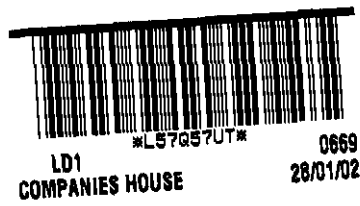


GREAT WESTERN TRUSTEES LIMITED

Financial Statements

31 March 2001



**Company Registered
Number: 3161093**

GREAT WESTERN TRUSTEES LIMITED

FINANCIAL STATEMENTS

31 March 2001

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GREAT WESTERN TRUSTEES LIMITED

DIRECTORS' REPORT

31 March 2001

The directors have pleasure in submitting their annual report and financial statements for the year ended 31 March 2001.

Principal activities and future prospects

Great Western Trustees Limited was established by Great Western Holdings Limited (GWH) as a Trustee of the Great Western Profit Sharing Scheme and the Great Western Employee Share Ownership Trust which are approved by the Inland Revenue in accordance with Schedules 9 and 10 of the Income and Corporation Taxes Act 1988. The transactions, assets and liabilities recognised in these financial statements are those of the company acting in its capacity as Trustee. Accordingly, the company itself has no beneficial interest in the transactions entered into during the year. The company plans to continue performing its current activities.

Financial Matters

The results for the year are given in the profit and loss account on page 5. The directors do not recommend payment of a dividend (2000 – £nil).

Directors

The directors who held office during the year are as follows:

Mike Carroll
Nick Chevis
Dr Mike Mitchell

None of the directors held any shares in the company at any time during the year. The directors who held office at the end of the year had the following interests in ordinary shares of FirstGroup plc:

	Ordinary shares		Share options under savings related share option scheme				Share options under long term incentive plan			
	At end of year 5p shares	At beginning of year 5p shares	At end of year	Granted during year	Exercised during the year	At beginning of year	At end of year	Granted during year	Lapsed/ waived during the year	At beginning of year
Director										
Mike Carroll	335,857	335,857	323	-	-	323	32,150	24,364	-	7,786
Nick Chevis	-	-	-	-	-	-	42,983	21,186	(3,487)	25,284

Information stated at the beginning of the year show the interests at the start of the financial year or the date of appointment, if later. Information, including details of exercise prices, relating to the savings related share option scheme and the performance share plan are given in note 33 to the financial statements of FirstGroup plc.

There is no contract or arrangements with the company or any of its fellow group undertakings, other than service contracts or loan notes mentioned above, in which any of the directors is materially interested and which is significant in relation to the business of the company or any of its fellow group undertakings taken as a whole.

GREAT WESTERN TRUSTEES LIMITED

DIRECTORS' REPORT

31 March 2001

The interests of Dr Mike Mitchell in the ordinary shares of FirstGroup plc are disclosed in the directors' report of FirstGroup plc.

Auditors

The company has passed an elective resolution dispensing with the requirement to appoint auditors annually; Deloitte & Touche have indicated their willingness to continue as auditors of the company and are therefore deemed to be reappointed for a further term.

Milford House
1 Milford Street
Swindon
SN1 1HL



By order of the Board

Nick Chevis
Director
12 July 2001

GREAT WESTERN TRUSTEES LIMITED

DIRECTORS' RESPONSIBILITIES

31 March 2001

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 as at the end of the financial year 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 a 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 financial statements comply with the Companies Act 1985. They have 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.

GREAT WESTERN TRUSTEES LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF GREAT WESTERN TRUSTEES LIMITED
31 March 2001

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 United Kingdom 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 affairs of the company as at 31 March 2001 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants and
Registered Auditors

12 July 2001

Hill House
1 Little New Street
London
EC4A 3TR

GREAT WESTERN TRUSTEES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2001

	Notes	Year to 31 March 2001 £	Year to 31 March 2000 £
Operating costs and operating loss – continuing Operations	2	(3,943)	(34)
Profit on sale of investments		<u>-</u>	<u>95,460</u>
(Loss)/profit on ordinary activities before taxation		(3,943)	95,426
Tax on (loss)/profit on ordinary activities	4	<u>-</u>	<u>(2,250)</u>
Retained (loss)/profit for the financial year	8	<u>(3,943)</u>	<u>93,176</u>

No statement of total recognised gains and losses is given as all gains or losses for the current and preceding year passed through the profit and loss account.

