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LLANGOLLEN RAILWAY PLC

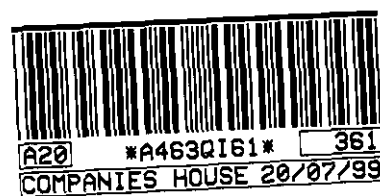
Registered Number : 2716476

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

M.D. COXEY & CO.

WREXHAM



LLANGOLLEN RAILWAY PLC

COMPANY INFORMATION

Directors	D.A. Cutts (Chairman) R. Austin (resigned 25.9.98) P.K. Evans D.C. Foster (resigned 25.9.98) R.S. Gordon G.S. Heddon (appointed 25.9.98) J. Mason (appointed 25.9.98) R.D. Owen H.J. Parker (appointed 25.9.98) N.I. Patching W.R. Shakespeare MBE (resigned 25.9.98) C.E. Simon (appointed 25.9.98)
Secretary	N.I. Patching
Company Number	2716476 (England and Wales)
Registered Office	The Station, Abbey Road, Llangollen, LL20 8SN.
Auditors	M.D. Coxey & Co., 25, Grosvenor Road, Wrexham, LL11 1BT.
Bankers	National Westminster Bank plc., 38 Castle Street, Llangollen, LL20 8NH.

LLANGOLLEN RAILWAY PLC

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The following pages do not form part of the statutory accounts.

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LLANGOLLEN RAILWAY PLC

CHAIRMAN'S STATEMENT

The past twelve months have seen improvements in many aspects of the railway's standing within the community. The Trust and plc are united in their efforts to secure a new lease and we may well be close to a settlement, thanks to Gordon Heddon and his team. At the time of writing this report the lease negotiations are in the hands of the legal representatives with encouraging responses from both sides.

The success of our operating schedule has ensured events throughout the year have contributed to the company's strengthened financial position. The engineering department continues to grow and the income derived has proved invaluable in supporting the railway during the first part of the year when our cash flow is at its lowest. Successful Thomas events and in particular the introduction of a mid summer Thomas have swelled the coffers in an all too brief summer season. The culminating factor in our annual passenger activities has always been the Santas and last year was no exception thanks to the sterling efforts of all those who took part with special thanks to Colin Keyse, our Commercial Manager.

All these activities have enabled us to produce a small profit of approximately £4,000 despite the extra burden of legal fees (£13,000) and recently imposed rates (£6,000), of which we are currently in dispute with the Council. However the main factor we should now rejoice in is the reduced amount owed to our short term creditors. Although it still remains a considerable amount the net current liability has improved compared to last year's £166,000 to the present £94,000. We are hopeful this trend will continue during the present financial year.

What of the future ? Well, we have several objectives which are currently underway and the Corwen extension still remains our primary goal. Unfortunately the necessary Transport and Works Order has yet to be acquired and represents a major financial barrier for us to overcome. However, Pentrefelin has now received European funding thus enabling us to move forward under the supervision of John Mason. The first signs of progress, apart from the previously laid extensive track work, is the erection of a boundary fence to secure the site for further development. Berwyn viaduct is also a major consideration as it requires extensive repair work at some time in the future. We are advised by our surveyors that repairs to the arch spandrels and the addition of a waterproof membrane under the trackbed to prevent water seepage would ensure the long term integrity of the structure. Last but not least is the long awaited renovation of both Llangollen and Berwyn stations. As we are all aware, the release of Lottery funding is dependent on securing a long term lease and this is where I started my report !! Hopefully a successful outcome is not too far away.

At this point I must make a special mention about a new business opportunity created by Doug Wentel and Peter Faulkner. Thanks to their efforts we can look forward to a welcome increase in party bookings from coach tour operators and local hoteliers.

In conclusion, I would like to say that since becoming Chairman I have enjoyed the support of an active team of directors who have brought enthusiasm and strength to the decision making process. I am confident this will continue whilst both plc and Trust work together with the common goal of one Railway for everyone to enjoy.

