

RC-134500

KANSAS CITY SOUTHERN

1987

1 OF 4

RC 134500 Ø

annual report

R-1

APPROVED BY OMB
3120-0029
EXPIRES 3-31-90

and mailing

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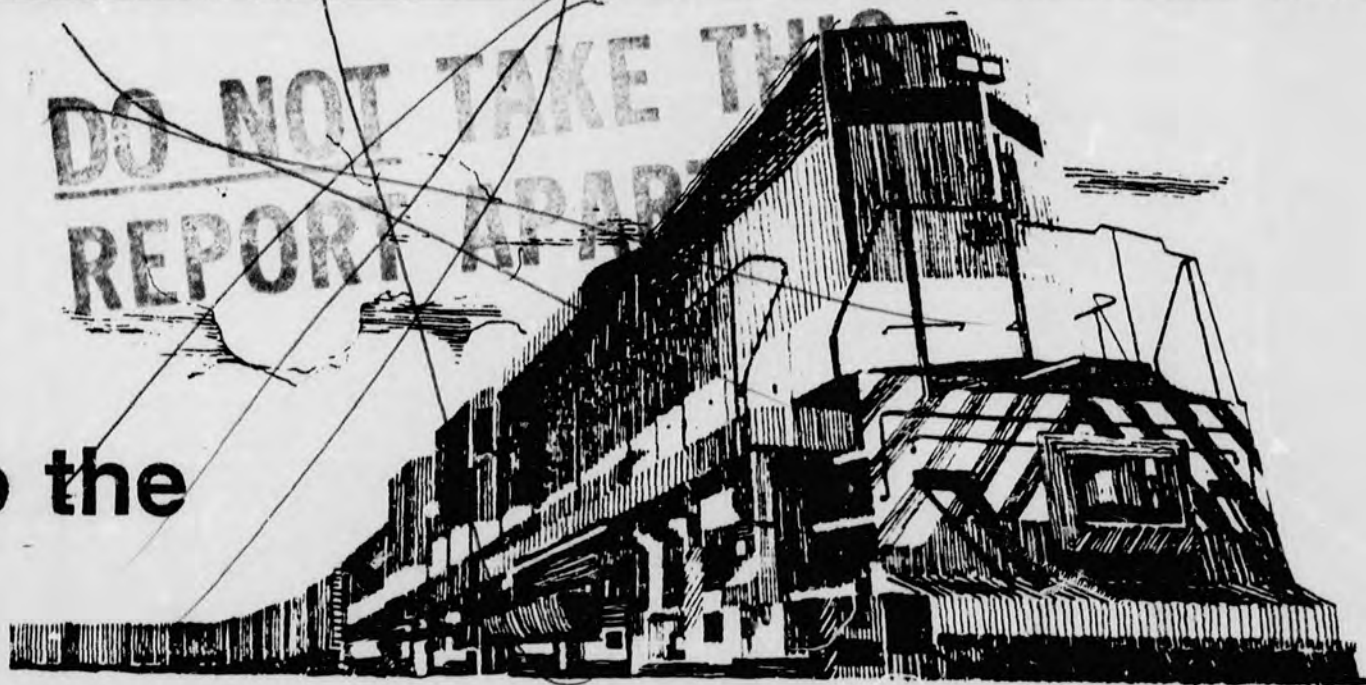
RCD000352 R186
KANSAS CITY SOUTHERN RAILWAY COMPANY
114 WEST 11TH STREET
KANSAS CITY, MISSOURI 64105

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)

~~DO NOT TAKE THIS
REPORT APART~~

to the



Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1987

ANNUAL REPORT

OF

THE KANSAS CITY SOUTHERN RAILWAY AND CONTROLLED COMPANIES

THE KANSAS CITY SOUTHERN RAILWAY COMPANY
THE MAYWOOD AND SUGAR CREEK RAILWAY COMPANY
LOUISIANA AND ARKANSAS RAILWAY COMPANY
THE ARKANSAS WESTERN RAILWAY COMPANY
FORT SMITH AND VAN BUREN RAILWAY COMPANY
CARLAND, INC.

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1987

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) R. L. Brown II 816-556-0244 (Title) Vice President and Comptroller

(Telephone number) 816 556-0303
(Area code) (Telephone number)

(Office address) 114 West 11th Street, Kansas City, Missouri 64105
(Street and number, city, State, and ZIP code)

DICK GAUERT
816-556-0226

SPECIAL NOTICE

The attention of the respondent is directed below to certain particulars, if any, in which this report form differs from the corresponding form for the preceding year. It should be understood that mention is not made of necessary substitutions of dates or, in general, such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

Revisions to this report resulted from the following Commission's decisions, copies of which were served on all railroads:

Changes were made to the following schedules.

