

Notes to the Account

1. Statement of Accounting Policies

a. Accounting Convention

The Accounts are prepared under the historical cost convention on an accruals basis.

An Accounts Direction has been given by H M Treasury and is reproduced on pages 18 and 19.

2. Expenditure

	2003-04
	£'000
Managing agent contractor's fees	13,710
Fire Protection in Tunnels	396
Pylon Protection	7
Audit fee	18
	<u>14,131</u>

There was no Capital expenditure during the year.

3. Net proceeds

The gross income of £68,118,000 is payable to the Department for Transport and is Appropriated in Aid in its accounts. The gross expenditure of £14,131,000 has been financed through the Parliamentary Supply to the Department for Transport.

4. Current Assets

	2003-04
	£'000
Bank	5,921
DART Tag	138
Accrued Toll Income	618
	<u>6,677</u>

Bank represents amounts received in respect of road user charges and DART Tag prepayments. These will be paid over to the Department for Transport (DfT) immediately in the case of road user charges, or as and when the DART Tag is utilised.

DART Tag represents:

- prepaid toll charges, not yet received from Le Crossing plc (£37,489);
- toll income paid over to DfT relating to prior years, that may require refunding to customers on demand, as the prepayment was not fully utilised (£86,142); and
- refunds made to customers that have not been presented for payment (£14,069).

Accrued toll income represents receipts for the period 26 to 31 March 2004 where the proceeds were not received from Le Crossing, prior to the year-end date.

5. Creditors: amounts falling due within one year

	2003-04
	£'000
Trade Creditors	1,512
Amounts to be paid over to DfT	2,030
Accrued expenditure	132
DART Tag prepayments held	4,647
	8,321

The amounts to be paid over are charges collected for the period 26 to 31 March 2004, which will be surrendered to the Department for Transport.

Accrued expenditure represents maintenance work carried out not yet invoiced of £113,806 and audit charges of £18,000.

DART Tag prepayments are amounts received from road users as at 31 March 2004 for future use. Once these are utilised, they will be paid over to the Department for Transport.

6. Financing due from the Highways Agency

Work carried out and not paid at year-end, comprising:

Trade creditors	1,512
Accrued expenditure	132
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	1,644
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These liabilities will be financed by funding of £1,644,024 from the Highways Agency.

Dartford Thurrock Crossing Road Charging Scheme

ACCOUNTS DIRECTION GIVEN BY THE TREASURY IN ACCORDANCE WITH SECTION 3 OF THE TRUNK ROAD CHARGING SCHEMES (BRIDGES AND TUNNELS) (KEEPING OF ACCOUNTS) (ENGLAND) REGULATIONS 2003

The Treasury in pursuance of Section 3 (1) (b) of the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003 hereby gives the following direction:

1. The statement of accounts which is the duty of the Secretary of State for Transport to prepare in respect of the year ended 31st of March 2004 and in any subsequent year shall comprise:
 - (a) a Foreword, which shall include:
 - (i) a statement that the accounts have been prepared in accordance with a Direction given by the Treasury in pursuance of Section 3 (1) (b) of the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003;
 - (ii) an explanatory introduction;
 - (iii) information on significant events during the period
 - (iv) a statement providing information on how the Secretary of State has or intends to disburse the net proceeds arising from the scheme on other transport initiatives
 - (b) a statement of the responsibilities of the person signing the accounts
 - (c) a statement of the system of internal control
 - (d) a statement of income and expenditure
 - (e) a statement of capital expenditure
 - (f) a statement of assets and liabilities
 - (g) notes to the accounts, including an explanation of the accounting policies adopted, that may be necessary to present fairly the income and expenditure for the period, transfers of funds to or from Central Government, and the assets and liabilities at the end of the period in relation to functions under the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003.

2. The statement of accounts shall disclose the net proceeds of the scheme for the year ended 31st of March 2004 and for each subsequent year.
3. The statement of accounts shall be prepared under the historical cost convention on an accruals basis and shall follow the format attached to this Direction although minor drafting changes may be made without seeking the approval of the Treasury. Except for the statement of accounts for the year ended 31st March 2004, comparative figures shall be shown.
4. The statement of account prepared under the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003 shall observe all relevant accounting and disclosure requirements as given in Government Accounting and other guidance as issued by the Treasury from time to time.
5. The statement of accounts shall be transmitted to the Comptroller and Auditor General no later than the 30th of November following the end of the financial year to which the statement relates, for the purpose of audit, examination and report.
6. The statement of accounts, once audited, shall be laid before each House of Parliament not later than the 31st of January in the calendar year following the end of the financial year to which the statement relates.
7. This Accounts Direction (excluding the proforma accounts) shall be reproduced as an Appendix to the accounts.

David A. Cruden FCA

Head of the Central Accountancy Team, Her Majesty's Treasury
2nd February 2005