

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012
FOR
SRS RAIL SYSTEM (HOLDINGS) LIMITED**

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for the Year Ended 30 April 2012

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SRS RAIL SYSTEM (HOLDINGS) LIMITED

COMPANY INFORMATION **for the Year Ended 30 April 2012**

DIRECTORS

Major N J Whatley
Mr R M Whatley
Mr S J Whatley
Mr J D N Rooke

REGISTERED OFFICE:

Unit 3 Riverside Way
Gateway Business Park
Bolsover
Chesterfield
Derbyshire
S44 6GA

REGISTERED NUMBER

03046824 (England and Wales)

AUDITORS

Pesters
2 Park Court
Pyrford Road
West Byfleet
Surrey
KT14 6SD

**REPORT OF THE DIRECTORS
for the Year Ended 30 April 2012**

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2012

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the provision of specialist services to the railway industry

REVIEW OF BUSINESS

The group restructured its' trading subsidiaries with effect from 1 May 2011 under an HMRC approved degroup whereby a former trading subsidiary, Strail (UK) Limited was transferred to a new holding company under common control. The group accounts therefore take account of the transfer of Strail (UK) from the group with effect from the commencement of the trading year.

The directors are pleased with the results for the financial period. The remaining group companies continued to strengthen the utilisation of its' hire fleet during the period and the Chairman reports that the group made profits before tax totalling £560,358.

The group's balance sheet position remains strong with current assets now exceeding current liabilities by £1,772,931 and retained profits remain high at £3,735,926.

The Group continues to maintain the importance of providing clients with a high level of service.

DIVIDENDS

An interim dividend of £2.33 per share was paid on 28 March 2012. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 April 2012 will be £7,000.

FUTURE DEVELOPMENTS

The Group is confident that with trading activity being planned for two new trading subsidiaries, the overall financial position of the Group will continue to strengthen.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 May 2011 to the date of this report.

The beneficial interests of the directors holding office at 30 April 2012 in the shares of the company, according to the register of directors' interests, were as follows:

	30 4 12	1 5 11
Ordinary shares of £1 each		
Major N J Whatley	47,000	47,000
Mr R M Whatley	17,725	17,725
Mr S J Whatley	17,725	17,725
Mr J D N Rooke	4,550	4,550

These directors did not hold any non-beneficial interests in the shares of the company.

PRINCIPAL RISKS & UNCERTAINTIES

The principal risks and uncertainties facing the company continue to be those of trading in a restricted market where prices and margins can be influenced by political pressures. The directors are still of the opinion that their strategic plans enable them to meet these pressures and to be able to react to these forces, thereby maintaining the company's market share which has now been established.

POTENTIAL IMPACT OF THE EURO

The directors have considered the potential impact of the Euro. Risks associated with its' introduction would be the conversion of current systems software to handle any change in currency. However, the company uses industry standard software systems and it is understood that the software authors have already addressed the potential impact of any currency changes. No formal assessment has been made of the potential problems.

On the announcement of any formal plans to join the Euro, the Directors will undertake a formal review of systems and operations and implement plans for any proposed currency changeover. The costs associated with the impact of the Euro have not been formally assessed but are likely to be minimal.

SRS RAIL SYSTEM (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS for the Year Ended 30 April 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Pesters, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



Major N J Whatley - Director

Date

17/1/13

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SRS RAIL SYSTEM (HOLDINGS) LIMITED

We have audited the financial statements of SRS Rail System (Holdings) Limited for the year ended 30 April 2012 on pages five to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


A G Orchard (Senior Statutory Auditor)
for and on behalf of Pestors
2 Park Court
Pyrford Road
West Byfleet
Surrey
KT14 6SD

Date

29/1/13

SRS RAIL SYSTEM (HOLDINGS) LIMITED (REGISTERED NUMBER: 03046824)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 30 April 2012

