

EAST LONDON BUS AND COACH COMPANY LIMITED
REGISTERED NO : 2328402

FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH APRIL 1998
TOGETHER WITH
DIRECTORS' & AUDITORS' REPORTS



EAST LONDON BUS AND COACH COMPANY LIMITED

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EAST LONDON BUS AND COACH COMPANY LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 30TH APRIL 1998

The Directors present their annual report on the affairs of the Company, together with the Financial Statements and Auditors' Report for the year ended 30th April 1998.

DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss for that period. In preparing those Financial Statements, the Directors are required to :

- select suitable accounting policies and 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 the 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 are 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.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity continues to be the provision of road passenger transport services within the Greater London area.

During the year, the Company operated with an average of 628 buses. At 30th April 1998 garages were located at Romford, Barking, Upton Park, Leyton, Bow and Stratford.

DIRECTORS' REPORT (Continued)

RESULTS AND DIVIDENDS

The profit before and after taxation for the year ended 30th April 1998 was £7,106,000 (30th April 1997 £8,360,000). A dividend of £12,000,000 was paid during the year (30th April 1997 £5,500,000). For details of the reserve movements in the year, see Note 14 to the Financial Statements.

FUTURE DEVELOPMENTS

The Directors do not envisage any significant change in the Company's operation in the near future.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year were as follows :-

B E Arnold		
P Duff		
M H Stoggell		
K R Cochrane		
R W Bowker	Resigned	01/11/97
B J Cox	Resigned	22/04/98
B E Beckham	Appointed	01/11/97
A G Cox	Appointed	01/11/97
M J Kinski	Appointed	07/04/98

No Director had an interest in the share capital of the Company during this year. The interests of K R Cochrane, M J Kinski and B J Cox in the issued share capital of the ultimate parent company, Stagecoach Holdings plc, are disclosed in the Financial Statements of that Company. The interests of the other Directors in the issued share capital of Stagecoach Holdings plc are as follows :

Name of Director	Ordinary Shares of 2.5p	
	30/04/98	30/04/97 (or date of appointment if later)
B E Arnold	86	76
P Duff	85	75
M H Stoggell	78	68
B E Beckham	87	76
A G Cox	42,087	42,087

In addition, A G Cox has 105,941 options over shares in Stagecoach Holdings plc.

DIRECTORS' REPORT (Continued)

HEALTH AND SAFETY

The health, safety and welfare of its employees and passengers is of the utmost importance to the Company. Audits of safety performance were frequently undertaken during the year. Full support was given to joint consultation and employee participation on safety matters.

SUPPLIER PAYMENT POLICY

It is the Company's policy to settle the terms of payment with suppliers when agreeing each transaction or series of transactions, to ensure suppliers are aware of these terms and abide by them. The average number of supplier days outstanding for balances at 30th April 1998 was 38 days.

DISABLED EMPLOYEES

The Company's policy in respect of disabled persons is that their applications for employment are always fully and fairly considered, bearing in mind the abilities of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that employment with the Company continues and where necessary appropriate training is arranged. It is the Company's policy that training, career development and promotion of disabled persons should, as far as possible, be identical with that of all other employees in similar gradings.

EMPLOYEE CONSULTATION

The Directors and Managers of the Company place considerable value on the consultative meetings with employees. Information on matters affecting employees and on various factors affecting the performance of the Company is disseminated through meetings, newsletters and training programmes. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

YEAR 2000 COMPLIANCE

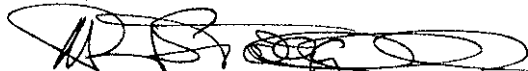
After an initial assessment of the potential impact of the year 2000 on the company, a plan has been developed to ensure that all significant risks are addressed well in advance of critical dates and with minimum disruption to the business. The Board is confident that we will achieve year 2000 compliance in all areas which have a potential significant impact on the business and that the cost of doing so will not have a material effect on the company.

DIRECTORS' REPORT (Continued)

AUDITORS

The Auditors, Arthur Andersen, are willing to continue in office and will be re-appointed as auditors for the forthcoming year.

By Order of the Board

A handwritten signature in dark ink, appearing to be 'M H Stoggell', written over a horizontal line.

M H Stoggell
Company Secretary
2-4 Clements Road
Ilford, Essex IG1 1BA

20 July 1998

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS OF EAST LONDON BUS AND COACH COMPANY LIMITED

We have audited the Financial Statements on pages 8 to 24 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages 11 to 13.

