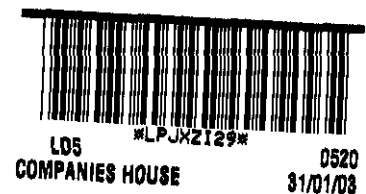


CROSS CHANNEL CATERING SERVICES LIMITED

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED**

31 March 2002

Registered Number: 2235864



CROSS CHANNEL CATERING SERVICES LIMITED

BOARD OF DIRECTORS

J J Jerram	(Resigned 25 October 2002)
R A Porter	(Resigned 10 May 2002)
P C Trewin	(Appointed 25 October 2002)

REPORT OF THE DIRECTORS

1. ACCOUNTS

The Directors submit their Report and Accounts for the year to 31 March 2002.

2. BUSINESS REVIEW

The company holds a 36% investment in Cross Channel Catering Company SA (CCCC SA) which, until 31 May 2000, provided catering to passenger services through the Channel Tunnel. CCCC SA ceased the provision of services on 31 May 2000 and is now in the process of liquidation.

3. DIVIDENDS

No dividend is proposed for the year.

4. DIRECTORS

The Directors who served during the year were:-

J J Jerram
R A Porter

No Director had any interest in the shares of the Company at any time.

5. DIRECTORS' RESPONSIBILITIES

The Companies Act 1985 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the Company's state of affairs at the end of the year and of its profit or loss for the year then ended. In preparing the 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;
- 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.

6. AUDITORS

A resolution to re-appoint PricewaterhouseCoopers as auditors will be submitted at the Annual General Meeting.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'P C Trewin', is written over the printed name.

P C Trewin
Director

Independent auditors' report to the members of Cross Channel Catering Services Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, and the related notes which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) 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. This opinion has been prepared for and only for the company's members in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 31 March 2002 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Southwark Towers,
32 London Bridge Street,
London SE1 9SY

CROSS CHANNEL CATERING SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

		Year to 31 March 2002	Year to 31 March 2001
	Note	£	£
Income from participating interests		-	44,252
Operating expenditure	7	(1,763)	-
Amounts written back to investments		-	
			151,352
(Loss)/Profit before taxation and for the financial year		(1,763)	195,604

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses, other than those recognised in the Profit and Loss Account during the year.

BALANCE SHEET AT 31 MARCH 2002

	Note	31 March 2002 £	31 March 2001 £
<u>Fixed Assets</u>			
Investments	4	1	1
<u>Current Assets</u>			
Debtors	5	327,563	327,563
<u>Current Liabilities</u>			
Accruals	6	(1,763)	-
<u>Net current assets</u>		325,800	327,563
<u>Total Assets less Current Liabilities</u>		325,801	327,564
<u>Capital and Reserves</u>			
Called up Share Capital	8	100	100
Profit and Loss Account	9	325,701	327,464
		325,801	327,564

The notes on pages 6 and 7 form part of these accounts.

These accounts were approved by the Board of Directors on 30 January 2003

Rob Turner

CROSS CHANNEL CATERING SERVICES LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The accounts of the Company have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2. DIRECTORS' EMOLUMENTS

The Directors receive no payments in respect of their services to the Company.

3. TAXATION

There is no charge for taxation based on the level of brought forward capital losses and indications from the parent undertaking about the level of unutilised tax losses.

4. INVESTMENTS

The Company holds an investment of 36% of the issued share capital of Cross Channel Catering Company SA (CCCC SA), a company which is incorporated in Belgium. CCCC SA ceased trading on 31 May 2000.

At 31 March 2002 the value of the investment was £1. On 18 January 2001, CCCC SA repaid 90% of its issued share capital to its shareholders. The Company's share of the capital repayment was BEF9,720,000, which translated as £151,352. The resulting excess of £151,352 over the carrying value of the investment was written back in the profit and loss account.

5. DEBTORS

	Year to 31 March 2002	Year to 31 March 2001
	£	£
Amount owed by the Strategic Rail Authority	327,563	283,311
Other Debtors	-	44,252
	<u>327,563</u>	<u>327,563</u>

6. CREDITORS

	Year to 31 March 2002	Year to 31 March 2001
	£	£
Amount owed to the Strategic Rail Authority	<u>1,763</u>	<u>-</u>

7. OPERATING EXPXNDITURE

This is stated after charging auditors remuneration of £1,763.

8. SHARE CAPITAL

The authorised and issued share capital of the Company is 100 £1 ordinary shares. These amounts have not changed in the year.

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share Capital	Profit and Loss Account	Total
	£	£	£
Opening shareholders' funds	100	327,464	327,564
Movement in year	-	(1,763)	(1,763)
Closing shareholders' funds	<u>100</u>	<u>325,701</u>	<u>325,801</u>

10. ULTIMATE PARENT UNDERTAKING

Cross Channel Catering Services Limited was a wholly owned subsidiary of the British Railways Board until 1 February 2001 at which date it was transferred to the newly formed Strategic Rail Authority by means of a transfer scheme made under the Transport Act 2000. Consequently the Company's ultimate parent undertaking was the British Railways Board until 1 February 2001 and thereafter the Strategic Rail Authority.

Group Accounts for the British Railways Board can be obtained from the principal place of business. Whittles House, 14 Pentonville Road, London N1 9HF. Group Accounts for the Strategic Rail Authority can be obtained from the principal place of business, 55 Victoria Street, London SW1H 0EU.

11. CASHFLOW

The Company is exempt from preparing a cashflow statement under the provisions of FRS1 (revised).