

English Welsh & Scottish Railway Limited

Directors' report and financial statements

31 March 2000

Registered number 2938988



English Welsh & Scottish Railway Limited

Directors' report and financial statements

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English Welsh & Scottish Railway Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2000.

Principal activities

The principal activity of the company is the haulage of freight by rail and other related services.

Business review

The company's loss on ordinary activities after tax for the year is £2.5 million (1999: £32.2 million profit). No interim dividend was paid during the year (1999: Nil). The directors do not recommend the payment of a final dividend (1999: Nil).

Research and development

No significant research and development was undertaken during the year.

Year 2000 costs

The group headed by English Welsh & Scottish Railway Holdings Limited, of which the company forms part, inherited several systems from British Rail which were not Year 2000 compliant. Accordingly, management have ran a project designed to ensure that the universal problem of the date change to the year 2000 in computer systems was resolved without material impact on the group operations. This project has been successfully concluded with no significant problems encountered since 1st January 2000. The total costs to the group associated with ensuring that all key systems were Year 2000 compliant was £4.6 million in addition to the cost of new systems, of which £2.5 million had been incurred during the year to 31st March 2000.

The business is reliant together with other industry parties to a large extent on systems owned and operated by Railtrack PLC. No significant failure of such systems occurred on the advent of Year 2000. Management took an active role in industry wide initiatives, participating in the Executive Management Group of the Rail Millennium Programme Office. Enquiries were made of all other major suppliers to seek assurance that they had sufficiently robust plans for the millennium to enable them to meet their obligations to the company. No significant problems were encountered.

Directors and directors' interests

The directors who held office during the year were as follows:

T.F. Power (Chairman)

P.R. Mengel (Chief Executive) (Appointed 12th January 2000)

C. Ferenbach

A.T. Gibbs (Appointed 15th September 1999)

Lord B. Griffiths of Fforestfach (Deputy Chairman)

R.K. Lubin

D.M. Richwhite

T.W. Rissman

R.H. Wheeler (Appointed 15th September 1999)

E.A. Burkhardt (Resigned 22nd July 1999)

I.K. Braybrook (Resigned 2nd January 2000)

R.O.H. Morley (Resigned 15th September 1999)

English Welsh & Scottish Railway Limited

Directors' report continued

Directors and directors' interests continued

None of the directors who held office at the end of the financial year had any disclosable interest in the shares or debentures of the company. The directors' interests in, and rights to acquire, the shares of the holding company English Welsh & Scottish Railway Holdings Limited are disclosed in the accounts of that company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, during the financial year.

Employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

During the year, employees have been provided with information about the company through newsletters and circulars in which employees have also been encouraged to present their suggestions and views. Regular meetings are held between local management and employees to allow a free flow of information.

Political and charitable contributions

The company made no political donations, and donated £103,131 (1999: £83,125) to charities during the year.

Auditors

In accordance with Section 386 of the Companies Act 1985, the company has dispensed with the obligation to appoint auditors annually.

By order of the board



C.G. Trebilcock
Secretary

McBeath House
310 Goswell Road
London EC1V 7LL
24 July 2000

English Welsh & Scottish Railway Limited

Statement of 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 of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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;
- 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 maintaining 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 have 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.

English Welsh & Scottish Railway Limited

Auditors' report to the members of English Welsh & Scottish Railway Limited

We have audited the financial statements on pages 5 to 17.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3 the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit 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 the 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors
8 Salisbury Square
London EC4Y 8BB

24 July 2000

English Welsh & Scottish Railway Limited

Profit and loss account
for the year ended 31 March 2000

<i>£ million</i>	<i>Note</i>	2000	1999
Turnover	2	475.9	429.7
Operating expenditure (excluding exceptional costs)	3	(440.3)	(378.9)
Exceptional costs	4	(36.0)	-
Total operating costs		<u>(476.3)</u>	<u>(378.9)</u>
Operating profit before Exceptional Costs		<u>35.6</u>	<u>50.8</u>
Operating (loss) / profit		<u>(0.4)</u>	<u>50.8</u>
Profit on sale of fixed assets		-	1.8
Net interest payable and similar charges	7	<u>(3.1)</u>	<u>(6.5)</u>
(Loss) / profit on ordinary activities before taxation	4	(3.5)	46.1
Tax on (loss) / profit on ordinary activities	8	<u>1.0</u>	<u>(13.9)</u>
Retained (loss) / profit for the financial year		<u>(2.5)</u>	<u>32.2</u>

All of the company's activities are continuing.