GREAT WESTERN TRUSTEES LIMITED

BALANCE SHEET
at 31 March 2001

	Notes	31 March 2001 £	31 March 2000 £
Assets employed:			
Current assets			
Cash at bank and in hand	5	<u>85,673</u>	<u>44,034</u>
		85,673	44,034
Creditors: amounts falling due within one year	6	<u>(64,611)</u>	<u>(19,029)</u>
Net current assets/(liabilities)		<u>21,062</u>	<u>25,005</u>
Total assets less current liabilities		<u>21,062</u>	<u>25,005</u>
Financed by:			
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account	8	<u>21,060</u>	<u>25,003</u>
Equity shareholders' funds		<u>21,062</u>	<u>25,005</u>

These financial statements were approved by the board of directors on 12 July 2001 and were signed on its behalf by:



Nick Chevis
Director

GREAT WESTERN TRUSTEES LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
for the year ended 31 March 2001

	Year to 31 March 2001 £'000	Year to 31 March 2000 £'000
(Loss)/profit for the financial year	<u>(3,943)</u>	<u>93,176</u>
Net (reduction)/increase in shareholders' funds	(3,943)	93,176
Shareholders' funds/(deficit) at beginning of year	<u>25,005</u>	<u>(68,171)</u>
Shareholders' funds at end of year	<u>21,062</u>	<u>25,005</u>

GREAT WESTERN TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 March 2001

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of preparation

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

2 Operating costs

	Year to 31 March 2001 £	Year to 31 March 2000 £
External charges	<u>3,943</u>	<u>34</u>

3 Employee numbers and costs

During the current and prior year the number of employees was nil. No directors' emoluments were paid in either the current or preceding year.

There are no audit fees for the current or prior years as they are borne by the ultimate parent company, FirstGroup plc.

4 Tax on (loss)/profit on ordinary activities

	Year to 31 March 2001 £'000	Year to 31 March 2000 £'000
UK corporation tax at 30% (2001 – 30%)		
- current year	<u>-</u>	<u>2,250</u>
	<u>-</u>	<u>2,250</u>

5 Cash at bank and in hand

	31 March 2001 £	31 March 2000 £
Bank deposits	<u>85,673</u>	<u>44,034</u>
	<u>85,673</u>	<u>44,034</u>

GREAT WESTERN TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 March 2001

6 Creditors

	31 March 2001 £	31 March 2000 £
Amounts falling due within one year		
Amounts owed to group undertakings	64,611	16,779
Corporation tax	-	2,250
	<u>64,611</u>	<u>19,029</u>

7 Called up share capital

	31 March 2001 £	31 March 2000 £
Authorised:		
100,000 ordinary shares of 1p each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
200 ordinary shares of 1p each	<u>2</u>	<u>2</u>

8 Reserves

	Profit and loss account £'000
At 1 April 2000	25,003
Retained loss for the year	<u>(3,943)</u>
At 31 March 2001	<u>21,060</u>

9 Related party transactions

The company has taken advantage of the exemptions conferred in Financial Reporting Standard No. 8 not to disclose transactions with other group companies.

10 Ultimate parent company

The ultimate parent company and ultimate controlling party is FirstGroup plc, which is incorporated in Great Britain and registered in Scotland. Copies of the financial statements of FirstGroup plc can be obtained from the London office of this company at 3rd Floor Macmillan House, Paddington Station, London, W2 1FG. The company's immediate controlling party is Great Western Holdings Limited.