	Notes	30 4 12 £	30 4 11 £
TURNOVER		5,383,522	8,774,528
Cost of sales		<u>3,135,575</u>	<u>4,604,752</u>
GROSS PROFIT		2,247,947	4,169,776
Administrative expenses		<u>1,599,649</u>	<u>2,968,310</u>
		648,298	1,201,466
Other operating income		<u>11,516</u>	<u>1,480</u>
OPERATING PROFIT	3	659,814	1,202,946
Interest receivable and similar income		<u>-</u>	<u>1,279</u>
		659,814	1,204,225
Amounts written off investments	4	<u>61,000</u>	<u>-</u>
		598,814	1,204,225
Interest payable and similar charges	5	<u>38,456</u>	<u>27,872</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		560,358	1,176,353
Tax on profit on ordinary activities	6	<u>60,182</u>	<u>294,344</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>500,176</u>	<u>882,009</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements

SRS RAIL SYSTEM (HOLDINGS) LIMITED

CONSOLIDATED BALANCE SHEET


30 April 2012

	Notes	30 4 12 £	£	30 4 11 £	£
FIXED ASSETS					
Intangible assets	9		4,532		5,317
Tangible assets	10		2,998,190		2,918,943
Investments	11		-		-
			<u>3,002,722</u>		<u>2,924,260</u>
CURRENT ASSETS					
Stocks	12	48,359		85,016	
Debtors	13	1,382,636		2,090,923	
Cash at bank		1,607,750		2,072,238	
		<u>3,038,745</u>		<u>4,248,177</u>	
CREDITORS					
Amounts falling due within one year	14	1,265,814		1,776,042	
NET CURRENT ASSETS			<u>1,772,931</u>		<u>2,472,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,775,653</u>		<u>5,396,395</u>
CREDITORS					
Amounts falling due after more than one year	15		(367,967)		(615,489)
PROVISIONS FOR LIABILITIES	19		(565,427)		(583,189)
NET ASSETS			<u><u>3,842,259</u></u>		<u><u>4,197,717</u></u>
CAPITAL AND RESERVES					
Called up share capital	20		90,000		90,000
Share premium	21		6,333		6,333
Capital redemption reserve	21		10,000		10,000
Profit and loss account	21		3,735,926		4,091,384
SHAREHOLDERS' FUNDS	25		<u><u>3,842,259</u></u>		<u><u>4,197,717</u></u>

The financial statements were approved by the Board of Directors on its behalf by

17/1/13

and were signed on


Major N J Whatley - Director

The notes form part of these financial statements

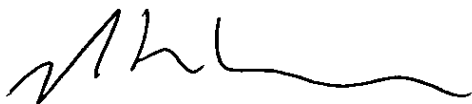
SRS RAIL SYSTEM (HOLDINGS) LIMITED

COMPANY BALANCE SHEET

30 April 2012

	Notes	30 4 12 £	£	30 4 11 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		-		-
Investments	11		<u>20,200</u>		<u>81,200</u>
			<u>20,200</u>		<u>81,200</u>
CURRENT ASSETS					
Debtors	13	<u>23,620</u>		<u>23,620</u>	
Cash at bank		<u>808</u>		<u>868</u>	
		<u>24,428</u>		<u>24,488</u>	
CREDITORS					
Amounts falling due within one year	14	<u>32,007</u>		<u>26,388</u>	
NET CURRENT LIABILITIES			<u>(7,579)</u>		<u>(1,900)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>12,621</u></u>		<u><u>79,300</u></u>
CAPITAL AND RESERVES					
Called up share capital	20		<u>90,000</u>		<u>90,000</u>
Share premium	21		<u>6,333</u>		<u>6,333</u>
Capital redemption reserve	21		<u>10,000</u>		<u>10,000</u>
Profit and loss account	21		<u>(93,712)</u>		<u>(27,033)</u>
SHAREHOLDERS' FUNDS	25		<u><u>12,621</u></u>		<u><u>79,300</u></u>