Respective responsibilities of directors and auditors

As described on page 3 the Company's Directors are responsible for the preparation of the Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those Financial 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 affairs of the Company at 30th April 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

Arthur Andersen
Chartered Accountants and Registered Auditors

199 St Vincent Street,
Glasgow G2 5QD
20 July 1998

EAST LONDON BUS AND COACH COMPANY LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 1998

	Notes	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Turnover	1	58,220	56,811
Operating Costs (net)		(51,767)	(49,498)
Other Operating Income		1,070	672
Operating profit		<u>7,523</u>	<u>7,985</u>
Interest (payable)/receivable and similar (expenses)/income	2	(417)	375
Profit on ordinary activities before and after taxation	1,2	<u>7,106</u>	<u>8,360</u>
Dividends paid and proposed	13	(12,000)	(5,500)
Retained (loss)/profit for the year		<u>(4,894)</u>	<u>2,860</u>

The above results in each year are wholly derived from continuing operations.

Movements in reserves are set out in Note 14 to these Financial Statements.

The accompanying notes are an integral part of this profit and loss account.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Profit for the financial year	7,106	8,360
Total recognised gains and losses relating to the year	<u>7,106</u>	<u>8,360</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Reported profit on ordinary activities before taxation	7,106	8,360
Difference between an historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	1,192	1,190
Historical cost profit on ordinary activities before taxation	<u>8,298</u>	<u>9,550</u>
Historical cost (loss)/profit for the year retained after taxation and dividends	<u>(3,702)</u>	<u>4,050</u>

The accompanying notes are an integral part of these statements.

EAST LONDON BUS AND COACH COMPANY LIMITED
BALANCE SHEET
AS AT 30TH APRIL 1998

	Notes	30th April 1998 £000's	30th April 1997 £000's
<u>Fixed Assets</u>			
Tangible assets	5	34,514	27,398
Investments	5	-	100
		<u>34,514</u>	<u>27,498</u>
<u>Current Assets</u>			
Current asset investment	5	50	-
Debtors	6	3,993	3,511
Cash at bank and in hand		435	1,806
		<u>4,478</u>	<u>5,317</u>
<u>Creditors : Amounts falling due within one year</u>	7	(14,150)	(8,284)
<u>Net Current Liabilities</u>		<u>(9,672)</u>	<u>(2,967)</u>
<u>Total Assets less Current Liabilities</u>		<u>24,842</u>	<u>24,531</u>
<u>Creditors : Amounts falling due after more than one year</u>	8	(7,069)	(1,864)
Net Assets		<u>17,773</u>	<u>22,667</u>
<u>Capital and Reserves</u>			
Called-up share capital	12	3,463	3,463
Share premium account	14	3,462	3,462
Revaluation reserve	14	3,838	5,030
Profit and loss account	14	7,010	10,712
Equity Shareholders' Funds		<u>17,773</u>	<u>22,667</u>

The accompanying notes are an integral part of this balance sheet.

The Financial Statements were approved by the Board of Directors on 20 July 1998 and were signed on its behalf by :

Bay E Arnold
B E ARNOLD
MANAGING DIRECTOR

EAST LONDON BUS AND COACH COMPANY LIMITED

PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

a) Basis of Accounting

The Financial Statements of the Company have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

b) Tangible Fixed Assets

Tangible fixed assets are included at cost or subsequent valuation as set out in note 5, less accumulated depreciation.

Depreciation is charged on assets from the date they are brought into use and is provided so as to write off the cost or valuation less estimated residual value of assets on a straight-line basis over their estimated useful lives, at the following rates :-

Freehold buildings	50 years
Public service vehicles	10-17 years
Plant and equipment	1-10 years

Freehold land is not depreciated.

Surpluses or deficits arising on the revaluation of individual tangible fixed assets are credited or debited to a non-distributable reserve known as the revaluation reserve. Depreciation charges based on the revalued amount are charged to the profit and loss account in subsequent years. Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from this reserve to the profit and loss account, below the profit or loss for the financial period. On the disposal of a revalued fixed asset, any revaluation surplus corresponding to the item is also transferred to the profit and loss account below the profit or loss for the period.

c) Investments

Investments are shown at cost less amounts written off. Provisions are made for permanent reductions in value. Provisions for temporary fluctuations in value are made if material.

