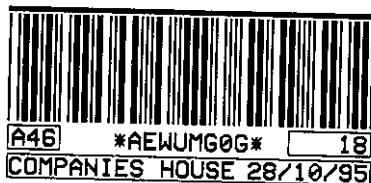


EUSTON HOLDINGS LIMITED

REPORT AND ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 1994



The Company's registered number is 2465642

EUSTON HOLDINGS LIMITED REPORT OF THE DIRECTORS

The directors present their Annual Report on the affairs of the Company together with the accounts and auditor's report for the period ended 31 December 1994.

Principal activities and business review

The Company's principal activities are the ownership and operation of the railway line from Meldon Quarry to its junction with the Exeter to Barnstaple line.

Results and dividends

The Company made neither a profit nor a loss on ordinary activities in the period (year to 31 March 1994: loss £1,000). No dividend is recommended by the directors.

Fixed assets

Information relating to tangible fixed assets is given in note 5 to the accounts.

Directors and their interests

The directors who served during the period are as shown below:-

P Bowden	appointed 1 March 1995	
M J Booth	appointed 1 March 1995	
K Foley	appointed 8 June 1994	
C E Denman	resigned 30 June 1995	
D M Kirk	appointed 8 June 1994	resigned 31 January 1995
Dr J W Inglis	resigned 8 June 1994	
G R Shove	resigned 8 June 1994	

The interests of each director who held office at 31 December 1994 in the share capital of CAMAS plc, the ultimate holding company, are shown below. All interests are beneficial.

	Ordinary shares	Share options	
		Savings related	Executive
1 April 1994			
K Foley*	-	-	-
C E Denman	-	-	-
D M Kirk*	-	-	-
* or as at date of appointment			
Share options granted during the year			
K Foley		-	24,549
C E Denman		12,302	68,786
D M Kirk		-	-
31 December 1994			
K Foley	-	-	24,549
C E Denman	1,160	12,302	68,786
D M Kirk	-	-	-

EUSTON HOLDINGS LIMITED
REPORT OF THE DIRECTORS

- i) Options granted under the CAMAS Sharesave Scheme on 30 June 1994 may be exercised on various dates up to 28 February 2002 at a price of 63.4 pence per share.

Options granted under the CAMAS Executive Share Option Scheme on 8 June 1994 may be exercised between 8 June 1997 and 8 June 2004 at a price of 79.2 pence per share, subject to the achievement of the required performance target which requires that the growth in earnings per share over a period of three consecutive financial years exceeds the increase in the Index of Retail Prices (all items).

- ii) No options were exercised or lapsed during the year.
- iii) Apart from the above and service contracts, no director has had any material interest in any contract with the Company, the ultimate holding company or fellow subsidiary undertakings requiring disclosure under the Companies Act 1985.
- iv) The options held by the executive directors of the Company under the CAMAS Sharesave Scheme and the CAMAS Executive Share Option Scheme are held under the same terms as those applying to other participants in these schemes.

During the year CAMAS plc, the ultimate holding company, purchased liability insurance for its directors and officers as permitted by section 310(3) of the Companies Act 1985. This insurance provides cover for the directors and officers of this Company.

Auditors

In accordance with Section 386 of the Companies Act 1985 an elective resolution has been filed in order to dispense with the requirement to appoint auditors annually.

By Order of the Board


J. Simpson
Secretary

Regent House
Rodney Road
Cheltenham
Gloucestershire
GL50 1HX

18 October 1995

EUSTON HOLDINGS LIMITED

Statement of directors' responsibilities in respect of the accounts

The Companies Act 1985 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 for that period. 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that the accounts comply with the above requirements.

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 have a 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.

EUSTON HOLDINGS LIMITED

Report of the Auditors KPMG to the members of Euston Holdings Limited

We have audited the accounts on pages 6 to 10.

Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 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 December 1994 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors
London

18 October 1995

EUSTON HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 1994

	Note	Period to 31 December 1994 £'000	Year to 31 March 1994 £'000
Turnover - continuing operations	1	100	-
Other operating income	2	-	48
Other external charges		(100)	
Depreciation of tangible fixed assets		-	(16)
Provision for permanent diminution of tangible fixed assets		-	(32)
Profit/(loss) on ordinary activities before taxation			
- continuing operations		-	-
Taxation on profit/(loss) on ordinary activities	4	-	(1)
Profit/(loss) for the period	9	-	(1)

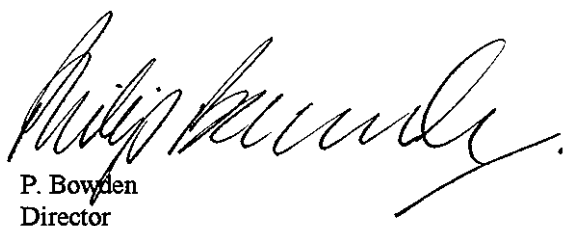
The notes on pages 8 to 10 inclusive form part of these accounts.