The financial statements were approved by the Board of Directors on 17 January 2013 and were signed on its behalf by



Major N J Whatley - Director

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 30 April 2012

	Notes	30 4 12	30 4 11
		£	£
Net cash inflow from operating activities	1	535,439	1,347,044
Returns on investments and servicing of finance	2	(38,456)	(26,593)
Taxation		(280,206)	25,607
Capital expenditure	2	(20,057)	(18,343)
Equity dividends paid		(7,000)	(215,665)
		<u>189,720</u>	<u>1,112,050</u>
Financing	2	(239,594)	(287,551)
(Decrease)/increase in cash in the period		<u>(49,874)</u>	<u>824,499</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		(49,874)	824,499
Cash outflow from decrease in debt and lease financing		<u>239,594</u>	<u>262,453</u>
Change in net funds resulting from cash flows		189,720	1,086,952
Bank balances transferred on company de-group		<u>(414,614)</u>	<u>-</u>
Movement in net funds in the period		<u>(224,894)</u>	<u>1,086,952</u>
Net funds at 1 May		<u>1,210,936</u>	<u>123,984</u>
Net funds at 30 April		<u>986,042</u>	<u>1,210,936</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 30 April 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30.4.12	30.4.11
	£	£
Operating profit	659,814	1,202,946
Depreciation charges	327,223	323,318
Profit on disposal of fixed assets	(402,215)	(127,257)
Increase in stocks	(6,763)	(7,141)
Increase in debtors	(347,104)	(742,145)
Increase in creditors	304,484	697,323
Net cash inflow from operating activities	535,439	1,347,044

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30.4.12	30.4.11
	£	£
Returns on investments and servicing of finance		
Interest received	-	1,279
Interest paid	(6,797)	(7,486)
Interest element of hire purchase payments	(31,659)	(20,386)
Net cash outflow for returns on investments and servicing of finance	(38,456)	(26,593)
Capital expenditure		
Purchase of tangible fixed assets	(470,158)	(173,843)
Sale of tangible fixed assets	450,101	155,500
Net cash outflow for capital expenditure	(20,057)	(18,343)
Financing		
Loan repayments in year	(76,630)	(63,102)
Capital repayments in year	(162,964)	(199,351)
Amount withdrawn by directors	-	(25,098)
Net cash outflow from financing	(239,594)	(287,551)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 30 April 2012

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 5 11 £	Cash flow £	Bank Balances transferred on de-group £	At 30 4 12 £
Net cash				
Cash at bank	2,072,238	(49,874)	(414,614)	1,607,750
	<u>2,072,238</u>	<u>(49,874)</u>	<u>(414,614)</u>	<u>1,607,750</u>
Debt				
Hire purchase	(598,819)	162,964	-	(435,855)
Debts falling due within one year	(63,101)	(13,530)	-	(76,631)
Debts falling due after one year	(199,382)	90,160	-	(109,222)
	<u>(861,302)</u>	<u>239,594</u>	<u>-</u>	<u>(621,708)</u>
Total	<u>1,210,936</u>	<u>189,720</u>	<u>(414,614)</u>	<u>986,042</u>

4 TRANSFER OF BUSINESS

As part of a group re-structuring, Strail (UK) Limited was transferred to a separate holding company under common control on 1 May 2011. The cash flows have been adjusted to reflect the removal of this subsidiary and reflect the remaining cash flows arising from the remaining group during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

They have also been prepared in accordance with applicable Accounting Standards

Basis of consolidation

The consolidated accounts are prepared under the equity method of consolidation. All subsidiaries are included in the consolidated accounts

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Plant and machinery	- 25% on reducing balance
Specialist Rail Vehicles	- 5% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The Company operates a self-administered defined contribution scheme. The assets of the scheme are held separately from those of the company. Contributions for the year are charged in the profit and loss account