Principal Accounting Policies (continued)

d) Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

e) Hire Purchase and Lease Obligations

Assets acquired under hire purchase contracts and finance leases are recorded in the balance sheet as an asset (at the equivalent of the purchase price) and as an obligation to pay future hire purchase capital instalments or finance lease rentals.

Obligations arising from hire purchase contracts and finance leases represents the total of the capital payments outstanding at the date of the balance sheet. Future finance charges are not included, but are charged to the profit and loss account over the period of the contract.

Rentals under operating leases are charged on a straight line basis over the lease term.

f) Stocks

Stocks, representing spare parts and consumable fuel and oil stocks, have been valued at the lower of cost or net realisable value on a first-in, first-out basis.

g) Taxation

All corporation and deferred tax (including unprovided deferred tax) is accounted for by the ultimate parent company.

h) Pension Costs

The pension cost charged to the profit and loss account for the defined contribution scheme represents contributions payable in the period by the Company to the fund. Contributions in respect of defined benefit schemes are charged to the profit and loss account so as to produce a substantially level percentage of the current and future pensionable payroll.

See note 17 for further information on these schemes.

i) Cash Flow Statement

As permitted by FRS 1 (Revised 1996), no cash flow statement has been prepared for the Company as it is a subsidiary undertaking of an EC registered parent whose group accounts include a consolidated cash flow statement.

j) Related party transactions

The company has taken advantage of the FRS 8 exemption from having to provide details of transactions with fellow group undertakings.

Principal Accounting Policies (continued)

k) Turnover

Turnover comprises gross revenue earned from road passenger transport and ancillary services in the United Kingdom, net of VAT, and excludes future payments received on account. Amounts received for tendered services and concessionary fare schemes are included as part of turnover.

l) Grants

Fuel duty rebate is credited to operating costs as it is earned.

m) Holiday Pay

The holiday year runs to 31 December. The provision for holiday pay is made in respect of employees who joined before 1975 and who did not receive their full entitlement in the year of joining, together with a provision for outstanding Bank Holidays.

EAST LONDON BUS AND COACH COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 1998

NOTE 1 SEGMENT INFORMATION

All of the Company's turnover and profit before taxation derives from the provision of road passenger transport services in the Greater London area.

NOTE 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation for the year has been arrived at after charging the following amounts :-

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Staff costs (see note 4)	36,756	34,214
Loss on sale of fixed assets	15	34
Other operating lease rentals	351	94
Depreciation	2,952	2,845
Redundancy costs	20	-

Auditors' remuneration has been borne by the ultimate parent company in both years.

Interest (payable)/receivable includes:

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Bank interest receivable	414	375
Hire purchase interest payable	(831)	-
	<u>(417)</u>	<u>375</u>
	=====	=====

NOTE 3 DIRECTORS' REMUNERATION

REMUNERATION

The remuneration of the directors was as follows :

	1998 £000's	1997 £000's
Emoluments	209	187
Defined pension schemes	12	10
	<u>221</u>	<u>197</u>
	===	===

The above amounts do not include any gains made on the exercise of share options or the value of any shares or share options received under long-term incentive schemes. During the year two directors exercised options to acquire shares in the ultimate parent company, Stagecoach Holdings plc. Details are disclosed in the Financial Statements of that company.

The above amounts for remuneration include the following in respect of the highest paid director

	1998 £000's	1997 £000's
Emoluments	73	64
	<u>73</u>	<u>64</u>
	===	===

The accrued pension entitlement under the company's defined benefits scheme of the highest paid director at 30 April 1998 was £2,911 (1997 - £1,744) and the accrued lump sum entitlement at 30 April 1998 was £8,734 (1997 - £5,231).

PENSIONS

The number of directors who were members of pension schemes was as follows :

	1998 Number	1997 Number
Defined benefit schemes	4	3
	<u>4</u>	<u>3</u>
	===	===

NOTE 3 DIRECTORS' REMUNERATION

SHARE OPTIONS

The interests of directors who have options to subscribe for ordinary shares in the ultimate parent company, Stagecoach Holdings plc, for NIL consideration are shown in the table below.

	As at 1 May 1997	Granted	As at 30 April 1998	Exercise Price £	Date for which Exercisable	Expiry Date
A.G.Cox	28,786	-	28,786	0.289	7 August 1995	7 August 2002
	15,421	-	15,421	1.57	9 September 1997	9 September 2004
	17,734	-	17,734	2.50	13 October 1998	13 October 2005
	22,000	-	22,000	5.65	11 October 1999	11 October 2006
	-	22,000	22,000	6.64	8 September 2000	8 September 2007

NOTE 4 STAFF COSTS

Particulars of staff (including Executive Directors) are shown below.

