

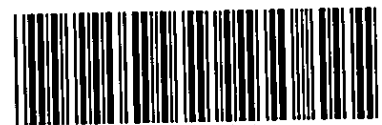
2005-9178

SOUTHERN VECTIS LIMITED
(formerly Southern Vectis PLC)

Report and Financial Statements

1 July 2006

SATURDAY



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COMPANIES HOUSE

SOUTHERN VECTIS LIMITED

Registered No 2005974

Directors

I P Butcher
KL Ludeman

Secretary

C Sephton

Auditor

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JD

Bankers

The Royal Bank of Scotland plc
135 Bishopgate
London
EC2M 3UR

Solicitors

Dickinson Dees LLP
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE99 3UR

Registered office

3rd Floor
41-51 Grey Street
Newcastle upon Tyne
NE1 6EE

SOUTHERN VECTIS LIMITED

Directors' report

The directors present their report and financial statements for the year ended 1 July 2006

RESULTS AND DIVIDENDS

The loss for the year amounted to £30,000. The directors do not recommend the payment of any dividends.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

During the year the company was a holding company, holding the shares in Go South Coast Limited (previously Southern Vectis Transport Limited) and associated companies. The principal activities of the Southern Vectis group of companies is the provision of public transport operations on the Isle of Wight and within Southampton and Southern Hampshire.

During the previous year, on 20th June 2005 the company was acquired by The Go-Ahead Group plc. The company was delisted on 8th November 2005 and its name was changed from this date.

From 2 July 2006, the company has not traded and is dormant.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company does not trade and all financial assets and liabilities are in relation to group balances. Therefore the directors do not consider the company to have any financial risk.

DIRECTORS

The directors who served the company during the year were as follows:

I P Butcher	(appointed 29 July 2005)
C Moyes	(served from 29 July 2005 to 8 July 2006)
G C McPherson	(served from 16 September 2005 to 15 June 2006)
M S Killingley	(resigned 31 July 2005)
K Boyes	(resigned 31 July 2005)
A P Holmes	(resigned 31 July 2005)
S G Linn	(resigned 31 July 2005)
I W Palmer	(resigned 31 July 2005)
B J Cox	(resigned 31 July 2005)

Messrs Butcher and Moyes were directors of the ultimate parent company, The Go-Ahead Group plc, and as such their interests in the shares are disclosed in the financial statements of that company.

No director has had a material interest in any contract that has subsisted during the year or at the year end.

Subsequent to the year end, the following was appointed as a director of the company:
K Ludeman (appointed 10 July 2006)

DIRECTORS' RESPONSIBILITIES FOR AUDIT INFORMATION

In so far as the directors are aware:

- There is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SOUTHERN VECTIS LIMITED
Directors' report

AUDITORS

Ernst & Young LLP were appointed as auditors on 27 October 2005. A resolution in accordance with Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually was passed on 27th October 2005 and accordingly Ernst & Young LLP shall be deemed reappointed as auditors.

Registered office
3rd Floor
41-51 Grey Street
Newcastle upon Tyne
NE1 6EE

By order of the board

A handwritten signature in black ink, appearing to read 'C Sephton', written over a horizontal line.

C Sephton
Secretary
26 April 2007

SOUTHERN VECTIS LIMITED

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 that 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 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.

Independent auditor's report

to the members of Southern Vectis Limited

We have audited the company's financial statements for the year ended 1 July 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, it is not consistent with the financial statements, if the company has not kept proper accounting records if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Independent auditor's report

to the members of Southern Vectis Limited (continued)

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 1 July 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Newcastle upon Tyne

27 April 2007

SOUTHERN VECTIS LIMITED
Profit and loss account
for the year ended 1 July 2006

	<i>Notes</i>	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
TURNOVER		—	—
Operating costs	2	(42)	(71)
OPERATING LOSS		(42)	(71)
Bank interest receivable	4	—	28
Interest payable and similar charges	5	—	(158)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(42)	(201)
Tax on loss on ordinary activities	6	12	60
LOSS FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES		(30)	(141)

Statement of total recognised gains and losses
for the year ended 1 July 2006

There are no recognised gains or losses other than the loss of £30,000 attributable to the shareholders for the year ended 1 July 2006 (2005 - loss of £141,000)

All activities are discontinued

SOUTHERN VECTIS LIMITED

Balance sheet

at 1 July 2006

	<i>Notes</i>	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
FIXED ASSETS			
Investments	7	<u>1,997</u>	<u>1,997</u>
CURRENT ASSETS			
Debtors	8	351	4,402
Cash at bank		<u>—</u>	<u>273</u>
		351	4,675
CREDITORS amounts falling due within one year	9	<u>168</u>	<u>3,712</u>
NET CURRENT ASSETS		<u>183</u>	<u>963</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,180</u>	<u>2,960</u>
CREDITORS amounts falling due after more than one year	10	<u>—</u>	<u>750</u>
		<u>2,180</u>	<u>2,210</u>
CAPITAL AND RESERVES			
Equity share capital	13	1,975	1,975
Profit and loss account	14	<u>205</u>	<u>235</u>
	14	<u>2,180</u>	<u>2,210</u>


