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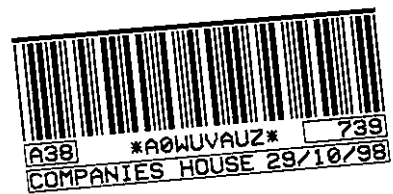
# **LDT LIMITED**

## **Report and Financial Statements**

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◆ Period Ended 31 December 1997 ◆

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**Company No: 2116519**

## **LDT LIMITED**

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## **LDT LIMITED**

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### **COMPANY INFORMATION**

Directors	S P Lonsdale P Harvey D R Upton A W Severn R C Dyball N W Eggleton
Secretary	D P Turner
Registered Office	Millfield House Hylton Road Sunderland SR4 7BA
Registered Number	2116519
Auditors	Price Waterhouse 89 Sandyford Road Newcastle Upon Tyne NE99 1PL
Bankers	Midland Bank 14 Fawcett Street Sunderland SR1 1SJ

## **LDT LIMITED**

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### **REPORT OF THE DIRECTORS**

The Directors present their report and the audited financial statements for the year ended 31 December 1997.

#### **Principal activities**

The principal activities of the company are the operation of bus and coach services.

#### **Business review and future developments**

At the start of the year the company acquired the entire share capital of Lucketts Garages (Watford) Limited. In addition to local bus services they have substantial social service and engineering operations.

The company continued to pursue its long-term strategy through investing both in its staff and in new vehicles.

The Directors believe that there are opportunities for growth, both organic and by acquisition.

On 6 November 1997 the ultimate holding company, Cowie Group plc, changed its name to ARRIVA plc.

#### **Results and dividends**

The profit for the period after tax amounted to £2,024,000 (1996- £2,383,000). The directors do not recommend a dividend (1996 - £300,000) and £2,024,000 (1996 - £2,083,000) has been transferred to reserves.

#### **Directors**

The Directors of the Company at the date of this report are set out on page 1.

Mr D R Upton and Mr N W Eggleton were appointed on 8 April 1997. All other Directors served throughout the period.

No Director had any interest in the Company's shares notifiable in accordance with the Companies Act 1985.

**LDT Limited**  
**REPORT OF THE DIRECTORS**  
**(Continued)**

S P Lonsdale is a Director of ARRIVA plc and his interest at the end of the financial period in the share capital of the ultimate holding company is disclosed in the Directors' Report of that Company.

On 15 April 1997 P Harvey was granted 25,000 options on shares in Arriva plc exercisable between 15 April 2000 to 14 April 2004 at a price of 398.50p.

**Directors' responsibilities**

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities set out on page 5, is made with a view to describing to shareholders the responsibilities of the Directors in relation to the financial statements.

The Directors are required by the Companies Act 1985 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 year and of the profit or loss for the year.

Following discussions with the auditors, the Directors consider that in preparing the financial statements on pages 6 to 22, the Company has used appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed (subject to any explanations and any material departures disclosed in the notes to the financial statements).

The Directors have the responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have a 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.

**Market value of land and buildings**

In the opinion of the Directors the market value of the company's properties is not materially different from their recorded value.

**Employee involvement**

The company aims to provide all its employees with information on matters of concern

## **LDT LIMITED**

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### **REPORT TO THE DIRECTORS (Continued)**

to them as employees and to keep them involved in, and aware of, the Company's activities and performance. The Company is concerned with employees' health and safety and pays particular attention to the health and safety at work legislation.

Decisions are made wherever possible in consultation with employee representatives.

The Company operates a Profit Related Pay Scheme in which all employees are invited to participate.

#### **Disabled persons**

It is the Company's policy to give full and fair consideration to applications for suitable employment by disabled persons having regard to their individual aptitudes and abilities.

Opportunities also exist for employees of the Company who become disabled to continue in employment or to be trained for other positions in the Company's employment wherever this is practical.

#### **Policy Regarding Payment of Suppliers**

The Company's policy regarding the payment of suppliers is either to agree terms of payment at the start of business with each supplier or to ensure that the supplier is made aware of the payment terms, and in either case to pay in accordance with its contractual or other legal obligations. At 31 December 1997, the company's trade creditors outstanding represented approximately 30 days purchases.

#### **Auditors**

The Auditors, Price Waterhouse, have indicated their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General meeting.

