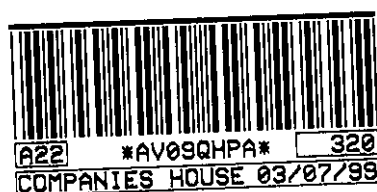


Woodlands Publishing (Rail) Limited

Directors' report and financial statements

31 March 1999

Registered number 1916861



Directors' report and financial statements

Contents

| | |
|--|-----|
| Directors' report | 1 |
| Statement of directors' responsibilities | 2 |
| Auditors' report to the members of Woodlands Publishing (Rail) Limited | 3 |
| Balance sheet | 4 |
| Notes | 5-6 |

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 1999.

Principal activities and business review

The company did not trade during the year to 31 March 1999.

Results and dividends

The directors do not recommend the payment of a dividend (1998: £nil). The profit for the year retained in the company is £nil (1998: £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

| | |
|------------|--------------------------|
| MC Young | |
| PS Phippen | (resigned 30 June 1998) |
| PR Teague | (appointed 30 June 1998) |

None of the directors who held office at the end of the financial year had any beneficial interests in the shares of group companies.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



A Redman
Secretary

Woodlands
80 Wood Lane
London
W12 OTT

21 June 1999

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London EC4Y 8BB

Auditors' report to the members of Woodlands Publishing (Rail) Limited

We have audited the financial statements on pages 4 to 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG

Chartered Accountants
Registered Auditors



June 1999

Balance sheet

at 31 March 1999

| | <i>Notes</i> | 1999 £ | 1998 £ |
|---|--------------|-----------|-----------|
| Creditors: amounts falling due within one year | 5 | (486,552) | (486,552) |
| Net liabilities | | (486,552) | (486,552) |
| Capital and reserves | | | |
| Called up share capital | 6 | 2 | 2 |
| Profit and loss account | | (486,554) | (486,554) |
| Deficit on equity shareholders' funds | | (486,552) | (486,552) |

There have been no movements in the profit and loss account for the financial year or the preceding financial year and there have been no other recognised gains or losses (1998: *£nil*).

These financial statements were approved by the board of directors on 21 June 1999 and were signed on its behalf by:



MC Young
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The principal accounting policies which have been applied consistently are set out below:

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt from the requirement of Financial Reporting Standard No 1 (Revised) to prepare a cash flow statement on the grounds of its size.

2 Profit and loss account

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently during these periods the company made neither a profit or a loss.

3 Auditors' remuneration

The auditors' remuneration in the current year and the preceding year was borne by a parent undertaking.

4 Staff costs and directors' emoluments

The company had no employees during the year or the preceding year. No director of the company received emoluments for services to the company during the year (1998: £nil).

5 Creditors: amounts falling due within one year

| | 1999 | 1998 |
|-------------------------------------|---------|---------|
| | £ | £ |
| Amounts owed to parent undertakings | 486,552 | 486,552 |

The amount falling due within one year relates to a non-interest bearing loan from Woodlands Publishing Limited which is repayable on demand.

Notes (continued)

6 Called up share capital

| | 1999 | 1998 |
|---|-------|-------|
| | £ | £ |
| <i>Authorised</i> | | |
| 100 ordinary shares of £1 each | 100 | 100 |
| | <hr/> | <hr/> |
| <i>Allotted, called up and fully paid</i> | | |
| 2 ordinary shares of £1 each | 2 | 2 |
| | <hr/> | <hr/> |

7 Ultimate parent company and controlling party and parent undertaking of the smallest and largest group of which the company is a member

The directors consider the ultimate holding company and controlling party to be the British Broadcasting Corporation which is incorporated in the United Kingdom by Royal Charter. The financial statements of the ultimate holding company, which heads the largest group in which the results of the company are consolidated, are available to the public and may be obtained from BBC Information Services, White City, 201 Wood Lane, London W12 7TS.

The company is a subsidiary undertaking of Woodlands Publishing Limited, registered in England and Wales, which heads the smallest group in which the results of the company are consolidated. The consolidated financial statements are available to the public and may be obtained from BBC Information Services, White City, 201 Wood Lane, London W12 7TS.