


SNOWDON MOUNTAIN RAILWAY LIMITED

Report and Accounts

31 January 2001

Company Number 42476

 ERNST & YOUNG



# Snowdon Mountain Railway Limited

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## DIRECTORS AND ADVISERS

### DIRECTORS

R P Bradshaw  
P M Treherne

### SECRETARY

P M Treherne

### AUDITORS

Ernst & Young LLP  
100 Barbirolli Square  
Manchester  
M2 3EY

### BANKERS

National Westminster Bank plc  
2/4 St Nicholas Street  
Truro  
Cornwall  
TR1 2RN

### SOLICITORS

Richard Saleh & Co  
748 Wilmslow Road  
Didsbury  
Manchester  
M20 6WF

### REGISTERED OFFICE

Suite 33  
The Colonnades  
Albert Dock  
Liverpool  
L3 4AA

# Snowdon Mountain Railway Limited

## DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 January 2001.

### PRINCIPAL ACTIVITIES

The principal activity of the company was the operation of the Snowdon Mountain Railway at Llanberis, North Wales, together with associated catering and retail operations. As described below, the company became dormant on 1 February 2000.

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

As part of a Group reorganisation on 31 January 2000, the trade, assets and liabilities of the company were transferred to another group company, Heritage Attractions Limited, at net book value. As anticipated, the company has remained dormant since 1 February 2000. The expenses of the company have been met by the holding company.

On 26 April 2001, a special resolution was passed for the company to become dormant pursuant to section 250 of the Companies Act 1985.

### DIVIDENDS

The directors do not recommend the payment of a dividend.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year ended 31 January 2001 were as follows:

R P Bradshaw

P M Treherne (appointed 20 March 2000)

There are no disclosable interests in the share capital of the company nor in the shares of any other group company.

### POLITICAL AND CHARITABLE DONATIONS

The company made charitable donations of £nil (2000: £3,150) during the period. No political donations were made.

### AUDITORS

A special resolution not to appoint auditors will be put to the members at the annual general meeting.

By order of the Board



P M Treherne  
Secretary

26 April 2001

## Snowdon Mountain Railway Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS**

to the members of Snowdon Mountain Railway Limited

We have audited the accounts on pages 5 to 11, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 7 and 8.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

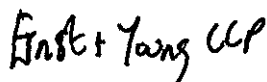
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 January 2001 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Manchester



# Snowdon Mountain Railway Limited

## PROFIT AND LOSS ACCOUNT

For the year ended 31 January 2001

	Notes	2001 £	2000* £
<b>TURNOVER</b>	2	-	2,334,136
Cost of sales		-	(1,670,921)
<b>GROSS PROFIT</b>		-	663,215
Administrative expenses		-	(465,212)
<b>OPERATING PROFIT</b>		-	198,003
Interest receivable and similar income	3	-	16,764
Interest payable and similar charges	4	-	(22,060)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	-	192,707
Taxation on profit on ordinary activities	8	-	(35,000)
<b>RETAINED PROFIT FOR THE FINANCIAL PERIOD</b>	11	-	157,707

All operations are discontinued (see note 2).

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 7 to 11 form an integral part of these financial statements.

\* Comparative figures are for the 13 month period ended 31 January 2000.

## NOTES OF HISTORICAL COST PROFIT AND LOSSES

for the year ended 31 January 2001

	2001 £	2000* £
Reported profit on ordinary activities before taxation	-	192,707
Realisation of revaluation gains	-	27,024
<b>Historical cost profit on ordinary activities before taxation</b>	-	219,731
<b>Historical cost profit for the period retained after taxation</b>	-	184,731

# Snowdon Mountain Railway Limited

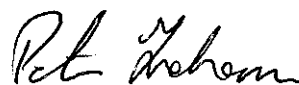
## BALANCE SHEET

at 31 January 2001

	Notes	2001 £	2000 £
<b>CURRENT ASSETS</b>			
Debtors	9	1,962,321	1,962,321
<b>NET CURRENT ASSETS</b>		<u>1,962,321</u>	<u>1,962,321</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,962,321</u>	<u>1,962,321</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	180,369	180,369
Share premium account	11	751,329	751,329
Profit and loss account	11	1,030,623	1,030,623
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	<u>1,962,321</u>	<u>1,962,321</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

The financial statements on pages 7 to 11 were approved by the Board of Directors on 26 April 2001 and were signed on its behalf by:



P M Treherne  
Director

# Snowdon Mountain Railway Limited

## NOTES TO THE FINANCIAL STATEMENTS

At 31 January 2001

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### *Basis of accounting*

The financial statements have been prepared in accordance with the historical cost convention.

#### *Turnover*

Turnover represents amounts invoiced by the company in respect of goods sold and services rendered during the period stated net of value added tax.