LLANGOLLEN RAILWAY PLC  
REPORT OF THE DIRECTORS

The directors present their report and audited financial statements for the year ended 31st December 1998.

Principal Activities

The principal activity of the company is the operation and extension of a Heritage Steam Railway.

Review of the Business and Future Developments

A review of the company's business during the year, its position at the end of the year, review of significant activities during the year and the Board's proposals for future development are set out in the Chairman's statement.

Payment of Creditors

It is company policy to follow its supplier payment code which is available from the registered office of the company. It is company policy in respect of all its suppliers to settle the terms of payment when agreeing the terms of each transaction; to ensure that suppliers are made aware of the terms of payment; and to abide by the terms of payment. The number of trade creditors days outstanding at the year end was 64.

Year 2000

The company allocated senior management resources to addressing the area of millennium compliance. The directors are now confident following the work carried out, that all in house systems, where microprocessor driven, and all commercial interfaces are now reliant. All costs incurred in this project were incurred in the year.

Events since the Balance Sheet Date

There have been no events since the year end which would materially affect the financial statements.

Fixed Assets

Movements in tangible fixed assets are shown in note 9 to the financial statements.

Dividend and Reserves

The directors do not recommend the payment of a dividend, the profit for the year of £4,617 to be transferred to reserves carried forward.

Directors and Directors Interests in the Share Capital

The directors who served during the year and the interest in the share capital of the company of those serving at the end of the year were as follows :-

<u>Directors</u>	<u>Ordinary shares of £1 each</u>	
	<u>1998</u>	<u>1997</u>
D.A. Cutts (Chairman)	100	100
R. Austin (resigned 25.9.98)	-	1,000
P.K. Evans	1,222	1,162
D.C. Foster (resigned 25.9.98)	-	350
R.S. Gordon	1,000	1,000
G.S. Heddon (appointed 25.9.98)	200	-
J. Mason (appointed 25.9.98)	500	-
R.D. Owen	200	200
H.J. Parker (appointed 25.9.98)	120	-
N.I. Patching	150	150
W.R. Shakespeare MBE (resigned 25.9.98)	-	250
C.E. Simon (appointed 25.9.98)	250	-

### Major Shareholders

The company has been notified that the following shareholders held more than 3% of the company's issued share capital at the date of this report

	<u>No. of Shares</u>	<u>%</u>
Llangollen Railway Trust Ltd	140,271	30.5

### Political and Charitable Donations

The company made no political or charitable donations in the year.

### Taxation

So far as the directors are aware the company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

### 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 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.

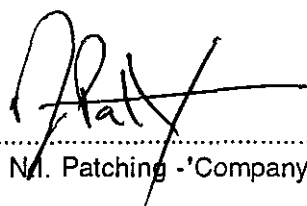
The directors are responsible for ensuring the company keeps proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The directors also have general responsibility for ensuring an appropriate system of internal control is in operation to provide them with reasonable assurance that the assets of the company are properly safeguarded and that fraud and other irregularities will be prevented or detected.

### Auditors

Messrs M.D. Coxey & Co., have expressed a willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming annual general meeting.

By Order of the Board

Registered Office :

  
.....  
N. Patching - Company Secretary

The Station,  
Abbey Road,  
Llangollen, LL20 8SN.

Date : .....  
17<sup>th</sup> July 1998

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
LLANGOLLEN RAILWAY PLC

We have audited the financial statements on pages 5 to 15 which have been prepared on the basis of the accounting policies set out on page 9.

**Respective responsibilities of the directors and auditors**

As described on page 3 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 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 company's state of affairs at 31st December 1998 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25, Grosvenor Road,  
Wrexham,  
LL11 1BT.

  
M.D. Coxey & Co.,  
Chartered Accountants  
Registered Auditors.

Date : 17th July 1999.