The report of the Directors was approved by the Board on 3 March 1998 and signed on its behalf by:



D P TURNER  
Secretary

## **LDT LIMITED**

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### **AUDITORS' REPORT TO THE MEMBERS OF LDT LIMITED**

We have audited the financial statements on pages 6 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 & 9.

#### **Respective responsibilities of directors and auditors**

As described on page 3 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.

#### **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 the Company's affairs as at 31 December 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors  
Newcastle Upon Tyne

3 March 1998

**LDT LIMITED****PROFIT AND LOSS ACCOUNT**  
for the period ended 31 December 1997

	Note	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Turnover : Continuing Activities	1	31721	31850
Cost of Sales		<u>(25262)</u>	<u>(24327)</u>
Gross Profit		6459	7523
Administrative Expenses		(4025)	(4462)
Other Operating Income	3	1113	760
Operating Profit : Continuing Activities	2	<u>3547</u>	<u>3821</u>
Interest : Receivable	4	103	7
Payable	5	<u>(1799)</u>	<u>(1476)</u>
Profit on Ordinary Activities Before Tax		1851	2352
Tax on profit on Ordinary Activities	8	173	31
Profit on Ordinary Activities after Taxation		<u>2024</u>	<u>2383</u>
Dividends		0	(300)
Profit for the Period	17	<u>2024</u>	<u>2083</u>

There is no material difference between profit on ordinary activities after tax as shown in the profit and loss account and the historical cost profit for the year.

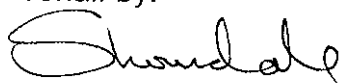
There were no recognised gains and losses in the year, as defined in Financial Reporting Standard 3 Reporting Financial Performance, other than as shown in the profit and loss account.



**LDT LIMITED****BALANCE SHEET**  
**at 31 December 1997**

	<b>Note</b>	<b>31 December 1997 £'000</b>	<b>31 December 1996 £'000</b>
<b>Fixed assets</b>			
Tangible assets	9	25086	18686
Investments	10	<u>1937</u>	<u>1963</u>
		27023	20649
<b>Current assets</b>			
Stock	11	436	437
Debtors	12	4879	2562
Cash at Bank and in hand		601	0
		<u>5916</u>	<u>2999</u>
Creditors: Amounts falling due within one year	13	(20702)	(14792)
<b>Net Current liabilities</b>		<u>(14786)</u>	<u>(11793)</u>
<b>Total assets less current liabilities</b>		12237	8856
Creditors: Amounts falling due after more than one year	14	(11270)	(10051)
<b>Provision for liabilities and charges</b>	15	(270)	(132)
<b>Net liabilities</b>		<u>697</u>	<u>(1327)</u>
<b>Capital and reserves</b>			
Called up equity share capital	16	728	728
Profit and loss account	17	5970	3946
Goodwill reserve	17	<u>(6001)</u>	<u>(6001)</u>
<b>Equity Shareholders' funds</b>	20	<u>697</u>	<u>(1327)</u>

The financial statements were approved by the Board on 3 March 1998 and signed on its behalf by:

  
S P LONSDALE  
Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

The Company is itself a wholly owned subsidiary of a company preparing Group Accounts and has, therefore, not produced Consolidated Accounts. Accordingly the financial statements present information relating only to the Company and not the Group.

**Turnover**

Turnover consists of the gross revenue for road passenger transport together with the aggregate of amounts receivable for other services and goods supplied in the ordinary course of business, excluding VAT.

**Operating Lease Income**

Rental income from assets held for use in operating leases is recognised in the profit and loss account on a straight line basis over the period of the lease.

**Investments**

Investments are stated at cost less provision for permanent diminution in value. Cost is purchase price including acquisition expenses, but excluding any payment for accrued interest.

**Goodwill**

Goodwill is written off directly to reserves.

**Tangible fixed assets and depreciation**

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Public service vehicles	5-14 years
Plant and machinery	5-10 years
Fixtures, fittings and equipment	5-10 years
Other motor vehicles	3-5 years

**Leased assets**

Where assets are financed by leasing agreements ('finance leases') the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997**

**1. ACCOUNTING POLICIES (Continued)**

shown as a liability. The interest element of rental obligations is charged to the profit and loss account under the actuarial method.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

**Stocks**

Stock consists of engineering spare parts, spare units and fuel and is valued at the lower of cost and estimated net realisable value. Full provision is made in respect of obsolete stock.

**Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

Group relief is only recognised when there are sufficient profits available in other Group Companies to enable utilisation. The utilising companies pay for Group relief on the basis of tax saved.

**Pensions**

The company operates a defined benefit scheme which has been modified so benefit entitlements are based on the greater of final pensionable pay and defined contributions.

The pension cost for the period represents contributions paid.

The ultimate parent company, ARRIVA plc, charges the expected regular cost of pensions to the profit and loss account so as to spread the cost of pensions over the average expected service period of employees.

**Cash Flow**

The ultimate parent company has adopted FRS1 and has prepared a group cash flow statement, accordingly the company is exempt from preparing a cash flow statement.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****2. OPERATING PROFIT**

Operating profit is arrived at after charging:

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Operating lease rentals :		
- plant and machinery	14	83
- other operating leases (property rentals)	877	956
Auditors' remuneration: Audit	2	0
Depreciation of tangible fixed assets	2454	1682
	<hr/>	<hr/>

**3. OTHER OPERATING INCOME**

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Profit/(Loss) on sale of fixed assets	45	(103)
Commercial advertising	235	233
Rental income: Properties:	71	99
Vehicles		
(Operating leases)	731	492
Commissions	<u>31</u>	<u>39</u>
	<hr/>	<hr/>
	1113	760
	<hr/>	<hr/>

**LDT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****4. INTEREST RECEIVABLE**

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Bank interest	103	7
	<u>      </u>	<u>      </u>

**5. INTEREST PAYABLE**

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Interest on loans and overdrafts repayable wholly within five years	744	347
Interest on leased assets	1055	1129
	<u>1799</u>	<u>1476</u>
	<u>      </u>	<u>      </u>

**LDT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****6. EMPLOYEES**

Average weekly number of employees, including directors:

	<b>Year ended 31 December 1997 No.</b>	<b>Year ended 31 December 1996 No.</b>
Drivers	886	853
Maintenance and engineers	147	178
Administrative staff	154	163
	<hr/>	<hr/>
	1187	1194
	<hr/>	<hr/>

Staff costs, including Directors:

	<b>Year ended 31 December 1997 £'000</b>	<b>Year ended 31 December 1996 £'000</b>
Wages and salaries	16088	15955
Social security costs	1272	1274
Other pension costs	1211	1102
	<hr/>	<hr/>
	18571	18331
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**LDT LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****7. DIRECTORS EMOLUMENTS**

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Aggregate Emoluments	253	210
Highest paid Director Total emoluments	79	71
Defined benefit Pension Scheme: Accrued pension at end of year	16	14

Retirement benefits are accruing to five (1996 three) Directors under a defined benefit scheme.

**8. TAXATION AND GROUP RELIEF**

Taxation charge for the year:

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Corporation tax at 31% (1996 - 33%)	(359)	(163)
Adjustment for previous years	48	0
Deferred taxation	<u>138</u>	<u>132</u>
	<u>(173)</u>	<u>(31)</u>

The taxation credit for the year reflects the effect of group relief available to the company.

**LDT LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****9. TANGIBLE ASSETS**

	<b>Short leasehold properties £'000</b>	<b>Public service vehicles £'000</b>	<b>Assets held for use in operating leases £'000</b>	<b>Plant, machinery fixtures &amp; motor vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At 31 December 1996	497	23500	3169	2644	29810
Inter-group transfers	0	446	0	9	455
Additions	0	5850	2868	190	8908
Disposals	<u>0</u>	<u>(1659)</u>	<u>0</u>	<u>(112)</u>	<u>(1771)</u>
At 31 December 1997	<u>497</u>	<u>28137</u>	<u>6037</u>	<u>2731</u>	<u>37402</u>
<b>Depreciation</b>					
At 31 December 1996	145	9414	216	1349	11124
Inter-group transfers	0	371	0	(5)	366
Charge for the year	33	1731	349	341	2454
Disposals	<u>0</u>	<u>(1531)</u>	<u>0</u>	<u>(97)</u>	<u>(1628)</u>
At 31 December 1997	<u>178</u>	<u>9985</u>	<u>565</u>	<u>1588</u>	<u>12316</u>
<b>Net book value</b>					
At 31 December 1997	<u>319</u>	<u>18152</u>	<u>5472</u>	<u>1143</u>	<u>25086</u>
At 31 December 1996	<u>352</u>	<u>14086</u>	<u>2953</u>	<u>1295</u>	<u>18686</u>

The net book value of the tangible fixed assets includes £23,214,000 (1996 - £16,969,000) in respect of assets held under finance leases. Depreciation in the year on those assets amounted to £2,141,000 (1996 - £1,459,000).



