

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

Company No: 2985176

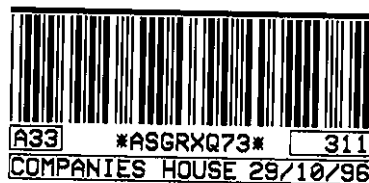
ABBREVIATED

FINANCIAL STATEMENTS

- for the period ended -

31ST DECEMBER 1995

MORLSON STONEHAM
Chartered Accountants
Prudential Buildings
Epsom Road Guildford Surrey GU1 3JW



GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

DIRECTORS

F T Hobbs
M J Ryan
M C Thompson
R A W Ballantine
D M Weber

SECRETARY

S Kandiah

BUSINESS ADDRESS

The Stationmaster's House
Windsor Central Station
Thames Street
Windsor SL4 1PJ

REGISTERED OFFICE

Prudential Buildings
Epsom Road
Guildford
Surrey GU1 3JW

AUDITORS

Morison Stoneham
Chartered Accountants
Prudential Buildings
Epsom Road Guildford
Surrey GU1 3JW

PRINCIPAL BANKERS

National Westminster Bank plc
High Street
Guildford
Surrey GU1 3ZU

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

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FOR THE PERIOD ENDED 31ST DECEMBER 1995

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GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

AUDITORS' REPORTS

AUDITORS' REPORT TO GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements applicable to small companies on pages 3 to 6 together with the financial statements applicable to small companies of Great Scottish and Western Railway Holdings Limited prepared under section 226 and section 246(1A) of the Companies Act 1985 for the period ended 31 December 1995.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements applicable to small companies, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements applicable to small companies.

Opinion

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A, Part III of Schedule 8 to that Act, in respect of the period ended 31 December 1995, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 28 October 1996 we reported, as auditors of Great Scottish and Western Railway Holdings Limited, to the members on the financial statements applicable to small companies prepared under section 226 of the Companies Act 1985 for the period ended 31 December 1995, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the directors and auditors

As described on the Director's Report 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.

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

AUDITORS' REPORTS (Continued)

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 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 December 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.'

...*M. Mouson*...*Stoneham*...

Registered Auditors
Chartered Accountants

Prudential Buildings
Epsom Road Guildford
Surrey GU1 3JW

Date: 28.10.96.

AUDITORS' REPORT TO THE DIRECTORS OF GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED PURSUANT TO SECTION 248(3) OF THE COMPANIES ACT 1985

We have examined the financial statements of the company and for the period ended 31 December 1995.

Basis of opinion

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to exemption from preparing group financial statements.

Opinion

In our opinion the company is entitled to the exemption from preparing group financial statements conferred by section 248 of the Companies Act 1985.

...*M. Mouson*...*Stoneham*...

Registered Auditors
Chartered Accountants

Prudential Buildings
Epsom Road Guildford
Surrey GU1 3JW

Date: 28.10.96.

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET AT 31ST DECEMBER 1995

	Notes	
FIXED ASSETS		
Tangible assets	3	2,903,009
Investments	3	220,500
		<hr/> 3,123,509
CURRENT ASSETS		
Cash at bank and in hand		669
CREDITORS: Amounts falling due within one year		(2,206,624)
NET CURRENT LIABILITIES		<hr/> (2,205,955)
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 917,554
CREDITORS: Amounts falling due after more than one year	4	(878,687)
		<hr/> 38,867
CAPITAL AND RESERVES		
Called up share capital	5	10,500
Profit and loss account		28,367
		<hr/> 38,867

In preparing these abbreviated financial statements:-

- i) We have relied upon the exemptions for individual financial statements under sections 246 and 247 of the Companies Act 1985.
- ii) We have done so on the grounds that the company is entitled to the benefit of those sections as a small company.

In preparing the financial statements, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

.....George Hobbs.....

Director Date: 28 October 1996

The notes on pages 4 to 6 form part of these abbreviated financial statements.

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and on a going concern basis.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

1.3 CONSOLIDATION

The company and its subsidiaries comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

1.4 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Train equipment	over 5 years
Train carriages	over 10 - 30 years

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

2. OPERATING PROFIT

£

The operating profit is stated after charging:-

Depreciation	124,919
Auditors' remuneration	500
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GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 1995

3. **FIXED ASSETS**

	Tangible assets £	Investments £	Total £
<u>Cost</u>			
Additions	3,027,928	220,500	3,248,428
At 31 December 1995	3,027,928	220,500	3,248,428
<u>Depreciation</u>			
Charge for period	124,919	-	124,919
At 31 December 1995	124,919	-	124,919
<u>Net book value at 31 December 1995</u>	2,903,009	220,500	3,123,509

4. **CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR**

Included in creditors due after more than one year are:

Bank loans and overdrafts	412,587
Other creditors	466,100
	<u>878,687</u>

The bank loan bears interest at 1.75% above Finance House Base Rate and is repayable by monthly instalments over a period of 5 years from 22nd January 1995. The loan is secured by a chattel mortgage over nine railway carriages owned by the company. This mortgage is dated 22 December 1994. The loan is also secured by a cross guarantee with The Great Scottish and Western Railway Company Limited, personal guarantees given by the directors and life and sickness insurance policies in the names of the directors.

Included in other creditors is unsecured loan stock, repayable in 1997, of £191,100. This loan stock bears interest at 7% per annum.

GREAT SCOTTISH AND WESTERN RAILWAY HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 1995

5. SHARE CAPITAL

£

Authorised

Equity interests:

5,250 Ordinary shares (Class A) of £1 each	5,250
5,250 Ordinary shares (Class B) of £1 each	5,250
	<hr/>
	10,500
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Allotted, called up and fully paid

Equity interests:

5,250 Ordinary shares (Class A) of £1 each	5,250
5,250 Ordinary shares (Class B) of £1 each	5,250
	<hr/>
	10,500
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6. CONTINGENT LIABILITIES

The company has guaranteed a loan to The Great Scottish and Western Railway Company Limited made by the National Westminster Bank Plc. The maximum liability under this guarantee is £400,000.

7. TRANSACTIONS WITH DIRECTORS

M J Ryan and F T Hobbs are directors and shareholders in The Great Scottish and Western Railway Company Limited, which company leases this company's carriages and equipment.

M J Ryan and F T Hobbs are directors and shareholders in L & R Management Limited, L & R Leisure Plc, Windsor Station Limited, Great Scottish and Western Railway Company Limited and Panvine Limited. With the exception of Panvine Limited, which has now ceased trading, all companies traded with each other during the period.