
GCRC HOLDINGS LIMITED

**Annual report and financial statements
for the year ended 31 December 2013**



GCRC HOLDINGS LIMITED

Company Information

Directors	A Furlong A J Cooper R H McClean J L Roberts
Company secretary	L Edwards
Company number	6036740
Registered office	Admiral Way Doxford International Business Park Sunderland Tyne and Wear SR3 3XP
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ

GCRC HOLDINGS LIMITED

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GCRC HOLDINGS LIMITED

Strategic report for the year ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principle activities

The company's principal activity was that of a holding company.

Business review

During the year, as part of a wider group reorganisation, the company waived a significant amount of debt owed to it by other group undertakings, sold its investment in its subsidiary undertaking for £18m to another group company, and distributed its reserves to its parent undertaking. Therefore the financial statements have been prepared on a break up basis rather than a going concern basis.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to local and national competition and factors which would cause a decline in the market. Further discussion of these risks and uncertainties in the context of the group as a whole, is provided in the annual report of the UK intermediate parent company, Arriva Plc, which does not form part of this report.

Key performance indicators

The directors of Deutsche Bahn AG manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of GCRC Holdings Limited. The development performance and position of the group, including this company, is discussed in the group's annual report which does not form part of this report.

This report was approved by the board on 13 June 2014 and signed on its behalf.



J L Roberts
Director

GCRC HOLDINGS LIMITED

Director's report for the year ended 31 December 2013

The director presents his report and the audited financial statements for the year ended 31 December 2013.

Principal activities

The company's principal activity was that of a holding company.

Results and dividends

The loss for the financial year amounted to £23,786,000 (2012 - loss £940,000).

The company paid a dividend of £8,542,000 during the year (2012: £Nil).

Director

The director who served during the year and up to the date of signing the financial statements were:

A Furlong
R W Holland (resigned 31 May 2014)
A J Cooper
R H McClean
A W Deacon (resigned 12 November 2013)
S J Murphy (appointed 1 January 2013, resigned 24 March 2014)
J L Roberts (appointed 12 November 2013)

Future developments

The intention is to wind up the company in due course.

Financial risk management objectives and policies

Details of financial risk management objectives and policies are shown in the annual report of Arriva Plc which does not form part of this report.

**Director's report
for the year ended 31 December 2013**

Director's responsibilities statement

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the company's auditors are unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on 13 June 2014 and signed on its behalf.

J L Roberts
Director



GCRC HOLDINGS LIMITED

Independent auditors' report to the members of GCRC Holdings Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. The company disposed of its investments during the year and following the year end the Directors have decided that the company will be struck off in due course. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments have been made in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

What we have audited

The financial statements, which are prepared by GCRC Holdings Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 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.

GCRC HOLDINGS LIMITED

Independent auditors' report to the members of GCRC Holdings Limited

In addition, we read all the financial and non-financial information in the Financial statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Bill MacLeod (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
13 June 2014

GCRC HOLDINGS LIMITED

**Profit and loss account
for the year ended 31 December 2013**

	Note	2013 £000	2012 £000
Exceptional items	5	(37,652)	-
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		(37,652)	-
Profit on sale of fixed asset investments	7	13,458	-
Interest receivable and similar income	3	833	-
Interest payable and similar charges	4	(301)	(1,300)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(23,662)	(1,300)
Tax on loss on ordinary activities	6	(124)	360
LOSS FOR THE FINANCIAL YEAR	11	(23,786)	(940)

All amounts relate to discontinuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account. Therefore, no statement of total recognised gains and losses has been presented.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The notes on pages 8 to 12 form part of these financial statements.

GCRC HOLDINGS LIMITED
Registered number: 6036740

Balance sheet
as at 31 December 2013

	Note	£000	2013 £000	2012 £000
FIXED ASSETS				
Investments	7		-	4,542
CURRENT ASSETS				
Debtors	8	318		40,857
Cash at bank and in hand		-		44
		<u>318</u>		<u>40,901</u>
CREDITORS: amounts falling due within one year	9	<u>(282)</u>		<u>(13,079)</u>
NET CURRENT ASSETS			<u>36</u>	<u>27,822</u>
NET ASSETS			<u>36</u>	<u>32,364</u>
CAPITAL AND RESERVES				
Called up share capital	10		100	100
Profit and loss account	11		<u>(64)</u>	<u>32,264</u>
TOTAL SHAREHOLDERS' FUNDS	12		<u>36</u>	<u>32,364</u>

The financial statements were approved and authorised for issue by the Board of directors and were signed on its behalf on 13 June 2014.



J L Roberts
Director

The notes on pages 8 to 12 form part of these financial statements.