**LDT LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

31 December 1997

**10. INVESTMENTS**

	<b>Subsidiary Companies £'000</b>	<b>Associated Companies £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 31 December 1996	2045	3	2048
Additions	<u>295</u>	<u>0</u>	<u>295</u>
at 31 December 1997	<u>2340</u>	<u>3</u>	<u>2343</u>
<b>Provisions</b>			
At 31 December 1996	85	0	85
Charge	<u>321</u>	<u>0</u>	<u>321</u>
at 31 December 1997	<u>406</u>	<u>0</u>	<u>406</u>
<b>Net Book Value</b>			
At 31 December 1997	<u>1934</u>	<u>3</u>	<u>1937</u>
At 31 December 1996	<u>1960</u>	<u>3</u>	<u>1963</u>

**Subsidiaries**

The shares in subsidiary undertakings, all of which are wholly owned, comprise:

	<b>Status</b>	<b>Class of Shares Held</b>
Lynbrel Limited	Dormant	Ordinary
Milton Keynes Coaches Limited	Dormant	"
Red Rover Omnibus Limited	Dormant	"
Hoppanstopper Limited	Non-Trading	"
London Country Bus (North West) Ltd	Non-Trading	"
Stuart Palmer Travel Limited	Driver Services	"
British Bus Training Limited	Dormant	"
Chiltern Bus Limited	Dormant	"
Dunstable Bus Limited	Dormant	"
Hemel Bus Limited	Dormant	"
Hitchin Bus Limited	Dormant	"
Luton Bus Limited	Dormant	"
Watford Bus Limited	Dormant	"
Stevenage Bus Limited	Dormant	"
Lucketts Garages (Watford) Limited	Trading	"

## LDT LIMITED

### NOTES TO FINANCIAL STATEMENTS 31 December 1997

#### 10. INVESTMENTS (Continued)

Chiltern European Limited	Dormant	"
Clydeside Buses Limited	Bus & Coach Operator	"

Clydeside Buses Limited is registered and operates in Scotland. All other subsidiaries are registered and operate in England and Wales.

#### Associated Company

The investment in associates represents a 25% interest in the ordinary share capital of Green Line Travel Ltd., a company registered in England and Wales. Green Line Travel Ltd is a dormant company with net assets of £8,000 at 31 December 1997.

In the opinion of the directors the carrying value of investments does not exceed their actual value.

#### 11. STOCKS

	31 December 1997 £'000	31 December 1996 £'000
Raw material and consumables	436	437

The replacement cost of the above stocks would not be significantly different from the values stated.

#### 12. DEBTORS

	31 December 1997 £'000	31 December 1996 £'000
Trade debtors	1400	861
Amounts owed by parent and fellow subsidiary undertakings	2062	960
Other debtors	212	191
Prepayments and accrued income	630	550
Other taxation	292	0
Corporation Tax	283	0
	4879	2562

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31 December 1997 £'000</b>	<b>31 December 1996 £'000</b>
Borrowings:		
Obligations under finance leases	3985	3116
Bank overdraft	12076	6659
Trade creditors	675	732
Amounts owed to parent and fellow subsidiary undertakings	1638	1405
Other creditors	217	588
Other taxation and social security	546	540
Corporation tax	0	26
Accruals and deferred income	646	446
Pension contribution accrued	51	126
Holiday pay	22	54
Property dilapidations	151	254
Insurance	695	846
	<hr/>	<hr/>
	20702	14792
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31 December 1997 £'000</b>	<b>31 December 1996 £'000</b>
Obligations under finance leases:		
Due within 1 to 2 years	3696	3011
Due within 2 to 5 years	7339	5845
Due after 5 years	235	1195
	<u>11270</u>	<u>10051</u>

The creditor in respect of finance leases repayable after more than five years represents a number of separate agreements, repayable by quarterly instalments and carrying commercial rates of interest.