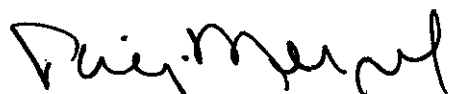
There are no recognised gains or losses in the year other than the profit for the year. There are no differences between the company's profit and loss account shown above and that prepared on a historical cost basis.

English Welsh & Scottish Railway Limited

Balance sheet
at 31 March 2000

<i>£ million</i>	<i>Note</i>	2000	1999
Fixed assets			
Tangible assets	9	303.1	309.8
Goodwill	10	0.3	0.4
		<u>303.4</u>	<u>310.2</u>
Current assets			
Stocks	11	18.3	18.5
Debtors due after one year	12	59.5	63.5
Debtors due within one year	12	84.7	70.7
		<u>144.2</u>	<u>134.2</u>
Cash at bank and in hand		-	22.8
		<u>162.5</u>	<u>175.5</u>
Creditors : amounts falling due within one year	13	<u>(282.0)</u>	<u>(222.8)</u>
Net current liabilities		<u>(119.5)</u>	<u>(47.3)</u>
Total assets less current liabilities		183.9	262.9
Creditors: amounts falling due after more than one year.	14	-	(53.6)
Provisions for liabilities and charges	15	(28.5)	(50.7)
Deferred income	16	(9.4)	(10.1)
		<u>(37.9)</u>	<u>(114.4)</u>
Net assets		<u>146.0</u>	<u>148.5</u>
Capital and reserves			
Called up share capital	17	18.9	18.9
Share premium reserve	18	71.8	71.8
Capital reserve	18	48.5	48.5
Retained earnings	18	6.8	9.3
Equity shareholders' funds		<u>146.0</u>	<u>148.5</u>

These financial statements were approved by the board of directors on 24 July 2000 and were signed on its behalf by:



P.R. Mengel
Chief Executive

English Welsh & Scottish Railway Limited

Reconciliation of movements in shareholders' funds
For the year ended 31 March 2000

<i>£ million</i>	2000	1999
Loss / Profit for the financial year	(2.5)	32.2
Opening shareholders' funds as previously stated	148.5	116.3
Closing shareholders' funds	<u>146.0</u>	<u>148.5</u>

English Welsh & Scottish Railway Limited

Notes

(forming part the financial statements)

1 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.

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting rules.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of English, Welsh & Scottish Railway Holdings Limited, and its cash flows are included within the consolidated cash flow statement of that company.

Goodwill

Goodwill whether negative or positive is disclosed as an intangible asset. Negative goodwill up to the fair value of non monetary assets acquired is amortised to the profit and loss account in periods in which these assets are recovered. Negative goodwill in excess of the fair value of the assets acquired is amortised over the period in which the losses to which it relates are expected to accrue. Positive goodwill is amortised over 20 years.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives from the time assets come into service as follows:

- Freehold buildings 40 years
- Leasehold land and buildings life of lease
- Plant, machinery and equipment 3 to 10 years
- Rolling stock 20 to 50 years
- Infrastructure 10 to 30 years

No depreciation is provided on freehold land.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to trading profit over the estimated useful economic lives of the assets to which they relate. Revenue based government grants are credited to trading profit in the period in which the expenditure to which they relate is incurred.

English Welsh & Scottish Railway Limited

Notes continued

1 Accounting Policies continued

Stocks

Stocks are stated at the lower of cost and net realisable value.

Pensions and other post-retirement benefits

The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll. Differences between the amount charged to the profit and loss account and payments made to schemes are treated as assets or liabilities in the Balance Sheet. Further details are given in Note 20 to the accounts.

Taxation

The credit for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise within the foreseeable future. Partial provision is also made for timing differences arising on the pension fund prepayment.

Foreign Exchange

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contract rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at balance sheet date or, if appropriate, at the forward exchange contract rate. All differences are taken to the profit and loss account except to the extent that they are recoverable from a third party in which case they are recorded as a debtor.

