

100764

Stagecoach Holdings plc

Unaudited interim financial statements for the period ended 31 March 2000

Registered office:

10 Dunkeld Road
Perth
PH1 5TW

Registered number:

100764

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Profit and loss account
For the period ended 31 March 2000

	Period ended 31 March 2000 £ million	Year ended 30 April 1999 £ million
Turnover	1.1	1.7
Operating costs	(14.2)	(15.0)
Contribution to Quest	(10.5)	Nil
Income from shares in group undertakings	435.0	139.1
Profit on ordinary activities before taxation and interest	411.4	125.8
Interest payable (net)	(76.6)	(20.9)
Profit on ordinary activities before taxation	334.8	104.9
Taxation on profit on ordinary activities	6.0	(8.6)
Profit on ordinary activities after taxation	340.8	96.3
Dividends	(19.7)	(40.9)
Retained profit for the year	321.1	55.4

The results of each period reported above are derived wholly from continuing operations.

There is no difference between the historical cost profits in either period and the profits reported above.

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

Balance Sheet
As at 31 March 2000

	Notes	31 March 2000 £ million	30 April 1999 £ million
Fixed assets			
Tangible assets		4.8	1.3
Investments	2	699.8	813.7
		<u>704.6</u>	<u>815.0</u>
Current assets			
Debtors – due within one year	3	35.2	26.1
Debtors – due after one year	3	2,305.6	514.2
Cash at bank and in hand		122.6	79.2
		<u>2,463.4</u>	<u>619.5</u>
Creditors : Amounts falling due within one year	4	<u>(341.7)</u>	<u>(203.2)</u>
Net current assets		<u>2,121.7</u>	<u>416.3</u>
Total assets less current liabilities		2,826.3	1,231.3
Creditors : Amounts falling due after more than one year	5	(1,069.6)	(205.9)
Net Assets		<u>1,756.7</u>	<u>1,025.4</u>
Capital and reserves			
Equity share capital	6	8.3	6.9
Share premium account	7	800.2	391.4
Other reserve	7	460.1	460.1
Profit and loss account	7	486.0	164.9
ESOP distribution reserve	7	2.1	2.1
Total Capital Employed		<u>1,756.7</u>	<u>1,025.4</u>

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

Signed on behalf of the Board on 27 April 2000.



Martin Griffiths
Director

Statement of total recognised gains and losses
For the period ended 31 March 2000

	Period to 31 March 2000 £ million	Year ended 30 April 1999 £ million
Profit for the financial year	340.8	96.3
Translation differences on foreign currency net investment	Nil	Nil
Total recognised gains and losses	340.8	96.3

Reconciliation of movements in shareholders funds

For the period ended 31 March 2000

	Period to 31 March 2000 £ million	Year ended 30 April 1999 £ million
Profit for the financial year	340.8	96.3
Dividends	(19.7)	(40.9)
	321.1	55.4
Other recognised gains and losses	Nil	Nil
Net Share capital issued less costs	410.2	343.3
ESOP distribution reserve increase	Nil	0.6
	731.3	399.3
Opening Shareholders funds	1,025.4	626.1
	1,756.7	1,025.4

Notes to the financial statements

For the period ended 31 March 2000

1 Accounting policies

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

(a) *Basis of accounts*

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

(b) *Tangible fixed assets*

Tangible fixed assets are shown at their original historic cost.

Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

Heritable and freehold buildings and long leasehold properties	- 50 years
Short leasehold properties	- over the period of lease
Equipment, furniture and fittings	- 5 to 10 years
Motor cars and other vehicles	- 3 to 5 years

Heritable and freehold land is not depreciated.

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of realisable value or value in use.

(c) *Investments*

Investments in subsidiary undertakings are stated at cost, less amounts written off.

(d) *Taxation*

Corporation tax is provided on taxable profits at the current rate. Advance corporation tax payable on dividends paid or provided for in the year is written off, except when recoverability against corporation tax payable is considered to be reasonably assured.

Deferred tax (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and tax computations) is calculated on the liability method. Provision is made for timing differences which, in the opinion of the Directors, will probably reverse, at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the Directors, will probably not reverse.

(e) *Turnover*

Turnover represents gross revenue earned from public transport services and operating lease rentals receivable, and excludes future payments received on account. Where appropriate, amounts are shown net of rebates and VAT.

Notes to the financial statements

For the period ended 31 March 2000

(f) Pension costs

The company provides for and funds pension liabilities on the advice of external actuaries, and makes payments to segregated funds managed by specialist financial institutions.