The Company has no other recognised gains or losses for the period.

EUSTON HOLDINGS LIMITED
BALANCE SHEET
AT 31 DECEMBER 1994

	Note	31 December 1994 £'000	31 March 1994 £'000
FIXED ASSETS			
Tangible assets	5	-	-
CURRENT ASSETS			
Debtors	6	10	-
CREDITORS: Due within one year	7	(11)	(1)
NET CURRENT ASSETS/(LIABILITIES)		(1)	(1)
TOTAL ASSETS LESS CURRENT LIABILITIES		(1)	(1)
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account	9	(1)	(1)
Shareholders' funds - equity		(1)	(1)

The accounts on pages 6 to 10 were approved by the Board of Directors on 18 October 1995 and signed on its behalf by:-


P. Bowden
Director

The notes on pages 8 to 10 inclusive form part of these accounts.

EUSTON HOLDINGS LIMITED
NOTES TO THE ACCOUNTS

1: ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

b) Tangible fixed assets

Tangible fixed assets comprise the freehold branch railway line and its buildings.

The tangible fixed assets have been written down to their estimated recoverable amount to the business.

c) Turnover

Turnover is the amount derived from the provision of services falling within the Company's ordinary activities, excluding value added tax.

2: PROFIT AND LOSS ACCOUNT

Other operating income comprises the following:-

	31 December	31 March
	1994	1994
	£'000	£'000
Rent receivable	-	2
Write-back of amount owing to British Railways Board	-	46
	<u>-</u>	<u>48</u>

3: EMPLOYEES AND DIRECTORS

(a) The Company employed no personnel during the period nor in the prior year.

(b) No directors received emoluments in respect of services rendered to the Company during the period (year to 31 March 1994: nil).

4: TAXATION

Tax on profit/(loss) on ordinary activities

	31 December	31 March
	1994	1994
	£'000	£'000
UK corporation tax at 33% on taxable profit for the period	<u>-</u>	<u>1</u>

EUSTON HOLDINGS LIMITED
NOTES TO THE ACCOUNTS

5: TANGIBLE FIXED ASSETS

	Freehold land and Buildings £'000
Cost	
At 1 April and 31 December 1994	525
Depreciation	
At 1 April and 31 December 1994	525
Net book value at 1 April 1994	-
Net book value at 31 December 1994	-

6: DEBTORS

	31 December 1994 £'000	31 March 1994 £'000
Prepayments	-	-
Amount due from group undertaking	10	-
	10	-

7: CREDITORS: Due within one year

Corporation tax	1	1
Other creditors	10	-
	11	1

8: SHARE CAPITAL

	31 December 1994 £	31 March 1994 £
Authorised:		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid:		
100 ordinary shares of £1 each	100	100

EUSTON HOLDINGS LIMITED
NOTES TO THE ACCOUNTS

9: RESERVES

	Profit and Loss Account £'000
At 1 April 1994	(1)
Profit/(loss) for the period	-
	<hr/>
At 31 December 1994	(1)
	<hr/> <hr/>

10: MOVEMENT IN SHAREHOLDERS' FUNDS

	31 December 1994 £'000	31 March 1994 £'000
At beginning of period	(1)	-
Issue of shares	-	-
Profit/(loss) for the period	-	(1)
	<hr/>	<hr/>
At end of period	(1)	(1)
	<hr/> <hr/>	<hr/> <hr/>

11: CASH FLOW STATEMENT

In accordance with Financial Reporting Standard (FRS) No. 1, the Company has not included a cash flow statement as part of these accounts because the Company is a wholly owned subsidiary undertaking of a UK parent undertaking which fully complies with the FRS.

12: ULTIMATE HOLDING COMPANY

The Company is a subsidiary undertaking of CAMAS UK Limited, incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by CAMAS plc. The consolidated accounts of this group are available to the public and may be obtained from:

The Company Secretary
CAMAS plc
Regent House
Rodney Road
Cheltenham
Gloucestershire
GL50 1HX