LLANGOLLEN RAILWAY PLC  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1998

	<u>Note</u>	<u>31.12.98</u>	<u>31.12.97</u>
		£	£
Turnover	2	620,794	616,180
Cost of Sales		(341,406)	(336,949)
Gross Profit		279,388	279,231
Administrative Expenses		(264,050)	(238,069)
Other Operating Income	3	762	2,670
Operating Profit	4	16,100	43,832
Interest Payable	5	(11,483)	(11,622)
Profit on Ordinary Activities before Taxation		4,617	32,210
Taxation on profit on Ordinary Activities	8	-	-
Retained profit for the year	16	4,617	32,210

All the company's operations are classed as continuing.

There are no recognised gains or losses other than those recognised in the profit and loss account.

The accompanying notes form an integral part of these financial statements.

LLANGOLLEN RAILWAY PLC

BALANCE SHEET

AS AT 31ST DECEMBER 1998

	<u>Note</u>	<u>31.12.98</u> £	<u>31.12.97</u> £
<b><u>Fixed Assets</u></b>			
Tangible Assets	9	601,061	615,532
<b><u>Current Assets</u></b>			
Stocks	10	26,800	41,069
Debtors	11	59,456	25,748
Cash at Bank and in Hand		16,918	4,334
		-----	-----
		103,174	71,151
<b><u>Creditors : Amounts falling due within one year</u></b>	12	(197,634)	(237,307)
		-----	-----
Net Current Liabilities		(94,460)	(166,156)
		-----	-----
Total Assets less Current Liabilities		506,601	449,376
<b><u>Creditors : Amounts falling due after more than one year</u></b>	13	(74,040)	(37,011)
		-----	-----
Net Assets		432,561	412,365
		=====	=====
<b><u>Capital and Reserves</u></b>			
Share Capital	15	459,565	443,986
Profit and Loss Account	16	(27,004)	(31,621)
		-----	-----
Equity Shareholders Funds	17	432,561	412,365
		=====	=====

Approved by the Board of Directors and signed on its behalf.

Signed .....  .....

D.A. Cutts

Signed .....  .....

N.I. Patching

Date : ..... 17<sup>th</sup> July 1999 .....

The accompanying notes form an integral part of these financial statements.

LLANGOLLEN RAILWAY PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 1998

	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Reconciliation of operating profit to net cash inflow from operating activities		
Operating Profit	16,100	43,832
Depreciation Charges	44,756	47,067
(Increase)/Decrease in stocks	14,269	(11,191)
(Increase)/Decrease in debtors	(33,708)	(14,995)
Increase/(Decrease) in creditors	(22,417)	2,370
	-----	-----
Net Cash Inflow from operating activities	19,000	67,083
	=====	=====

Cash flow statement

Net Cash inflow from operating activities	19,000	67,083
Returns on investment and servicing of finance (note 1)	(11,483)	(11,622)
Capital Expenditure	(30,285)	(34,214)
	-----	-----
	(22,768)	21,247
Financing note 1	44,732	(27,628)
	-----	-----
Increase/(Decrease) in Cash	21,964	(6,381)
	=====	=====

Reconciliation of net cash flow to movement in net debt (note 2)

Increase/(Decrease) in cash in the year	21,964	(6,381)
Cash inflow from increase in debt & lease financing	(37,029)	15,005
Cash used to increase liquid resources	7,876	28,209
	-----	-----
Change in net debt	(7,189)	36,833
Net debt at 1.1.98	(114,466)	(151,299)
	-----	-----
Net debt at 31.12.98	(121,655)	(114,466)
	=====	=====

The accompanying notes form an integral part of these financial statements.