Hedging

Gains and losses on hedge contracts are recognised in the profit and loss account as they arise.

2 Analysis of turnover and (loss) / profit on ordinary activities before taxation

All turnover and (losses) / profits before taxation are derived from the provision of rail haulage and associated services within the United Kingdom and excludes value added tax.

3 Operating expenditure

<i>£ million</i>	2000	1999
Raw materials and consumables	53.2	50.3
Other external charges	200.4	140.2
Staff costs (Note 6)	170.4	174.0
Depreciation and other amounts written off tangible fixed assets	16.3	14.4
	<u>440.3</u>	<u>378.9</u>

English Welsh & Scottish Railway Limited

Notes (continued)

4 (Loss) / Profit on ordinary activities before taxation

<i>£ million</i>	2000	1999
<i>(Loss) / Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration:		
Audit	0.2	0.2
Other services	0.1	0.1
Depreciation and other amounts written off tangible fixed assets:		
Owned	38.8	13.5
Leased	1.0	0.9
Rentals payable under operating leases	25.2	7.9
- plant and machinery		
- other	1.1	0.9
<i>after crediting</i>		
Grants credited to the profit and loss account	3.1	2.9
Rents receivable from property	9.1	9.1

Charges amounting to £36.0 million have been classified as exceptional items in the profit and loss account. These charges comprise the termination of an IT project (£12.5 million) and the write down of wagons (£23.5 million).

5 Remuneration of directors

Aggregate emoluments of directors	<u>£222,279</u>	<u>£164,277</u>
Number of directors for whom retirement benefits are accruing under money purchase schemes	-	1
Number of directors for whom retirement benefits are accruing under a differed benefits scheme	-	1

Transactions involving directors are disclosed in the accounts of English Welsh & Scottish Railway Holdings Limited the company's ultimate parent company.

The highest paid director was paid £135,216 (1999: £164,277). A total of £415,492 was paid in compensation for loss of office.

6 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, was as follows:

	Number of Employees	
	2000	1999
Management and operation of rail freight services	<u>5,631</u>	<u>6,093</u>

English Welsh & Scottish Railway Limited

Notes (continued)

6 Staff numbers and costs continued

The aggregate payroll costs of these persons were as follows:

<i>£ million</i>	2000	1999
Wages and salaries	142.1	145.0
Social security costs	11.5	11.6
Other pension costs (see note 21)	4.2	2.1
Other staff costs	12.6	15.3
	<u>170.4</u>	<u>174.0</u>

7 Net interest payable and similar charges

<i>£ million</i>	2000	1999
Interest payable and similar charges:		
On bank loans, overdrafts and other loans wholly repayable within five years	<u>(3.1)</u>	<u>(6.5)</u>

None of the above amount (1999: £Nil) was payable to group undertakings.

8 Taxation

<i>£ million</i>	2000	1999
UK corporation tax charge at 30% (1999: 30%) on the (loss) / profit for the year on ordinary activities	(9.9)	(13.2)
Deferred taxation	10.9	(0.7)
	<u>1.0</u>	<u>(13.9)</u>

The exceptional items reduced the tax charge by £10.7 million.

English Welsh & Scottish Railway Limited

Notes (continued)

9 Tangible fixed assets

<i>£ million</i>	Land & buildings	Rolling stock	Other plant, machinery and equipment	Infra-structure	Assets in course of construction	Total
<i>Cost/Valuation</i>						
At 1 April 1999	44.5	245.1	27.7	9.5	38.6	365.4
Transfers	1.6	3.3	7.1	4.7	(16.7)	-
Additions	1.1	33.2	6.4	1.4	44.7	86.8
Disposals	(1.6)	(3.5)	(0.3)	-	(47.5)	(52.9)
At 31 March 2000	45.6	278.1	40.9	15.6	19.1	399.3
<i>Depreciation and diminution in value</i>						
At 1 April 1999	(3.3)	(36.0)	(15.2)	(1.1)	-	(55.6)
Additions	-	(1.9)	-	-	-	(1.9)
Charge for the year	(1.2)	(11.1)	(4.1)	(0.8)	-	(17.2)
Accelerated depreciation	-	(22.6)	-	-	-	(22.6)
Disposals	0.1	0.7	0.3	-	-	1.1
At 31 March 2000	(4.4)	(70.9)	(19.0)	(1.9)	-	(96.2)
<i>Net book value</i>						
At 31 March 2000	41.2	207.2	21.9	13.7	19.1	303.1
At 31 March 1999	41.2	209.1	12.5	8.4	38.6	309.8

The net book value of land and buildings comprises:

<i>£ million</i>	2000	1999
Freehold	31.3	30.3
Long leasehold	9.6	10.7
Short leasehold	0.2	0.2
	<u>41.1</u>	<u>41.2</u>

Included in freehold land and buildings is land valued at £0.9 million which is not depreciated.