The company also operates a Stakeholder Pension scheme for staff members. The assets of this scheme are also held separately from those of the company. Company contributions for the year are charged to the profit and loss account

2 STAFF COSTS

	30 4 12	30 4 11
	£	£
Wages and salaries	1,576,698	2,495,764
Social security costs	169,440	280,972
Other pension costs	15,753	13,411
	<u>1,761,891</u>	<u>2,790,147</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	30 4 12	30 4 11
Office & Management	5	5
Direct Labour	63	54
	<u>68</u>	<u>59</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30 4 12	30 4 11
	£	£
Hire of plant and machinery	93,657	11,133
Depreciation - owned assets	205,701	220,416
Depreciation - assets on hire purchase contracts	120,738	102,118
Profit on disposal of fixed assets	(402,215)	(127,257)
Patents and licences amortisation	785	784
Auditors' remuneration	16,540	26,963
Auditors' remuneration for non audit work	8,910	11,896
	<u>-</u>	<u>452,618</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>3</u>
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4 AMOUNTS WRITTEN OFF INVESTMENTS

	30 4 12	30 4 11
	£	£
Amounts w/o invs	<u>61,000</u>	<u>-</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	30 4 12	30 4 11
	£	£
Loan	6,797	7,486
Hire purchase	31,659	20,386
	<u>38,456</u>	<u>27,872</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30 4 12 £	30 4 11 £
Current tax		
UK corporation tax	74,611	298,888
Tax (Over)/Under Provided	-	(169)
Total current tax	<u>74,611</u>	<u>298,719</u>
Deferred tax		
Reversal of Timing Differences	69,717	(3,000)
Differences in Tax Rates	(84,146)	(1,375)
Total deferred tax	<u>(14,429)</u>	<u>(4,375)</u>
Tax on profit on ordinary activities	<u>60,182</u>	<u>294,344</u>

7 LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(59,679) (2011 - £210,892 profit)

8 DIVIDENDS

	30 4 12 £	30 4 11 £
Interim	<u>7,000</u>	<u>215,665</u>

9 INTANGIBLE FIXED ASSETS

Group

	Patents and licences £
COST	
At 1 May 2011 and 30 April 2012	<u>7,846</u>
AMORTISATION	
At 1 May 2011	2,529
Amortisation for year	785
At 30 April 2012	<u>3,314</u>
NET BOOK VALUE	
At 30 April 2012	<u>4,532</u>
At 30 April 2011	<u>5,317</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

10 TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Computer Equipment £	Motor vehicles £	Specialist Rail Vehicles £	Totals £
COST OR VALUATION					
At 1 May 2011	212,005	22,848	241,036	4,848,245	5,324,134
Additions	69,411	-	44,332	356,415	470,158
Disposals	-	-	(32,961)	(85,399)	(118,360)
Reclassification/transfer	(8,485)	(22,848)	(12,250)	-	(43,583)
At 30 April 2012	272,931	-	240,157	5,119,261	5,632,349
DEPRECIATION					
At 1 May 2011	113,977	15,901	97,221	2,178,092	2,405,191
Charge for year	30,181	-	37,971	258,287	326,439
Eliminated on disposal	-	-	(18,114)	(52,360)	(70,474)
Reclassification/transfer	(7,989)	(15,901)	(3,107)	-	(26,997)
At 30 April 2012	136,169	-	113,971	2,384,019	2,634,159
NET BOOK VALUE					
At 30 April 2012	136,762	-	126,186	2,735,242	2,998,190
At 30 April 2011	98,028	6,947	143,815	2,670,153	2,918,943

Cost or valuation at 30 April 2012 is represented by

	Plant and machinery £	Motor vehicles £	Specialist Rail Vehicles £	Totals £
Valuation in 1998	-	-	(128,983)	(128,983)
Cost	272,931	240,157	5,248,244	5,761,332
	272,931	240,157	5,119,261	5,632,349