#### *Tangible fixed assets*

The cost tangible fixed assets is their purchase or construction cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	-	2%
Plant and machinery	-	10%
Furniture, fixtures and fittings	-	12.5%
Motor vehicles	-	25%
Computer equipment	-	33%

The long leasehold land is not depreciated.

Locomotives and rolling stock are depreciated on a straight line basis over 50 years, with the exception of some significant components which are depreciated over 5 to 20 years.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives and the term of the lease.

#### *Operating leases*

Costs in respect of operating leases are charged to profit and loss account on a straight line basis over the lease term.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Deferred tax*

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

#### *Cash flow statement*

The company has taken advantage of the exemption available to wholly owned subsidiary companies of a UK parent not to prepare a cash flow statement.



# Snowdon Mountain Railway Limited

## NOTES TO THE FINANCIAL STATEMENTS

At 31 January 2001

### 1. ACCOUNTING POLICIES (continued)

#### *Comparative figures*

Comparative figures included in these financial statements including all notes thereto, refer to the thirteen months ended 31 January 2000.

### 2. TURNOVER

Turnover, which is stated net of value added tax, consists entirely of sales made in the United Kingdom.

	2001 £	2000 £
By activity:		
Railway operating	-	1,760,234
Retailing	-	243,189
Catering	-	330,713
	-	2,334,136

As part of a Group reorganisation on 31 January 2000, the trade, assets and liabilities of the company were transferred to another group company, Heritage Attractions Limited, at net book value. As anticipated, the company has remained dormant since 1 February 2000 and hence all operations are discontinued.

### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2001 £	2000 £
Bank interest receivable	-	15,442
Rent receivable	-	1,322
	-	16,764

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Bank loans not wholly repayable within five years	-	22,060

# Snowdon Mountain Railway Limited

## NOTES TO THE FINANCIAL STATEMENTS

At 31 January 2001

### 5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2001 £	2000 £
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible owned fixed assets	-	73,977
Operating lease rentals - plant and machinery	-	3,526
Amortisation of grants received	-	(10,000)

Auditors remuneration for audit services has been met by the parent company.

### 6. EMOLUMENTS OF DIRECTORS

	2001 £	2000 £
Aggregate emoluments (including benefits in kind)	-	36,771
Pensions contributions	-	973

### 7. EMPLOYEE INFORMATION

The average monthly number of persons (including paid executive directors) employed by the company during the year was:

	2001 No.	2000 No.
By activity		
Management and administration	-	6
Railway operations	-	49
Catering and retailing	-	23
	-	78

	2001 £	2000 £
Staff costs for the above persons		
Wages and salaries	-	1,086,665
Social security costs	-	78,673
Other pension costs	-	30,988
	-	1,196,326

# Snowdon Mountain Railway Limited

## NOTES TO THE FINANCIAL STATEMENTS

At 31 January 2001

### 8. TAXATION

	2001 £	2000 £
UK corporation tax at 30% (2000: 30%)		
Current period	-	35,000
	-	35,000

No provision for deferred taxation has been made (2000: £nil).

### 9. DEBTORS

	2001 £	2000 £
Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	1,962,321	1,962,321
	1,962,321	1,962,321

### 10. SHARE CAPITAL

	2001 £	2000 £
Authorised:		
2,000,000 ordinary shares of 10p each	200,000	200,000
Allotted, issued and fully paid:		
1,803,690 ordinary shares of 10p each	180,369	180,369

### 11. RESERVES

	Share premium account £	Profit and loss account £
At 1 February 2000	751,329	1,030,623
At 31 January 2001	751,329	1,030,627

# Snowdon Mountain Railway Limited

## NOTES TO THE FINANCIAL STATEMENTS

At 31 January 2001

### 12. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial period	-	157,707
Revaluation during the period	-	27,024
	-	184,731
Opening shareholders' funds	1,962,321	1,777,590
Closing shareholders' funds	1,962,321	1,962,321

### 13. RELATED PARTY TRANSACTIONS

The directors have taken advantage of the exemption available under Financial Reporting Standard 8 "Related Party Disclosure" not to disclose transactions with other members of the Heritage Great Britain PLC group on the grounds that these are eliminated on consolidation.

### 14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Heritage Great Britain PLC, registered in England and Wales. Copies of Heritage Great Britain PLC accounts are available from its registered office: Suite 33, The Colonnades, Albert Dock, Liverpool, L3 4AA. The entire share capital of Heritage Great Britain PLC is wholly owned by a Jersey company, Cherberry Limited. Cherberry Limited is wholly owned by the Trustees of a settlement. In the opinion of the directors, there is no single individual or entity that can or does exercise ultimate control, as defined under FRS8, over that company.