to the Corporation and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the accounts.

2. Schedule 1 to this direction gives clarification of the application of the accounting and disclosure requirements of the Companies Act and accounting standards and also gives any exceptions to standard Treasury requirements. Additional disclosure requirements of the Secretary of State and further explanation of Treasury requirements are set out in Schedule 2.

3. This direction shall be reproduced as an appendix to the annual accounts.

4. This direction replaces all previously issued directions.

Signed by authority of the Secretary of State



An officer in the Department for Communities and Local Government
Date 30 March 2007

Schedule 1

SCHEDULE 1

1. Stocks and work in progress shall be included in the balance sheet at the lower of estimated replacement cost and estimated net realisable value.
2. The annual accounts shall be signed and dated by the chairman on behalf of the board members, and by the accounting officer.

Schedule 2

SCHEDULE 2

ADDITIONAL DISCLOSURE REQUIREMENTS

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraphs 1 and 2 of this direction.

1. The notes to the annual accounts

- (a) an analysis of grants from:
 - (i) government departments
 - (ii) European Community funds
 - (iii) other sources identified as to each source;

- (b) an analysis of the total amount of grant from the Department for Communities and Local Government, showing how the grant was used;

- (c) an analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;

- (d) details of employees, other than board members, showing:-
 - (i) the average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Corporation, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)
 - (ii) the total amount of loans to employees
 - (iii) employee costs during the year, showing separately:-
 - (1) wages and salaries
 - (2) early retirement costs
 - (3) social security costs
 - (4) contributions to pension schemes
 - (5) payments for unfunded pensions
 - (6) other pension costs
 - (7) amounts recoverable for employees on secondment or loan to other organisations

(The above analysis shall be given separately for the following categories:

- I employed directly by the Corporation
- II on secondment or loan to the Corporation
- III agency or temporary staff
- IV employee costs that have been capitalised);

Schedule 2

- (e) an analysis of liquid resources, as defined by accounting standards;
- (f) in the note on debtors, prepayments and payments on account shall each be identified separately;
- (g) a statement of debts written off and movements in provisions for bad and doubtful debts;
- (h) a statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000. Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Corporation's operations.
- (i) particulars, as required by the accounting standard on related party disclosures, of material transactions during the year and outstanding balances at the year end (other than those arising from a contract of service or of employment with the Corporation), between the Corporation and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:
 - (i) transactions and balances of £5,000 and below are not material
 - (ii) parties related to board members and key managers are as notified to the Corporation by each individual board member or key manager
 - (iii) the following are related parties:
 - (1) subsidiary and associate companies of the Corporation
 - (2) pensions funds for the benefit of employees of the Corporation or its subsidiary companies (although there is no requirement to disclose details of contributions to such funds)
 - (3) board members and key managers of the Corporation
 - (4) members of the close family of board members and key managers
 - (5) companies in which a board member or a key manager is a director
 - (6) partnerships and joint ventures in which a board member or a key manager is a partner or venturer
 - (7) trusts, friendly societies and industrial and provident societies in which a board member or a key manager is a trustee or committee member
 - (8) companies, and subsidiaries of companies, in which a board member or a key manager has a controlling interest
 - (9) settlements in which a board member or a key manager is a settlor or beneficiary
 - (10) companies, and subsidiaries of companies, in which a member of the close family of a board member or of a key manager has a controlling interest
 - (11) partnerships and joint ventures in which a member of the close family of a board member or of a key manager is a partner or venturer
 - (12) settlements in which a member of the close family of a board member or of a key manager is a settlor or beneficiary

Schedule 2

- (13) the Department for Communities and Local Government, as the sponsor department for the Corporation.

For the purposes of this sub-paragraph:

- (i) A key manager means a member of the Corporation's management board.
- (ii) The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.
- (iii) A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at board meetings of the company.

* Note to paragraph 1(i) of Schedule 2: under the Data Protection Act 1998 individuals need to give their consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, this should be stated next to the name of the individual.



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