English Welsh & Scottish Railway Limited

Notes (continued)

9 Tangible fixed assets continued

Assets held under finance leases

£ million

	Rolling stock	Plant, machinery & equipment	Total
Cost:			
At 1 April 1999	22.6	1.0	23.6
Assets bought out from finance leases	-	-	-
At 31 March 2000	22.6	1.0	23.6
Depreciation			
At 1 April 1999	(8.1)	(0.9)	(9.0)
Charge for the year	(0.9)	(0.1)	(1.0)
Assets bought out from finance leases	-	-	-
At 31 March 2000	(9.0)	(1.0)	(10.0)
Net book value			
At 31 March 2000	13.6	-	13.6
At 31 March 1999	14.5	0.1	14.6

10 Goodwill

£ million

At 1 April 1999	0.4
Amortisation of goodwill during the year	(0.1)
Balance at 31 March 2000	0.3

11 Stocks

Stocks consist of spares held for the ongoing maintenance of rolling stock.

12 Debtors

£ million

	2000	1999
Amounts falling due within one year		
Trade debtors	63.4	53.0
Amounts owed by group undertakings	0.2	-
Other debtors	7.3	6.0
Prepayments and accrued income	13.8	11.7
	84.7	70.7
Amounts falling due after more than one year		
Pension fund surplus	59.5	63.5
	144.2	134.2

English Welsh & Scottish Railway Limited

Notes (continued)

13 Creditors: amounts falling due within one year

<i>£ million</i>	2000	1999
Bank loans and overdrafts	40.0	20.0
Obligations under finance leases and hire purchase contracts	-	0.1
Trade creditors	37.1	47.1
Amounts owed to group undertakings	159.0	102.8
Amounts owed by participating interests	-	-
Other creditors including taxation and social security:		
Corporation tax	2.4	1.6
Other taxes and social security	8.2	5.6
Other creditors	4.6	0.2
Accruals	30.7	45.4
	<u>282.0</u>	<u>222.8</u>

14 Creditors: amounts falling due after more than one year

<i>£ million</i>	2000	1999
Bank loans and overdrafts	-	<u>53.6</u>

There were no amounts owed to group undertakings.

There were no amounts repayable, other than by instalments, after more than five years.

<i>£ million</i>	2000	1999
Amounts repayable:		
Between one and two years	-	20.0
Between two and five years	-	33.6
	<u>-</u>	<u>53.6</u>

Interest rates and security on loans

The company had no bank loans as at 31st March 2000. Last year bank loans totalling £74.6 million attracted interest based on LIBOR, secured by a first fixed and floating charge over all assets and shares of the company and those of certain other fellow subsidiaries.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

<i>£ million</i>	2000	1999
Within one year	<u>-</u>	<u>0.1</u>

English Welsh & Scottish Railway Limited

Notes (continued)

15 Provisions for liabilities and charges

<i>£ million</i>	Environmental provision	Deferred tax provision	Redundancy provision	Claims Provisions	Other provisions	Total provisions
At 1 April 1999	4.6	18.6	14.9	9.2	3.4	50.7
Utilised during the year	(0.3)	(10.9)	(12.3)	(3.2)	0.5	(26.2)
Unutilised amounts released in the year	-	-	-	(3.9)	(1.7)	(5.6)
Provisions created in the year	-	-	-	4.6	5.0	9.6
At 31 March 2000	4.3	7.7	2.6	6.7	7.2	28.5

The environmental provision represents the anticipated future costs of rectifying existing pollution at sites occupied by the company.

The redundancy provision reflects the anticipated future costs of implementing plans to restructure the company.