Schedule 200	Lines 25-27 added account numbers and changed Item No. 7 to remove the disclosure requirement of \$100,000 or more. Also added 3 additional pages for notes.
Schedule 245	Corrected note B.
Schedule 330	Consolidated schedule 330A with Schedule 330, and retitled.
Schedule 412	Deleted Accounts 76 & 85 and updated the instructions.
Schedule 415	Change the heading for cols. g & h.
Schedule 416	Changed the heading for cols. c, f, I and L.
Schedule 416A	Deleted.
Schedule 450	Cross check to schedule 210 Line 47.
Schedule 510	Was a complete revision.
Schedule 700, 701, 702 and 705	Revised the instruction and deleted the breakout of Main or Branch Line mileage.
Schedule 720	General instruction was revised.
Schedule 728	Deleted.
Schedule 750	Deleted Electric Kilowat hours, other (steam, gas turbine, etc.) coal line, Fuel oil gallons, and Section B Rail Motor Cars.
Schedule 755	Deleted lines 90-97, Passenger car miles.

SPECIAL NOTICE

Docket No. 38559 Railroad Classification Index, served January 20, 1983, modified the reporting requirements for class, II, III and all Switching and terminal companies. These carriers will notify the Commission only if the calculation results in a different revenue level than its current classification.

The dark border on the schedules represents data that are captured for processing by the Commission.

ESTIMATE OF REPORTING BURDEN

In order to monitor carrier reporting burden and to satisfy OMB requirements pursuant to Public Law 96-511, it is requested that you furnish the following information:

(1) Best estimate of the number of staff hours required to complete this report. In making this estimate please include the number of hours attributable to preparing the report and any special compilations contained in this report that would not generally be maintained or used by management for purposes other than reporting to this Commission.

TOTAL HOURS (Estimated) _____

(2) Best estimate of the number of staff hours required to comply with the Uniform System of Accounts (USOA). In making this estimate include only the incremental staff hours required for the USOA (those hours in addition to the data needs of management and requirements of other Federal and State agencies).

TOTAL HOURS (Estimated) _____

(3) Best estimate of staff hours and storage costs to comply with the Commission's Record Retention Regulations. In making this estimate include only the incremental costs required for the Commission's rules (those costs in addition to retention requirements of management and other Federal and State agencies).

TOTAL HOURS (Estimated) _____

Storage costs (Estimated) _____

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A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
2. Show below the pages excluded and indicate the schedule number and title in the space provided below.
3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
10-15	200	COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES BLANK PAGES

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock Common, \$ No Par per share; first preferred, \$ 350,000 per share; second preferred, \$ None per share; debenture stock, \$ None per share. Yes
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing.
Stock Book not closed in 1987. Last closed April 3, 1981.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year 9,928,057 votes, as of December 31, 1987 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 151 stockholders.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled; which respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any); if any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			Line No.
				Common (d)	Stock		
					PREFERRED		
					Second (e)	First (f)	
1	Kansas City	114 W. 11th	9,840,057	9,840,000		57	1
2	Southern	Kansas City,					2
3	Industries	Mo. 64105					3
4	Inc.						4
5							5
6	Held by		88,000	88,000			6
7	Employees						7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
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30							30

**PREVIOUS
FRAME
IN ERROR**

**CORRECTION
FOLLOWS**

Road Initials:

Year 19 87

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

1

A. SCHEDULES OMITTED BY RESPONDENT

The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.

2. Show below the pages excluded and indicate the schedule number and title in the space provided below.

3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
10-15	200	COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES BLANK PAGES

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in full detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Commission, Accounting and Valuation Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organizations; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date which such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report THE KANSAS CITY SOUTHERN RAILWAY COMPANY

2. Date of incorporation March 19, 1900

3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees

State of Missouri

Article II Chapter XII Revised Statutes of Missouri 1899.

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars

No Change During 1987.