Staff costs during the year amounted to :-

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Wages and Salaries	32,109	29,742
Social Security Costs	2,508	2,337
Other Pension Costs (note 17)	1,999	1,995
ESOP costs	140	140
	<u>36,756</u>	<u>34,214</u>

The average monthly number of persons employed by the Company, including Directors, during the year was as follows :

	Year Ended 30th April 1998 Number	Year Ended 30th April 1997 Number
Traffic Operations	1,694	1,647
Engineering and Maintenance	191	197
Administration	49	47
	<u>1,934</u>	<u>1,891</u>

NOTE 5 FIXED ASSETS

Tangible Fixed Assets

The movement in the year to 30th April 1998 was as follows :-

	Buses	Freehold Land and Building	Plant & Other	Total
<u>Cost or Valuation</u>	£000's	£000's	£000's	£000's
At beginning of year	41,627	6,449	2,417	50,493
Additions	8,649	729	208	9,586
Inter-Company Transfers in	4,828	-	76	4,904
Inter-Company Transfers out	(7,032)	-	(34)	(7,066)
Disposals	(184)	-	(65)	(249)
At end of year	47,888	7,178	2,602	57,668
<u>Depreciation</u>				
At beginning of year	21,392	66	1,637	23,095
Charge for the year	2,639	67	246	2,952
Inter-Company Transfers in	2,258	-	18	2,276
Inter-Company Transfers out	(4,943)	-	(13)	(4,956)
Disposals	(84)	-	(129)	(213)
At end of year	21,262	133	1,759	23,154
<u>Net Book Value</u>				
At end of year	26,626	7,045	843	34,514
At beginning of year	20,235	6,383	780	27,398

Included in the above are PSV's on hire purchase contracts with a net book value of £25,554,000 (1997 - £18,792,000).

NOTE 5 FIXED ASSETS (Continued)

The Company's principal operating properties were revalued by Oliver Liggins, Chartered Surveyors, on an open market existing use basis. As at 30th April 1998 Additions to the valuation are at cost, as follows :

	Freehold Land and Buildings £000's
Historic Cost including additions	767
1996 Valuation by Oliver Liggins	6,411
	<u>7,178</u>

When the Company was acquired by Stagecoach Holdings plc on 6th September 1994, its PSV Fleet was revalued by the Directors bringing them in line with Stagecoach Holdings plc's depreciation policies.

Had the above revaluations not taken place, the value of fixed assets would be :

	Land and Buildings £000's	Buses £000's
30th April 1997		
Cost	4,298	40,766
Depreciation	(178)	(24,546)
Net Book Value	<u>4,120</u>	<u>16,220</u>
30th April 1998		
Cost	5,027	47,032
Depreciation	(245)	(22,019)
Net Book Value	<u>4,782</u>	<u>25,013</u>

NOTE 5 FIXED ASSETS (Continued)

Operational properties were originally transferred from London Buses Limited to East London Bus and Coach Company Limited at an existing use valuation on 3rd December 1993. If these properties are sold above this value within 10 years from transfer, clawback arrangements are in place such that a proportion of any surplus is repayable to London Regional Transport. The Company does not intend to dispose of any of these properties.

Investments

The fixed asset investment in prior year represented a holding of 10% of the issued Ordinary Shares in Routemaster Reinsurance Limited, a company registered in Eire. During the current year it was decided that Routemaster Reinsurance Limited would be wound up. £50,000 of the initial investment has been received in the current year. The remaining investment is expected to be paid back in the ensuing year and, hence is disclosed as a current asset.

NOTE 6 DEBTORS

	30th April 1998 £000's	30th April 1997 £000's
Trade debtors	3,314	2,672
Amounts owed by other group undertakings	-	6
Prepayments and accrued income	315	340
Stocks	364	493
	<u>3,993</u>	<u>3,511</u>

All Debtors are due within one year.