If specialist rail vehicles had not been revalued they would have been included at the following historical cost

	30.4.12	30.4.11
	£	£
Cost	5,248,244	4,977,229
Aggregate depreciation	2,513,002	2,312,939

Specialist rail vehicles were valued on an open market basis on 1 May 1998 by the directors

Revaluations made prior to the implementation of the FRS have not been updated as the transitional arrangements of the FRS have been followed. The last revaluation was made on 1 May 1998. The directors are not aware of any material change in revalued assets and therefore the valuations have not been updated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

10 TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £	Specialist Rail Vehicles £	Totals £
COST OR VALUATION			
At 1 May 2011	138,384	1,211,810	1,350,194
Additions	44,332	-	44,332
Disposals	(18,740)	-	(18,740)
At 30 April 2012	163,976	1,211,810	1,375,786
DEPRECIATION			
At 1 May 2011	20,068	399,189	419,257
Charge for year	31,911	88,827	120,738
Eliminated on disposal	(7,198)	-	(7,198)
At 30 April 2012	44,781	488,016	532,797
NET BOOK VALUE			
At 30 April 2012	119,195	723,794	842,989
At 30 April 2011	118,316	812,621	930,937

11 FIXED ASSET INVESTMENTS

Company

	Unlisted investments £
COST	
At 1 May 2011	81,200
Disposals	(61,000)
At 30 April 2012	20,200
NET BOOK VALUE	
At 30 April 2012	20,200
At 30 April 2011	81,200

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

11 FIXED ASSET INVESTMENTS - continued

SRS Rail System Limited

Country of incorporation England & Wales

Nature of business Providing specialist rail services

Class of shares	% holding	30 4 12	30 4 11
Ordinary	100 00	£	£
Aggregate capital and reserves		3,849,438	3,289,784
Profit for the year		626,837	1,126,809

SRS Rail System International Limited

Country of incorporation England & Wales

Nature of business Specialist vehicle hire and sales

Class of shares	% holding	30 4 12	
Ordinary	100 00	£	
Aggregate capital and reserves		100	

SRS Rail Systems International Hire Limited

Country of incorporation England & Wales

Nature of business Specialist vehicle hire and sales

Class of shares	% holding	30 4 12	
Ordinary	100 00	£	
Aggregate capital and reserves		100	

12 STOCKS

	Group	30 4 11
	30 4 12	£
Stocks	48,359	85,016

13 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.4 12	30 4 11	30 4 12	30 4 11
	£	£	£	£
Trade debtors	1,211,508	1,822,870	-	-
Other debtors	745	155,024	-	-
Due From Related Company	40,255	-	23,620	23,620
Directors' current accounts	-	25,098	-	-
Tax	-	6,275	-	-
Prepayments and accrued income	130,128	81,656	-	-
	<u>1,382,636</u>	<u>2,090,923</u>	<u>23,620</u>	<u>23,620</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

14 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30 4 12	30 4 11	30 4 12	30 4 11
	£	£	£	£
Bank loans and overdrafts (see note 16)	76,631	63,101	-	-
Hire purchase contracts (see note 17)	177,110	182,712	-	-
Trade creditors	475,321	332,921	(1)	-
Tax	74,611	305,163	-	-
Social security and other taxes	122,635	73,883	-	-
VAT	175,231	252,733	-	-
Other creditors	1,758	-	-	-
Factoring Account	-	51	-	-
Due To Related Company	-	-	32,008	26,388
Net Wages	4,429	10,978	-	-
Accruals and deferred income	158,088	554,500	-	-
	<u>1,265,814</u>	<u>1,776,042</u>	<u>32,007</u>	<u>26,388</u>

15 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	30 4 12	30 4 11
	£	£
Bank loans (see note 16)	109,222	199,382
Hire purchase contracts (see note 17)	258,745	416,107
	<u>367,967</u>	<u>615,489</u>