LLANGOLLEN RAILWAY PLC

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 1998

	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
<b>NOTE 1 GROSS CASH FLOWS</b>		
Returns on investments and servicing of finance		
Interest paid	(11,483)	(11,622)
Capital Expenditure		
Payments to acquire tangible fixed assets	(30,285)	(34,214)
Financing		
Issue of ordinary share capital	15,579	15,586
(Decrease) in short term borrowings	(18,104)	(28,209)
Repayment of loans due after more than 1 year	(6,319)	(15,005)
Proceeds of Finance Leases	60,000	-
Capital element of Finance Leases repaid	(6,424)	-
	----- 44,732	----- (27,628)

**NOTE 2 ANALYSIS OF CHANGES IN NET DEBT**

	<u>At 1.1.98</u>	<u>Cash flows</u>	<u>At 31.12.98</u>
Cash in Hand & at Bank	4,334	12,584	16,918
Overdraft	(38,290)	9,380	(28,910)
		----- 21,964	
Debt due within 1 year	(43,499)	7,876	(35,623)
Debt due after 1 year	(37,011)	(37,029)	(74,040)
	----- (114,466)	----- (7,189)	----- (121,655)
	=====	=====	=====

LLANGOLLEN RAILWAY PLC  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31ST DECEMBER 1998

1. Accounting Policies

There have been no changes in accounting policies during the year. The significant accounting policies adopted are as follows :-

(a) Basis of preparation of financial statements

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

(b) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided in equal amounts each year in order to write off the cost of assets after grants over their anticipated useful lives as follows :-

	<u>No. of years</u>
Leasehold Improvements	20
Fixtures and Plant	10
Track and Rolling Stock	20

(c) Government Grants

All grants received in respect of capital expenditure have been treated so as to reduce the value of the relevant fixed assets.

(d) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

(e) Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences only to the extent that it is considered that such a liability will become payable in the foreseeable future.

(f) Leasing and Hire Purchase

Assets held under hire purchase agreements and finance leases are included in tangible fixed assets. Obligations under such agreements are stated in the balance sheet net of finance charges allocated to future periods. The finance element of the lease instalments payable is charged to the profit and loss account over the period of the lease and is calculated so that the annual rate of charge on the capital element outstanding is constant.

All other leases are operating leases and the annual rentals payable are charged to the profit and loss account.

(g) Turnover

Turnover comprises of net sales excluding value added tax where applicable.

2. Turnover

Turnover has arisen wholly within the United Kingdom.

3. <u>Other Operating Income</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Donations	762	2,670
	-----	-----
	<u>762</u>	<u>2,670</u>

4. <u>Operating Profit</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
The operating profit is arrived at after charging :-		
Depreciation	44,756	47,067
Auditors Remuneration - For audit work	2,900	2,900
- For non-audit work	1,450	1,450
Operating Lease rentals	<u>5,771</u>	<u>4,433</u>

5. <u>Interest Payable and Similar Charges</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Interest payable on overdrafts and other loans		
Repayable within 5 years not by instalments	3,458	4,680
Repayable within 5 years by instalments	3,743	6,942
Finance leases	4,282	-
	-----	-----
	<u>11,483</u>	<u>11,622</u>

6. <u>Employees</u>	<u>31.12.98</u>	<u>31.12.97</u>
	No.	No.
The average number of employees, including directors, employed by the company during the year was :		
Engineering	11	9
Administration	12	11
Sales	4	4
	----	----
	<u>27</u>	<u>24</u>

Costs in respect of these employees	£	£
Wages and Salaries	158,407	127,968
Social Security Costs	11,222	8,178
	-----	-----
	<u>169,629</u>	<u>136,146</u>

7. <u>Directors Remuneration</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Remuneration as executives	<u>13,663</u>	<u>13,528</u>

7. Directors Remuneration cont'd

Directors emoluments excluding pension contributions, include those of;

	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Highest paid director	<u>13,663</u>	<u>13,528</u>
Chairman	<u>-</u>	<u>-</u>

The table which follows shows the number of directors (excluding the chairman and highest paid director) of the company whose emoluments during the year (excluding pension fund contributions) were within the bands stated.

	<u>31.12.98</u>	<u>31.12.97</u>
£0 - £5,000	<u>10</u>	<u>6</u>

The company did not pay pension contributions in respect of any of the directors of the company during the year (1997 : £Nil).

8. Taxation

There is no charge to corporation tax in the year due to losses, as adjusted for taxation purposes in the year and the availability of losses brought forward from earlier periods.