NOTE 7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	30th April 1998 £000's	30th April 1997 £000's
Trade creditors	3,423	2,833
Receipts in advance	60	45
Salary and wages accrual	672	643
Social security and PAYE	807	578
Other Accruals	1,787	1,530
Holiday Pay	451	437
Fuel Duty Rebate	221	184
Insurance reserves	1,275	2,034
HP Lease Obligations (current)	5,454	-
	<u>14,150</u>	<u>8,284</u>

NOTE 8 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30th April 1998 £000's	30th April 1997 £000's
Amounts owed to other group undertakings	23	1,864
HP Lease Obligations (non-current)	7,046	-
	<u>7,069</u>	<u>1,864</u>

NOTE 9 OPERATING LEASE COMMITMENTS

The Company leases certain assets on short and long term operating leases. The rental for the year to 30th April 1998 was £351,000 (30th April 1997 £92,000). Rents payable under these leases are subject to renegotiation at various intervals specified in the leases. The Company pays all insurance, maintenance and repairs on these assets.

The annual commitments under non-cancellable operating leases are as follows :-

	30th April 1998 £000's	30th April 1997 £000's
<u>Operating leases which expire :</u>		
Within two to five years	356	94
	<u> </u>	<u> </u>

NOTE 10 TAXATION

All corporation tax is dealt with in the Financial Statements of Stagecoach Holdings plc.

NOTE 11 DEFERRED TAXATION

The full potential deferred tax liability, including timing differences which will probably not reverse, is dealt with in the Financial Statements of the ultimate parent company, Stagecoach Holdings plc.

NOTE 12 CALLED-UP SHARE CAPITAL - EQUITY

	30th April 1998 £000's	30th April 1997 £000's
Authorised share capital		
Ordinary Shares of £1 each	18,000	18,000
	=====	=====
Called-up, allotted and fully paid		
Ordinary Shares of £1 each	3,463	3,463
	=====	=====

NOTE 13 DIVIDENDS PAID AND PROPOSED

	Year Ended 30th April 1998 £000's	Year Ended 30th April 1997 £000's
Interim paid of 346.5p (30th April 1997 - 158.8p)	12,000	5,500
	=====	=====
	12,000	5,500
	=====	=====

NOTE 14 RESERVES

Of the total reserves shown in the Company's balance sheet, the following amounts are regarded as distributable or otherwise :

	30th April 1998 £000's	30th April 1997 £000's
Distributable		
Profit and loss account	7,010	10,712
Non-distributable		
Share premium account	3,462	3,462
Revaluation reserve	3,838	5,030
	<u>14,310</u>	<u>19,204</u>

Revaluation reserve

	£000's
At beginning of year	5,030
Amortisation of revaluation surplus	(1,192)
At end of year	<u>3,838</u>

Profit and Loss Account

	£000's
At beginning of year	10,712
Retained loss for the financial year	(4,894)
Amortisation of revaluation surplus	1,192
At end of year	<u>7,010</u>

NOTE 15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	£000's
Opening Balance at 1st May 1997	22,667
<u>Movements</u>	
Profit for the financial year	7,106
Dividends paid	(12,000)
Closing Balance at 30th April 1998	<u>17,773</u>

NOTE 16 CAPITAL COMMITMENTS

At 30th April 1998, the Company had £43,000 capital commitments (30th April 1997 £36,797).

NOTE 17 PENSION ARRANGEMENTS

Until its acquisition by Stagecoach Holdings plc on 6th September 1994 the company funded contributions to the London Regional Transport Pension Fund.

The Company's employees are now eligible to participate in the Stagecoach Holdings Group Retirement and Death Benefits Scheme. Full details of this Scheme are provided in the Financial Statements of the ultimate parent company, Stagecoach Holdings plc.

Pensions costs and liabilities are determined in accordance with actuarial advice. The pension cost for the year ended 30th April 1998 was £1,999,000 (30th April 1997 £1,995,000).

NOTE 18 GUARANTEES

The Company is a party to certain bank guarantees in respect of guarantee and overdraft facilities provided to certain group undertakings and other UK group borrowings, of which £94,900,000 was outstanding at 30th April 1998 (30th April 1997 £52,200,000) and provides cross guarantees to certain group undertakings under VAT group provisions.

NOTE 19 PARENT COMPANY

The Company's ultimate parent Company is Stagecoach Holdings plc, registered in Scotland (Number 100764), which heads the only group in which the results of the Company are consolidated.

The Financial Statements of the ultimate parent company are available from the following address :

Stagecoach Holdings plc
Charlotte House
20 Charlotte Street
Perth PH1 5LL
Scotland