STOCKHOLDERS REPORTS

5. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☒ No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ No Par per share; first preferred, \$ 350,000 per share; second preferred, None per share; debenture stock, \$ None per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes
3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail its relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
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Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			Line No.
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C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the last general meeting for the election of directors of the respondent. 549
votes cast.
11. Give the date of such meeting. May 12, 1987
12. Give the place of such meeting. Kansas City, Missouri 64105

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	2,689	(2,890)	1
2		702	Temporary Cash Investments	47,121	44,698	2
3		703	Special Deposits	11	6	3
Accounts Receivable						
4		704	- Loan and Notes	334	159	4
5		705	- Interline and Other Balances	1,727	2,006	5
6		706	- Customers	21,443	16,600	6
7		707	- Other	3,363	3,092	7
8		709, 708	- Accrued Accounts Receivables	16,972	18,948	8
9		708.5	- Receivables from Affiliated Companies		12	9
10		709.5	- Less: Allowance for Uncollectible Accounts	+ (594)	+ (796)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	2,167	2,426	11
12		712	Materials and Supplies	17,808	21,459	12
13		713	Other Current Assets	78	18	13
14			TOTAL CURRENT ASSETS	113,119	105,738	14
Other Assets						
15		715, 716, 717	Special Funds	260	496	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	15,805	8,217	16
17		722, 723	Other Investments and Advances	13	99	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$ 2,609)	2,325	2,959	19
20		739, 741	Other Assets	196	209	20
21		743	Other Deferred Debits	8,018	3,617	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	26,617	15,597	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	467,955	442,866	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	278,800	285,120	25
26		731, 732	Unallocated Items	31,808	33,020	26
27		733, 735, 736	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(367,219)	(358,486)	27
28			Net Road and Equipment	411,344	402,520	28
29	*		TOTAL ASSETS	551,080	523,855	29

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30	751		Loans and Notes Payable			30
31	752		Accounts Payable: Interline and Other Balances	1,379	1,173	31
32	753		Audited Accounts and Wages	11,276	13,307	32
33	754		Other Accounts Payable	1,557	1,939	33
34	755, 756		Interest and Dividends Payable	1,558	1,875	34
35	757		Payables to Affiliated Companies	200	200	35
36	759		Accrued Accounts Payable	60,192	56,330	36
37	760, 761, 761.5, 762		Taxes Accrued	12,860	5,633	37
38	763		Other Current Liabilities	72	72	38
39	764		Equipment Obligations and Other Long-Term Debt due Within One Year	15,302	19,638	39
40			TOTAL CURRENT LIABILITIES	104,396	100,167	40
Non-Current Liabilities						
41	765		Funded Debt Unmatured	14,554	5,513	41
42	766		Equipment Obligations	49,256	58,132	42
43	766.5		Capitalized Lease Obligations	13,842	14,577	43
44	768		Debt in Default			44
45	769		Accounts payable: Affiliated Companies	1,132	1,132	45
46	770.1, 770.2		Unamortized Debt Premium			46
47	781		Interest in Default			47
48	783		Deferred Revenues-Transfers from Government Authorities			48
49	786		Accumulated Deferred Income Tax Credits	105,311	107,252	49
50	771, 772, 774, 775, 782, 784		Other Long-Term Liabilities and Deferred Credits	11,246	8,365	50
51			TOTAL NONCURRENT LIABILITIES	195,341	194,971	51
Shareholders' Equity						
52	791, 792		Total Capital Stock: (Schedule 230) (L 53&54)	57,514	57,514	52
53			Common Stock	36,514	36,514	53
54			Preferred Stock	21,000	21,000	54
55			Discount on Capital Stock			55
56	794, 795		Additional Capital (Schedule 230)	7,365	6,173	56
Retained Earnings:						
57	797		Appropriated			57
58	798		Unappropriated (Schedule 220)	188,277	167,160	58
59	798.1		Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60	798.5		Less Treasury Stock	+(1,813)	+(2,130)	60
61			Net Stockholders Equity	251,343	228,717	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	551,080	523,855	62

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES
(Dollars in Thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contract: \$ None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made: \$ None

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: In 1980 the Company implemented a qualified Profit Sharing Plan. The amount charged to income each year is the amount to be deposited under the plan.

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund: Not Applicable. \$

(c) Is any part of pension plan funded? Specify: Yes ☐ No ☒

(i) If funding is by insurance, give name of insuring company: _____

If funding is by trust agreement, list trustee(s): _____

Date of trust agreement or latest amendment: _____

If respondent is affiliated in any way with the trustee(s), explain affiliation: _____

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement: Not Applicable

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify: Yes ☐ No ☒

Yes ☐ No ☒

If yes, give number of the shares for each class of stock or other security: Not Applicable

(ii) Are voting rights attached to any securities held by the pension plan? Specify: Yes ☐ No ☒ If yes, who determines how stock is voted? Not Applicable

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). Yes ☐ No ☒

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6. In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account. \$ None

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent.

