

GUILDFORD & WEST SURREY BUSES LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2001



Company No. 2157220

GUILDFORD & WEST SURREY BUSES LIMITED

COMPANY INFORMATION

Directors	S P Lonsdale J A Ray R A Bowler
Secretary	D P Turner
Company number	2157220
Registered office	Admiral Way Doxford International Business Park Sunderland SR3 3XP
Auditors	PricewaterhouseCoopers 89 Sandyford Road Newcastle upon Tyne NE99 1PL

GUILDFORD & WEST SURREY BUSES LIMITED

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GUILDFORD & WEST SURREY BUSES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2001

The Directors present their report and the audited financial statements for the Company for the year ended 31st December 2001.

Principal activities and review of business

The Company did not trade during the year ended 31st December 2001.

Results and dividends

The results for the year are set out in the profit and loss account on page 4. The Directors do not recommend the payment of a dividend (2000: £Nil) .

The Directors consider the state of the Company's affairs to be satisfactory and there have been no material changes since the balance sheet date.

Directors

The Directors who held office during the year were:

S P Lonsdale

J A Ray

R A Bowler

Directors' interests

None of the Directors had any interest in the share capital of the Company during the year.

S P Lonsdale and J A Ray are also directors of the ultimate parent company, ARRIVA plc, and their interests in the share capital of that company are disclosed in its Directors' Report.

The interests of R A Bowler in the ordinary share capital of ARRIVA plc are shown in the Directors' Report of the intermediate parent company, ARRIVA Passenger Services Limited.

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31st December 2001 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and which 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.

GUILDFORD & WEST SURREY BUSES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2001

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office. The Company has elected to dispense with the requirement to appoint auditors annually.

By order of the Board

A handwritten signature in black ink, appearing to read 'D P Turner', with a long horizontal stroke extending to the right.

D P Turner, Secretary
6th March 2002

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUILDFORD & WEST SURREY BUSES LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are 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 United Kingdom Auditing Standards issued by the Auditing Practices Board.

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. We also report to you if, in our opinion, the Directors' Report 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 transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.

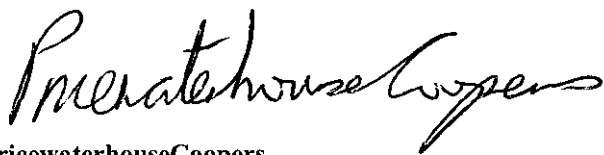
Basis of audit opinion

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 the 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 at 31st December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Newcastle upon Tyne
17th September 2002

GUILDFORD & WEST SURREY BUSES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2001

	Notes	2001 £'000	2000 £'000
Interest receivable and similar income	2	-	18
Profit on ordinary activities before taxation		-	18
Tax on profit on ordinary activities		-	-
Retained profit for the year		-	18

The Company has no recognised gains and losses other than those included in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

GUILDFORD & WEST SURREY BUSES LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2001

	Notes	2001 £'000	2001 £'000	2000 £'000	2000 £'000
Current assets					
Debtors	3	133		133	
Cash at bank and in hand		124		124	
Net current assets			257		257
Total assets less current liabilities			257		257
Capital and reserves					
Called up equity share capital	4		-		-
Profit and loss account			257		257
Equity shareholders' funds	5		257		257

The financial statements on pages 4 to 6 were approved by the Board on 6th March 2002 and signed on its behalf by:



S P Lonsdale
Director

GUILDFORD & WEST SURREY BUSES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, using the accounting policies set out below and in accordance with applicable accounting standards.

Cash flow statement

The Company is a wholly owned subsidiary and the ultimate parent company has prepared a group cash flow statement. Accordingly, under FRS 1, the Company is exempt from preparing a cash flow statement.

2 Interest receivable and similar income

	2001	2000
	£'000	£'000
Bank interest receivable	-	18

3 Debtors

	2001	2000
	£'000	£'000
Amounts owed by group undertakings	133	133

4 Called up share capital

	2001	2000
	£'000	£'000
Authorised		
1,000 Ordinary shares of £1 each	1	1
Allotted and fully paid		
2 Allotted, called up and fully paid ordinary shares of £1 each	-	-

5 Reconciliation of movement in equity shareholders' funds

	2001	2000
	£'000	£'000
Profit for the financial year	-	18
Increase in equity shareholders' funds	-	18
Opening equity shareholders' funds	257	239
Closing equity shareholders' funds	257	257

6 Ultimate parent company

The ultimate parent company and ultimate controlling party is ARRIVA plc, a company which is registered in England and Wales, and which has prepared group accounts incorporating the results of Guildford & West Surrey Buses Limited. Copies of these accounts can be obtained from Admiral Way, Doxford International Business Park, Sunderland, SR3 3XP.

Transactions with other companies in the ARRIVA Group are not specifically disclosed as the company has taken advantage of the exemption available under FRS 8 "Related Party Disclosures" for wholly-owned subsidiaries.