The company is party to an unlimited multi-lateral guarantee involving the bank borrowings of ARRIVA plc and other group undertakings.

**15. PROVISIONS FOR LIABILITIES AND CHARGES**

The movements in deferred tax during the period were:-

	<b>31 December 1997</b>		<b>31 December 1996</b>	
	<b>Provided £'000</b>	<b>Not Provided £'000</b>	<b>Provided £'000</b>	<b>Not Provided £'000</b>
Accelerated Capital Allowances	0	1742	0	1404
Other short-term timing differences	<u>270</u>	<u>0</u>	<u>132</u>	<u>0</u>
	<u>270</u>	<u>1742</u>	<u>132</u>	<u>1404</u>

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 1997

16. SHARE CAPITAL

	31 December 1997 £'000	31 December 1996 £'000
<b>Authorised</b> 100,000,000 ordinary equity shares of 10p each	1,000	1,000
<b>Allotted and fully paid</b> 7,283,059 ordinary equity shares of 10p each	728	728

17. RESERVES

	Goodwill Reserve £'000	Profit & Loss Account £'000	Total £'000
At beginning of year as restated	(6001)	3946	(2055)
Goodwill acquired	(321)	0	(321)
Goodwill transferred to ARRIVA plc	321	0	321
Profit for the period	<u>0</u>	<u>2024</u>	<u>2024</u>
	<u>(6001)</u>	<u>5970</u>	<u>(31)</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****18. FINANCIAL COMMITMENTS****Capital commitments**

Capital expenditure commitments were as follows:

	<b>31 December 1997 £'000</b>	<b>31 December 1996 £'000</b>
Contracted for, but not provided in the accounts	<u>2407</u>	<u>1280</u>

**Operating lease commitments**

The payments which the company is committed to make in the next year under operating leases are as follows:

	<b>31 December 1997 £'000</b>	<b>31 December 1996 £'000</b>
(i) Land and buildings, leases expiring		
within one year	0	36
two to five years	216	91
over five years	526	651
	<u>742</u>	<u>778</u>
(ii) Plant and machinery, leases expiring		
within one year	10	0
one to two years	0	14
	<u>10</u>	<u>14</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997**

**19. PENSION COMMITMENTS**

The Group operates a pension scheme (The LDT Personal Pension Plan) providing benefits based on the greater of final pensionable pay and defined contributions. The assets of the scheme are held separately from those of the Group, being invested in managed funds and a Building Society. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Group. The contributions are determined by a qualified actuary on the basis of triennial valuations using the defined accrued benefits method. The most recent actuarial valuation was at 1st April 1997 which showed that the market value of the Scheme's assets was £20,773,000. The assets were sufficient to cover 93% of the liabilities on the method and assumptions employed by the actuary. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the future investment return would be 9% per annum in the ongoing Scheme and that salaries would increase by 6.5% per annum and future pensions would increase at the rate of 5% per annum.

The funding level measured on the minimum funding requirement method on the valuation date was 94%.

The pension charge for the year was £1,211,000 (1996 £1,102,000). Subsequently contributions of the Group will be at the rate of 14.8% of earnings, less employees' contributions which are based on an age related scale. This is in accordance with the recommendations of the actuary.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 1997****20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**  
**for the year ended 31 December 1997**

	Year ended 31 December 1997 £'000	Year ended 31 December 1996 £'000
Profit for the period	2024	2383
Dividends	0	(300)
Net addition to shareholders' funds	<u>2024</u>	<u>2083</u>
Opening equity shareholders' funds	(1327)	(3410)
Closing equity shareholders' funds	<u>697</u>	<u>(1327)</u>

**21. ULTIMATE PARENT COMPANY**

The ultimate parent Company and ultimate controlling party at the end of the year is ARRIVA plc, a Company which operates and is registered in England and Wales, and which has prepared group accounts incorporating the results of LDT Limited. Copies of these accounts can be obtained from Millfield House, Hylton Road, Sunderland.

Transactions with other companies in the ARRIVA Group are not specifically disclosed as the Company has taken advantage of the exemption available under FRS 8 "Related Party Disclosures" for wholly - on subsidiaries.

The ultimate holding Company continues to provide financial resources to LDT Limited. The Directors of the ultimate holding Company have expressed their willingness to continue to provide financial support to LDT Limited for the foreseeable future.