GCRC HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 December 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

These financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006 applicable to companies reporting under UK GAAP, and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The financial statements have been prepared on a break up basis rather than a going concern basis.

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Fixed asset investments

Investments are included at cost less amounts provided for impairment. Investments are reviewed annually for potential impairment. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2. OPERATING LOSS

The audit fee for the current year and the prior year was borne by its subsidiary company, Grand Central Railway Company Limited.

The company has no employees other than the directors, who did not receive any remuneration in respect of their services to the company (2012 - £NIL).

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013 £000	2012 £000
Group interest receivable	833	-

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £000	2012 £000
Group interest payable	301	1,300

GCRC HOLDINGS LIMITED

**Notes to the financial statements
for the year ended 31 December 2013**

5. EXCEPTIONAL ITEMS

	2013 £000	2012 £000
Exceptional items	37,652	-

During the year the company waived certain of its internal indebtedness resulting in an exceptional cost of £37,652,000.

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2013 £000	2012 £000
Analysis of tax charge/(credit) in the year		
UK corporation tax charge on loss for the year	124	(318)
Adjustments in respect of prior periods	-	(42)
Tax on loss on ordinary activities	124	(360)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - lower than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 £000	2012 £000
Loss on ordinary activities before tax	(23,662)	(1,300)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	(5,501)	(318)
Effects of:		
Adjustments in respect of prior periods	-	(42)
Non-taxable profit on disposal of investments	(3,129)	-
Non-taxable release of internal indebtedness	8,754	-
Current tax charge/(credit) for the year (see note above)	124	(360)

Factors that may affect future tax charges

During 2012 the Chancellor announced that the UK Corporation Tax rate applicable from 1 April 2013 would be 23%, and that the UK Corporation Tax rate applicable from 1 April 2014 would be 21%.

On 20 March 2013 the Chancellor made a further announcement that the UK Corporation Tax rate applicable from 1 April 2015 would be 20%.

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**Notes to the financial statements
for the year ended 31 December 2013**

7. FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £000
Cost	
At 1 January 2013	4,542
Disposals	(4,542)
At 31 December 2013	-
Net book value	
At 31 December 2013	-
At 31 December 2012	4,542

During the year, the company sold its investment in Grand Central Railway Company Limited for £18,000,000, realising a profit on sale of £13,458,000.

8. DEBTORS

	2013 £000	2012 £000
Amounts owed by group undertakings	318	40,539
Group relief repayable	-	318
	<u>318</u>	<u>40,857</u>

**9. CREDITORS:
Amounts falling due within one year**

	2013 £000	2012 £000
Amounts owed to group undertakings	158	13,079
Corporation tax	124	-
	<u>282</u>	<u>13,079</u>

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**Notes to the financial statements
for the year ended 31 December 2013**

10. CALLED UP SHARE CAPITAL

	2013 £000	2012 £000
Authorised		
1,000,000 Ordinary shares of £0.10 each (2012 - 1,000,000)	100	100
100,000,000 Ordinary A shares of £0.01 each (2012 - 100,000,000)	1,000	1,000
	<u>1,100</u>	<u>1,100</u>
Allotted and fully paid		
1,000,000 Ordinary shares of £0.10 each (2012 - 1,000,000)	<u>100</u>	<u>100</u>

11. RESERVES

	Profit and loss account £000
At 1 January 2013	32,264
Loss for the financial year	(23,786)
Dividends	(8,542)
At 31 December 2013	<u>(64)</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £000	2012 £000
Opening shareholders' funds	32,364	33,304
Loss for the financial year	(23,786)	(940)
Dividends (Note 13)	(8,542)	-
Closing shareholders' funds	<u>36</u>	<u>32,364</u>

13. DIVIDENDS

	2013 £000	2012 £000
Dividends paid on equity capital	<u>8,542</u>	<u>-</u>

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Notes to the financial statements for the year ended 31 December 2013

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company and ultimate controlling party is Deutsche Bahn AG, a company registered in Germany, which has prepared group financial statements incorporating the results of GCRC Holdings Limited. Copies of these financial statements can be obtained from Potsdamer Platz 2, 10785 Berlin.

Deutsche Bahn AG is the largest group to consolidate the financial statements of GCRC Holdings Limited and DB Mobility Logistics AG is the smallest.

Information on GCRC Holdings Limited can be obtained from their registered address Admiral Way, Doxford International Business Park, Sunderland, Tyne and Wear, SR3 3XP.

Transactions with other companies in the Deutsche Bahn Group are not specifically disclosed as the company has taken advantage of the exemption available under FRS 8 'Related party disclosures' for wholly-owned subsidiaries.