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

The Company participates in a service interruption insurance policy and is contingently liable for additional premiums up to a maximum of \$5,200,000 in the event of work stoppage on other participating railroads.

(a) Changes in Valuation Accounts

8. Marketable Equity Securities.

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio				N/A
as of / /	Noncurrent Portfolio			N/A	\$
(Previous Yr.)	Current Portfolio			N/A	N/A
as of / /	Noncurrent Portfolio			N/A	N/A

(b) At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ _____	\$ _____
Noncurrent	_____	_____

(c) A net unrealized gain (loss) of \$ _____ on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / (date) Balance sheet date of reported year unless specified as previous year.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION—EXPLANATORY NOTES—Concluded

NOTES TO FINANCIAL STATEMENTS

210. RESULTS OF OPERATIONS (Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210
Line 15, column (b)
Line 47 plus 48 plus 49, column (b)
Line 50, column (b)

Line 14, column (b)
Line 14, column (d)
Line 14, column (e)
Line 49, column (b)

Schedule 210
= Line 62, column (b)
= Line 63, column (b)
= Line 64, column (b)
Schedule 410
= Line 620, column (h)
= Line 620, column (f)
= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	290,794	286,115			1
2		(102) Passenger			SAME		2
3		(103) Passenger-Related					3
4		(104) Switching	12,075	11,469			4
5		(105) Water Transfers					5
6		(106) Demurrage	2,107	1,643	AS		6
7		(110) Incidental	866	685			7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit			COLUMN		9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	305,842	299,912			10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations			"B"		11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	305,842	299,912			13
14	*	(531) Railway operating expenses	246,549	307,322			14
15	*	Net revenue from railway operations	59,293	(7,410)			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	233	900			16
17		(510) Miscellaneous rent income	907	918			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)	36	5,413			19
20		(514) Interest Income	3,208	2,868			20
21		(516) Income from sinking and other funds	22	37			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	879	762			24
25		Income from affiliated companies: 519					25
26		a. Dividends (equity method)					26
27		b. Equity in undistributed earnings (losses)	488	(25)			27
28		TOTAL OTHER INCOME (lines 16-26)	5,773	10,873			28
29		TOTAL INCOME (lines 15, 27)	65,066	3,463			29
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	557	1,050			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organic					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	481	289			34
35		(553) Uncollectible accounts	240	577			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	1,278	1,916			36
37		Income available for fixed charges (lines 28, 36)	63,788	1,547			37

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210. RESULTS OF OPERATIONS-Continued
(Dollars in Thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	9,632	10,981	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	(727)	797	40
41		(548) Amortization of discount on funded debt	46	45	41
42		TOTAL FIXED CHARGES (lines 38-41)	8,951	11,823	42
43		Income after fixed charges (lines 37, 42)	54,837	(10,276)	43
OTHER DEDUCTIONS					
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	54,837	(10,276)	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	23,271	11,142	47
48	*	(b) State income taxes	2,190	1,726	48
49	*	(c) Other income taxes	34	37	49
50	*	(557) Provision for deferred taxes	(1,942)	(20,219)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	23,553	(7,314)	51
52	*	Income from continuing operations (lines 46-51)	31,284	(2,962)	52
DISCONTINUED OPERATIONS					
53		(561) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	31,284	(2,962)	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	31,284	(2,962)	61
Reconciliation of net railway operating income (NROI)					
62	*	Net revenues from railway operations	59,293	(7,410)	62
63	*	(556) Income taxes on ordinary income (-)	25,495	12,905	63
64	*	(557) Provision for deferred income taxes (-)	(1,942)	(20,219)	64
65		Income from lease of road and equipment (-)	238	46	65
66		Rent for leased roads and equipment (+)	483	642	66
67		Net railway operating income (loss)	35,985	500	67