16 LOANS

An analysis of the maturity of loans is given below

	Group	
	30 4 12	30 4 11
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>76,631</u>	<u>63,101</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>109,222</u>	<u>199,382</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Group

	Hire purchase contracts	
	30 4 12	30 4 11
	£	£
Gross obligations repayable		
Within one year	207,264	214,015
Between one and five years	295,050	480,547
	<u>502,314</u>	<u>694,562</u>
Finance charges repayable		
Within one year	30,154	31,303
Between one and five years	36,305	64,440
	<u>66,459</u>	<u>95,743</u>
Net obligations repayable		
Within one year	177,110	182,712
Between one and five years	258,745	416,107
	<u>435,855</u>	<u>598,819</u>

18 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	30 4 12	30 4 11
	£	£
Hire purchase contracts	<u>435,855</u>	<u>598,819</u>

Security on hire purchase agreements is provided by standard industry security on the asset financed

19 PROVISIONS FOR LIABILITIES

	Group	
	30.4 12	30 4 11
	£	£
Deferred tax		
Deferred tax	565,427	586,189
Movement For Year	-	(3,000)
	<u>565,427</u>	<u>583,189</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

19 PROVISIONS FOR LIABILITIES - continued

Group	Deferred tax £
Balance at 1 May 2011	583,189
Timing Differences	69,717
Changes Due to Differences in Tax Rates	(84,146)
Adjustment for Strail (UK) de-grouping	(3,333)
Balance at 30 April 2012	<u>565,427</u>

20 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class	Nominal value £1	30 4 12 £	30 4 11 £
90,000	Share capital 1		<u>90,000</u>	<u>90,000</u>

21 RESERVES

Group	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 May 2011	4,091,384	6,333	10,000	4,107,717
Profit for the year	500,176			500,176
Dividends	(7,000)			(7,000)
Reserves transferred on company restructuring	(848,634)	-	-	(848,634)
At 30 April 2012	<u>3,735,926</u>	<u>6,333</u>	<u>10,000</u>	<u>3,752,259</u>
Company	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 May 2011	(27,033)	6,333	10,000	(10,700)
Deficit for the year	(59,679)			(59,679)
Dividends	(7,000)			(7,000)
At 30 April 2012	<u>(93,712)</u>	<u>6,333</u>	<u>10,000</u>	<u>(77,379)</u>

22 TRANSACTIONS WITH DIRECTORS

The group paid consultancy fees to a company owned by Mr J D Rooke totalling £7,323 (2011 - £14,485)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2012

23 RELATED PARTY DISCLOSURES

Strail (UK) Limited
Related Company

During the year the group paid management fees to Strail (UK) Limited in the sum of £75,988 (2011 - £325,182)

The group paid rent and service charges totalling £80,037 (2011 - £87,662) to the Whatley Family Sun Trust Scheme Pension Plan

At 30 April 2012 the group was owed the sum of £16,635 from Strail (UK) Limited (2011 - NIL)

24 ULTIMATE CONTROLLING PARTY

The controlling party is Major N J Whatley

25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	30 4 12	30 4 11
	£	£
Profit for the financial year	500,176	882,009
Dividends	(7,000)	(215,665)
	<u>493,176</u>	<u>666,344</u>
Strail (UK) Limited reserves transferred to new trading group	(848,634)	-
Net (reduction)/addition to shareholders' funds	(355,458)	666,344
Opening shareholders' funds	4,197,717	3,531,373
Closing shareholders' funds	<u>3,842,259</u>	<u>4,197,717</u>

Company

	30 4 12	30 4 11
	£	£
(Loss)/profit for the financial year	(59,679)	210,892
Dividends	(7,000)	(215,665)
Share Capital Issued		
Share Premium		
Net reduction of shareholders' funds	(66,679)	(4,773)
Opening shareholders' funds	79,300	84,073
Closing shareholders' funds	<u>12,621</u>	<u>79,300</u>