The claims provision represents the anticipated costs of claims made by third parties to the extent they are not recoverable from the company's insurers.

The amounts provided for deferred taxation and the amounts not provided are set out below:

<i>£ million</i>	2000		1999	
	Provided	Unprovided	Provided	Unprovided
Difference between accumulated depreciation and amortisation and capital allowances	-	54.4	4.4	52.0
Timing difference on pension fund surplus	17.8	-	19.1	-
Timing difference on provision for redundancies	(0.8)	-	(4.5)	-
Other timing differences	(9.3)	7.8	(0.4)	(1.5)
	7.7	62.2	18.6	50.5

16 Deferred income

<i>£ million</i>	2000	1999
Government capital grants	5.5	4.2
Other deferred income	3.9	5.9
	9.4	10.1
Government capital grants		
At 1 April 1999		4.2
Received during the period		2.7
Credited to profit and loss account		(1.4)
At 31 March 2000		5.5

English Welsh & Scottish Railway Limited

Notes (continued)

17 Called up share capital

<i>£ million</i>	2000	1999
<i>Authorised</i>		
26,947,932 Ordinary shares of £1 each		
At 1 April 1999 and 31 March 2000	<u>26.9</u>	<u>26.9</u>
<i>Allotted, called up and fully paid</i>		
18,947,932 Ordinary shares of £1 each		
At 1 April 1999 and 31 March 2000	<u>18.9</u>	<u>18.9</u>

18 Reserves

<i>£ million</i>	Share Premium Account	Capital Reserve	Retained earnings
At 1 April 1999	71.8	48.5	9.3
Loss for the year	-	-	(2.5)
At 31 March 2000	<u>71.8</u>	<u>48.5</u>	<u>6.8</u>

19 Commitments and Contingent Liabilities

- (i) Capital commitments at the end of the financial year for which no provision has been made.

<i>£ million</i>	2000	1999
Contracted	<u>28.1</u>	<u>12.3</u>

- (ii) There were no commitments at the year end to enter into finance leases starting after the year end.

- (iii) Annual commitments under non-cancellable operating leases for land and buildings and equipment delivered by the year end are as follows:

<i>£ million</i>	2000		1999	
	Land and buildings	Other	Land and buildings	Other
	£000	£000	£000	£000
Operating leases which expire:				
Within one year	0.1	3.1	0.2	3.6
In the second to fifth years inclusive	0.2	4.8	-	1.5
Over five years	0.6	26.6	0.8	12.1
	<u>0.9</u>	<u>34.5</u>	<u>1.0</u>	<u>17.2</u>

On the 26 August 1998 the company entered a contract to rent the 280 locomotives under an operating lease of 15 years duration from the date of the completion of manufacture of the last locomotive. The additional annual rental payable on those locomotives which had not been delivered by the year end is estimated to be £3.8 million all of which would fall into the over five years category in the above table.

- (iv) There were no contingent liabilities at the year end.

English Welsh & Scottish Railway Limited

Notes (continued)

19 Commitments and Contingent Liabilities continued

- (v) Fixed and floating charges attach to all assets of the company, subject to a prior charge detailed below, in respect of bank loans and facilities available to the ultimate holding company, English Welsh & Scottish Railway Holdings Limited, and fellow subsidiaries. Details of these loans and facilities are disclosed in the accounts of English Welsh & Scottish Railway Holdings Limited.

Certain assets of the company are subject to a prior charge in favour of the Post Office under the terms of a contract for the carriage of mail.

20 Pension Scheme

The company's employees are members of two group wide pension schemes, a defined benefits scheme and a defined contributions scheme. Details of the funding of these schemes are included in the accounts of the ultimate holding company English Welsh & Scottish Railway Holdings Limited.

21 Related party transactions

The company is controlled by its ultimate parent company, English Welsh & Scottish Railway Holdings Limited which is incorporated and registered in England and Wales. The company has taken advantage of the exemption available under FRS8 not to disclose transactions with other group undertakings on the grounds that 100% of its voting rights are controlled within the group. There were no other disclosable related party transactions.

22 Ultimate parent company

The company is a subsidiary undertaking of Boreal & Austral Limited which is incorporated and registered in England and Wales. The largest group in which the results of the company are consolidated is that headed by English Welsh & Scottish Railways Holdings Limited.