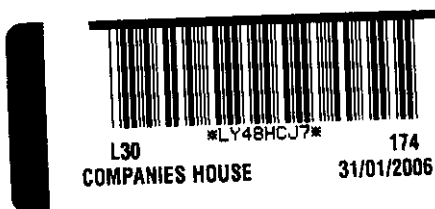


EAST WEST RAIL LIMITED

FINANCIAL STATEMENTS

31 MARCH 2005



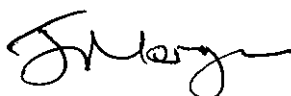
**Company Registered
Number: 4066321**

BALANCE SHEET**At 31 March 2005**

	Notes	2005 £000	2004 £000
Assets employed:			
Current assets			
Debtors	3	-	-
		<u>-</u>	<u>-</u>
Financed by:			
Capital and reserves			
Called up share capital	4	-	-
Equity shareholders funds		<u>-</u>	<u>-</u>

- (a) For the year ended 31 March 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibilities for:
- i. ensuring the company keeps accounting records that comply with s221; and
 - ii. preparing accounts 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 its profit or loss for the financial year in accordance with s226 Companies Act 1985, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of directors on 31 January 2006 and were signed on its behalf by:



Director

NOTES TO THE ACCOUNTS

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 United Kingdom accounting standards.

2 Profit and loss account

During the current and preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.

3 Debtors

Debtors represent amounts due from the shareholders for calls on issued shares.

4 Called up share capital

	2005 £	2004 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 ordinary shares of £1 each	<u>1</u>	<u>1</u>

5 Related party transactions

The company is taking advantage of the exemption under FRS 8 not to disclose transactions with group companies that are related parties.

NOTES TO THE ACCOUNTS (continued)

6 Ultimate parent company

The ultimate parent company and ultimate controlling party is FirstGroup plc, which is incorporated in Great Britain and registered in Scotland.

The company's immediate controlling party is GB Railways Group plc.

Copies of the accounts of FirstGroup plc can be obtained on request from 3rd Floor, Macmillan House, Paddington Station, London, W2 1FG.