Independent actuarial valuations on a going concern basis are carried out at least every three years. The employer costs of providing retirement benefits to employees are charged to the profit and loss account on a systematic basis so as to produce a substantially level percentage of the current and future pensionable payroll. Variations from regular cost arising from any excess or deficiency of the actuarial value of the pension funds' assets over the actuarial valuation of the pension funds' liabilities are allocated to the profit and loss account over the employees' average remaining service lives. Any timing difference between amounts charged in the profit and loss account and paid to the pension funds is shown in the balance sheet as an asset or a liability.

Certain employees are required to retire from their current positions in advance of the normal retirement date, due to the physically demanding nature of their employment. On early retirement, these employees may be entitled to receive one-off lump sum payments. Provision for the cost of the early retirement of these employees is made on a systematic basis over their remaining service lives.

(g) Foreign currencies

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the year end except in those instances where forward contracts are in place, in which case the contract rate is used where appropriate. Foreign currency transactions arising during the year are translated into sterling at the rate of exchange ruling on the date of the transaction. Any exchange differences so arising are dealt with through the profit and loss account.

(h) Accounting for finance costs and debt

Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount. Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance costs in respect of the accounting period.

(i) Derivatives and financial investments

Financial assets are recognised on the balance sheet at the lower of cost and net realisable value. Discounts and premia are charged or credited to profit and loss over the life of the asset or liability to which they relate.

Derivative financial instruments are accounted for using hedge accounting to the extent that they are held to hedge a financial asset or liability.

Notes to the financial statements

For the period ended 31 March 2000

2 Investments

The company movement during the period was as follows -

	Subsidiary Undertaking £ million	Joint Venture £ million	Other Investments £ million	Total £ million
<i>Cost and net book value</i>				
Beginning of year	666.0	147.0	0.7	813.7
Additions	Nil	Nil	4.3	4.3
Transfer of holding to subsidiary undertaking	(118.2)	Nil	Nil	(118.2)
End of period	547.8	147.0	5.0	699.8

3 Debtors

	31 March 2000 £ million	30 April 1999 £ million
Amounts owed by other group undertakings	2,295.6	514.2
Prepayments and accrued income	6.8	10.6
Other debtors	38.4	15.5
	2,340.8	540.3
<i>Amounts falling due after more than one year:</i>		
Amounts owed by other group undertakings	2,295.6	514.2
Other	10.0	Nil
	2,305.6	514.2

4 Creditors : Amounts falling due within one year

	31 March 2000 £ million	30 April 1999 £ million
Bank overdrafts	160.1	36.5
Bank loans	61.5	26.2
Loan notes	64.6	78.3
Trade Creditors	1.2	1.2
Accruals and deferred income	18.0	17.9
Dividends payable	Nil	27.1
Other Creditors	36.3	15.8
Current portion of HP and lease obligations	Nil	0.2
	341.7	203.2

Notes to the financial statements
For the period ended 31 March 2000

5 Creditors : Amounts falling due after more than one year

	31 March 2000 £ million	30 April 1999 £ million
Bank loans	945.3	81.5
Eurobonds	124.3	123.7
Non current portion of HP and lease obligations	Nil	0.7
	1,069.6	205.9

6 Equity share capital

	31 March 2000 £ million	30 April 1999 £ million
<i>Authorised</i>		
1,840,000,000 (1999-1,400,000,000) ordinary shares of 0.05p each	9.2	7.0
<i>Allotted, called-up and fully paid</i>		
1,655,138,276 (1999 – 1,382,528,507)	8.3	6.9

The movement of issued share capital comprises --

	No of Shares	Par Value £ million	Share Premium £ million
At beginning of period	1,382,528,507	6.9	391.4
Share issues	259,740,259	1.3	386.0
Shares issued in conjunction with approved profit sharing scheme	904,334	Nil	1.8
Shares issued on exercise of options	465,176	Nil	0.6
Quest Shares issued	11,500,000	0.1	20.4
At end of period	1,655,138,276	8.3	800.2

7 Reserves

	31 March 2000 £ million	30 April 1999 £ million
<i>Distributable</i>		
Profit and loss account	486.0	164.9
<i>Non-distributable</i>		
Share premium account	800.2	391.4
ESOP distribution reserve	2.1	2.1
Other reserve	460.1	460.1
	1,262.4	853.6

Notes to the financial statements
For the period ended 31 March 2000

The movement of non-distributable reserves is as follows –

	Share Premium	ESOP Distribution Reserve	Other Reserve
Beginning of period	391.4	2.1	460.1
Arising on new share issue	408.8	Nil	Nil
End of period	800.2	2.1	460.1