

**Strategic report (continued)  
For the Year Ended 31 December 2022**

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Outcome of directors' going concern assessment (continued)

Furthermore, as set out in the DB 31 December 2022 annual report, DB plans to divest the Arriva group which could result in a change in ownership of the company within 12 months of the date of approval of these financial statements. Should a change in ownership occur, the directors are unable to assess or control all scenarios for the company's future, including the intent and ability of any future owner to provide funding to the company.

These conditions indicate the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not contain the adjustments that would arise if the company were unable to continue as a going concern.

**SECTION 172 STATEMENT**

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard to (amongst other matters):

- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

The directors of the company aim to meet at least four times in each financial year to discuss the matters that cannot be delegated under the Companies Act 2006. The role of Grand Central's Board of Directors (Board) is to be collectively responsible for the company's long-term sustainable success, providing strategic leadership, direction and governance within a framework of effective controls. The Board recognises that it is accountable to stakeholders for ensuring that the company is appropriately managed and achieves its objectives in a way that is supported by the right culture and behaviours. The issues and factors which have guided the directors' decisions are outlined in the 'Principal Risks and Uncertainties' section of this report.

During the financial year ended 31 December 2022 the company's financial performance has continued to be impacted by the COVID-19 pandemic, particularly during the first quarter of 2022 with the introduction of the Omicron variant of COVID-19. The company has been financially supported during the pandemic by its ultimate parent company Deutsche Bahn AG (DB). The company received an equity injection from its parent company Arriva UK Trains Limited in June 2023.

Throughout the last two years, the Arriva group has worked on facilitating a comprehensive review of the Arriva group, called Project Revitalise; a series of programmes aimed at building a stronger, more competitive Arriva group. The object of the project was to ensure that the purpose of the business was clearly promoted, and that the Arriva group's values, strategy and culture were all aligned, and that the Arriva group continued to meet the needs of its customers, clients and society as a whole.

As part of Project Revitalise, the Arriva group embarked on a review of its vision, mission, purpose and strategic plan, which also included a review of the organisational values. This process included using support from an external business partner, and employees from all parts of the Arriva group were engaged. The aim of the process was to build a strategic plan that would provide the Arriva group with both objectives and direction for the next three to five years. This included developing a new set of Values and Behaviours that could be used to help the Arriva group effectively execute the company's strategy.

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**SECTION 172 STATEMENT (CONTINUED)**

The implementation of the strategy and policies of the company, including those relating to its relationships with key stakeholders, are managed by the Management Board of the company, which includes directors from the Arriva UK Trains Leadership team as well as the company's statutory directors. Any major matters of interest are then communicated to the Arriva Management Board (the AMB), a subcommittee of the board of Arriva plc. The membership of the AMB includes the Managing Director of the Arriva UK Trains division.

The company takes payment practice commitments to suppliers seriously and seeks to ensure prompt payment of invoices (in line with the Arriva group's policies) and there is a clear process in the event of any invoice dispute. The company believes that prompt payment of invoices is key to facilitating a good relationship with its suppliers.

The company is committed to the communities that it serves. At Arriva Group an Internal Communications and Engagement Director has oversight of strategic commitments for Corporate Social Responsibility, which forms part of the wider business strategy.

During the financial year ended 31 December 2022, despite the challenging operating environment, the company continued to engage with its customers and customer groups to ensure a positive customer experience (including passengers and Network Rail), this included using different forms of social media and appointing Volunteer Station Ambassadors.

Within its individual business functions, the Arriva group encourages staff to volunteer for charities and projects in the local community, in respect of the company this included supporting local schools with career advice, as well as various types of fundraising and other community projects.

Further information on engagement with customers during the financial year ended 31 December 2022, is provided in the 'Engagement with suppliers, customers and others' section of the Directors' report.

This report was approved by the board on 3 August 2023 and signed on behalf of the board.



**A J Scott**  
Director