I P Butcher
Director

26 April 2007

SOUTHERN VECTIS LIMITED
Notes to the financial statements
 at 1 July 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards

The company is exempt from the requirement to prepare group financial statements by virtue of Section 248 of the Companies Act 1985, and accordingly the accounts present information about the company as an individual undertaking and not about its group

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Investments

Investments in group undertakings are valued at cost less any provision for impairment

2. OPERATING COSTS

	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
Materials and external charges	42	71

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees during the year

The directors of the company are also directors of certain other fellow subsidiary undertakings within the group. The directors do not believe that it is practicable to apportion this amount between services as directors of the company and their services as directors of fellow subsidiary companies

4. INTEREST RECEIVABLE

	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
Bank interest receivable	—	28

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
Bank interest payable	—	158

SOUTHERN VECTIS LIMITED
Notes to the financial statements
at 1 July 2006

6. TAXATION ON ORDINARY ACTIVITIES

(a) Tax on loss on ordinary activities

The tax credit is made up as follows

	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
<i>Current tax</i>		
UK corporation tax	(12)	(60)
Total current tax (note 6(b))	<u>(12)</u>	<u>(60)</u>

(b) Factors affecting current tax credit

The tax assessed on the loss on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2005 - 30%)

	<i>Year to 1 July 2006 £000</i>	<i>Period to 2 July 2005 £000</i>
Loss on ordinary activities before tax	<u>(42)</u>	<u>(201)</u>
Loss on ordinary activities by rate of tax	<u>(12)</u>	<u>(60)</u>
Total current tax (note 6(a))	<u>(12)</u>	<u>(60)</u>

7. INVESTMENTS

	<i>Shares in group companies £000</i>
Cost	
At 3 July 2005 and 1 July 2006	<u>1,997</u>

The company owns 100% of the issued share capital of the companies listed below

Wholly owned by Southern Vectis Limited

Go South Coast Limited (previously Southern Vectis Transport Limited) - (Intermediate holding company)

Wholly owned by Go South Coast Limited (previously Southern Vectis Transport Limited)

Solent Blue Line Limited (formerly Musterphantom Limited) (PCV Operator)
The Southern Vectis Omnibus Company Limited (PCV Operator)
Southern Vectis Commercials Limited (Dormant)
Southern Vectis Coaches Limited (Dormant)
Air Vehicles Limited (Dormant)
Vikki Osborne (IW) Holidays Limited (Dormant)
Club Holidays (VO) Limited (Dormant)

SOUTHERN VECTIS LIMITED
Notes to the financial statements
at 1 July 2006

8. DEBTORS

	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
Amounts due from group undertakings	—	4,207
Corporation tax recoverable re group relief	351	195
	<u>351</u>	<u>4,402</u>

9. CREDITORS: amounts falling due within one year

	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
Current instalment due on bank loan (note 11)	—	500
Bank overdraft	13	—
Amounts owed to group undertakings	155	3,073
Other creditors	—	139
	<u>168</u>	<u>3,712</u>

10. CREDITORS: amounts falling due after more than one year

	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
Loans (note 11)	—	750

11. BANK LOANS

Loans were secured by a charge on all assets of the Southern Vectis group

	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
Amounts repayable		
In one year or less or on demand	—	500
In more than one year but not more than two years	—	500
In more than two years but not more than five years	—	250
	<u>—</u>	<u>1,250</u>

12. RELATED PARTY TRANSACTIONS

The company is a 100% subsidiary of The Go Ahead Group plc. Advantage has been taken of the exemptions in paragraph 3 of Financial Reporting Standard 8 and transactions with entities that are part of the group have not been disclosed.

SOUTHERN VECTIS LIMITED
Notes to the financial statements
at 1 July 2006

13. SHARE CAPITAL

	<i>Authorised</i>	
	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
20,000,000 Ordinary shares of £0.10 each	<u>2,000</u>	<u>2,000</u>

	<i>Allotted, called up and fully paid</i>	
	<i>1 July 2006 £000</i>	<i>2 July 2005 £000</i>
Ordinary shares of £0.10 each	<u>1,975</u>	<u>1,975</u>

14. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Equity share capital £000</i>	<i>Revaluation reserve £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holders' funds £000</i>
At 1 May 2004	1,975	153	223	2,351
Loss for the period	—	—	(141)	(141)
Other movements				
- transfer from revaluation reserve	—	(153)	153	—
At 2 July 2005	<u>1,975</u>	<u>—</u>	<u>235</u>	<u>2,210</u>
Loss for the year	—	—	(30)	(30)
At 1 July 2006	<u>1,975</u>	<u>—</u>	<u>205</u>	<u>2,180</u>

15. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

In the directors' opinion the company's ultimate parent company and controlling party is The Go-Ahead Group plc which is also the parent undertaking of the group of undertakings for which group financial statements are drawn up. The Go-Ahead Group plc is registered in England and Wales and copies of its financial statements can be obtained from Companies House, Cardiff.