9. Tangible Fixed Assets

	<u>Track &amp; Rolling Stock</u>	<u>Fixtures &amp; Plant</u>	<u>Leasehold Improvements</u>	<u>Total</u>
	£	£	£	£
<u>Cost</u>				
At 1st January 1998	610,205	72,486	218,324	901,015
Additions	6,279	6,257	17,749	30,285
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
At 31st December 1998	<u>616,484</u>	<u>78,743</u>	<u>236,073</u>	<u>931,300</u>
<u>Depreciation</u>				
At 1st January 1998	200,173	33,637	51,673	285,483
Charge for the year	28,411	5,739	10,606	44,756
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
At 31st December 1998	<u>228,584</u>	<u>39,376</u>	<u>62,279</u>	<u>330,239</u>
<u>Net Book Value</u>				
At 31st December 1998	<u>387,900</u>	<u>39,367</u>	<u>173,794</u>	<u>601,061</u>
At 31st December 1997	<u>410,032</u>	<u>38,849</u>	<u>166,651</u>	<u>615,532</u>

The net book value of assets held under finance leases is made up as follows :-

	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Cost	28,124	28,124
Accumulated depreciation	(16,874)	(15,468)
	<u>-----</u>	<u>-----</u>
	<u>11,250</u>	<u>12,656</u>

Depreciation of £1,406 was charged in the year (1997 : £1,406).

10. <u>Stocks and Work in Progress</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Finished goods and goods for resale	22,771	35,272
Raw materials and consumables	4,029	3,797
Work in progress	-	2,000
	<u>26,800</u>	<u>41,069</u>
11. <u>Debtors : Amounts falling due within one year</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Trade Debtors	31,357	20,361
Other Debtors and Prepayments	28,099	5,387
	<u>59,456</u>	<u>25,748</u>
12. <u>Creditors : Amounts falling due within one year</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Bank Overdraft	28,910	38,290
Trade Creditors	101,590	108,143
Local Authority, Development Agency and other loans	25,395	43,499
Other taxation and social security	9,870	5,351
Other Creditors	720	17,127
Accruals	20,921	24,897
Obligations under finance leases	10,228	-
	<u>197,634</u>	<u>237,307</u>
13. <u>Creditors : Amounts falling due after more than one year</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Local Authority, Development Agency and other loans	30,692	37,011
Obligations under finance leases	43,348	-
	<u>74,040</u>	<u>37,011</u>

Included within creditors are secured creditors amounting to £82,486 (1997 : £38,290).

Assets under finance leases are secured on the assets concerned. Other security comprises a fixed and floating charge over the company's assets.

14. <u>Borrowings</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
<u>Analysis of maturity of debt</u>		
<u>Due within one year, including amounts payable on demand</u>		
Bank Overdraft	28,910	38,290
Local Authority Development Agency and other loans	25,395	43,499
Obligations under finance leases	10,228	-
<u>Due between one and two years</u>		
Local Authority Development Agency and other loans	6,595	7,195
Obligations under finance leases	11,557	-

14. <u>Borrowings cont'd ...</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
<u>Due between two and five years</u>		
Local Authority Development Agency and other loans	15,177	17,021
Obligations under finance leases	31,791	-
<u>Due after five years</u>		
Local Authority Development Agency and other loans	8,920	12,795
	<u>138,573</u>	<u>118,800</u>

The loans outstanding from the Local Authority and Development Agencies are as follows:-

Denbighshire County Council

£28,555 at 8.2% repayable in 2006.

Welsh Development Agency

£8,479 at 10% repayable in 2001.

Clwydfro Enterprise Agency

£416 at 10% repayable in 1999.

15. <u>Equity Share Capital</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
<u>Authorised</u>		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
<u>Allotted and fully paid</u>		
458,865 ordinary shares of £1 each	<u>458,865</u>	<u>443,286</u>
<u>Allotted and partly paid</u>		
1,400 50% paid ordinary shares of £1 each	<u>700</u>	<u>700</u>

During the year 15,579 ordinary shares of £1 were allotted and fully paid for a consideration of £15,579.

16. <u>Profit and Loss Account</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
At 1st January 1998	(31,621)	(63,831)
Retained profit for the year	4,617	32,210
	<u>(27,004)</u>	<u>(31,621)</u>
At 31st December 1998		
17. <u>Reconciliation of Movement in Shareholders Funds</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Profit for the year	4,617	32,210
Ordinary share capital issued	15,579	15,586
	<u>20,196</u>	<u>47,796</u>
Shareholders Funds at 31.12.97	412,365	364,569
	<u>432,561</u>	<u>412,365</u>
Shareholders Funds at 31.12.98		

Shareholders funds comprise wholly of equity interest.

18. Commitments

<u>Operating Lease Commitments</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£

The company has entered into operating lease commitments which expire as follows :-

Between four and five years	<u>6,510</u>	<u>-</u>
-----------------------------	--------------	----------

Capital Commitments

There were no capital commitments at the year end (1997 : £Nil).

19. Related Party Transactions

(a) Monetary

Included in the company's accounts at the 31st December 1998 together with comparative figures for the year ended 31st December 1997 were the following balances :-

Included in Creditors :

	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
<u>Trade Creditors and Accruals</u>		
W.R. Shakespeare	195	91
D.C. Foster as D. Foster & Co.,	4,500	376
R. Austin as a director of Rolltrack Ltd.	1,145	2,044
Llangollen Railway Trust	3,635	4,550
H.J. Parker	2,250	-
	<u>11,725</u>	<u>7,061</u>

<u>Local Authority Development Agency &amp; Other Loans</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
R.S. Gordon - interest free repayable on demand	10,000	20,000
D.C. Foster - 7% p.a. repayable over 36 months	-	2,338
	<u>10,000</u>	<u>22,338</u>

<u>Included in Debtors</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
P.K. Evans as a director of Steamloco Ltd	3,437	529
D.C. Foster as D. Foster & Co.	4,524	1,763
R. Austin as a director of Rolltrack Ltd	6,833	4,864
C.E. Simon as secretary of the 8E Association	148	-
	<u>14,942</u>	<u>7,156</u>

19. Related Party Transactions cont'd ...

(a) Monetary cont'd ....

Included in sales, purchases and fixed asset additions are the following significant related party transactions

<u>Included in Sales</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Repairs & electricity recharged to R. Austin	4,584	6,043
Repairs recharged to D.C. Foster	6,952	18,351
R. Austin as a director of Rolltrack Ltd; Provision of locomotive, track access and other services	6,618	16,177
Llangollen Railway Trust Ltd for work on Pannier Tank	1,339	6,125
P.K. Evans as a director of Steamloco Ltd	3,396	925
C.E. Simon as secretary of the 8E Association	151	-
	<u>23,040</u>	<u>47,621</u>

<u>Included in Purchases</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
W.R. Shakespeare for expenses	483	306
P.K. Evans as Evans Mechanical Service Charges for repairs	55	356
D.C. Foster as D. Foster & Co Hire of locomotive and plant	10,595	13,510
R. Austin as a director of Rolltrack Ltd	2,714	1,492
Llangollen Railway Trust Limited Supply of magazines & hire of Pannier Tank	16,759	13,756
J. Mason for expenses	239	-
H.J. Parker - hire of locomotive	2,250	-
	<u>33,095</u>	<u>29,420</u>

Included in overheads are the following charges :-

<u>Interest Payable</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
Interest on overdue accounts D.C. Foster as D. Foster & Co.	<u>-</u>	<u>901</u>

<u>Loan Interest</u>	<u>31.12.98</u>	<u>31.12.97</u>
	£	£
D.C. Foster as D. Foster & Co.,	<u>-</u>	<u>146</u>

(b) Non-Monetary

All the directors with the exception of the Chief Mechanical Engineer receive no remuneration for their services and members of the Llangollen Railway Trust Limited provide volunteer labour in all aspects of the running of the Railway.