NOTES AND REMARKS FOR SCHEDULES 210 and 220

220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 - column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ 167,097	\$ 63	1
2		(601.5) Prior period adjustments to beginning retained earnings	(124)		2
		CREDITS			
3	*	(602) Credit balance transferred from income	30,796	488	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	30,796	488	6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings	317		8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	8,928		11
12		Preferred stock ¹	798		12
13		TOTAL	10,043		13
14		Net increase (decrease) during year (Line 6 minus line 13)	20,753	488	14
15	*	Balances at close of year (Lines 1, 2 and 14)	187,726	551	15
16	*	Balances from line 15(c)	551	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	188,277	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
22		Amount of assigned Federal income tax consequences: Account 606 \$ _____			22
23		A. Total 616 \$ _____			23

¹ If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

230. CAPITAL STOCK

PART I. CAPITAL STOCK (Dollars in Thousands)

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year		Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)	
1	Common	NON-PAR	10,140,000	10,140,000	212,000	9,928,000	35,741	763	1
2									2
3	Common - Carland, Inc.	100	1,000	100		100	10		3
4	Preferred	350,000	60	60	3	27	19,950	1,050	4
5									5
6									6
7									7
8									8
9									9
10	TOTAL	XXX	10,141,060	10,140,160	212,003	9,928,157	55,701	1,813	10

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR (Dollars in Thousands)

1. The purpose of this part is to disclose capital stock changes during the year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require disclosures of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) require the applicable disclosure of the book values of preferred, common and treasury stock.
5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.
6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		Number of Shares (b)	Amount \$ (c)	Number of Shares (d)	Amount \$ (e)	Number of Shares (f)	Amount \$ (g)		
11	Balance at beginning of year					300,000	1,080		11
12	Capital Stock Sold ¹					88,000	317		12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled								14
15									15
16									16
17	Balance at close of year					212,000	763		17

¹By footnote on page 17 state the purpose of the issue and authority.

240. STATEMENT OF CHANGES IN FINANCIAL POSITION

(Dollars in Thousands)

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets of financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for investment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Line No.	Cross Check	Description (a)	Current year (b)	Prior year (c)	Line No.
		SOURCES OF WORKING CAPITAL			
		Working capital provided by operations:			
1	*	Income (loss) from continuing operations (sch 210 line 52)	31,284	(2,962)	1
		Add expenses not requiring outlay of working capital: (subtract) credits not generating working capital:			
2		Loss (gain) on sale or disposal of tangible property			2
3		Depreciation and amortization expenses	31,443	90,008	3
4		Net increase (decrease) in deferred income taxes	(1,941)	(20,220)	4
5		Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	(488)	25	5
6		Net increase (decrease) in noncurrent portion of estimated liabilities	2,881	(3,285)	6
7		Other (specify):			7
8					8
9					9
10					10
11					11
12		TOTAL WORKING CAPITAL FROM CONTINUING OPERATIONS	63,179	63,566	12
		Add funds generated by reason of discontinued operations, extraordinary items, and changes in accounting principles			
13					13
14		TOTAL WORKING CAPITAL FROM OPERATIONS	63,179	63,566	14
		Working capital from sources other than operating:			
15		Proceeds from issuance of long-term liabilities	10,975	6,538	15
16		Proceeds from sale/disposition of carrier operating property	8,772	3,387	16
17		Proceeds from sale/disposition of other tangible property	648	29	17
18		Proceeds from sale/repayment of investments and advances	1,340	2,487	18
19		Net decrease in sinking and other special funds	236		19
20		Proceeds from issue of capital stock			20
21		Other (specify):			21
22					22
23					23
24		Treasury Stock Issued	317		24
25		Increase in Carland's Capital Surplus	1,192		25
26		TOTAL WORKING CAPITAL FROM SOURCES OTHER THAN OPERATING	23,480	12,441	26
27		TOTAL SOURCES OF WORKING CAPITAL	86,659	76,007	27

240. STATEMENT OF CHANGES IN FINANCIAL POSITION-Continued
(Dollars in Thousands)

Line No.	Cross Check	Description (a)	Current year (b)	Prior year (c)	Line No.
APPLICATION OF WORKING CAPITAL					
28		Amount paid to acquire/retire long-term liabilities	11,545	16,180	28
29		Cash dividends declared	8,688	8,670	29
30		Purchase price of carrier operating property	48,872	53,104	30
31		Purchase price of other tangible property	181	1,363	31
32		Purchase price of long-term investment and advances	8,354		32
33		Net increase in sinking or other special funds			33
34		Purchase price of acquiring treasury stock			34
35		Other (specify):			35
36		Increase in Other Assets & Other Deferred Debits	4,338	314	36
37		Dividend of KCSI Stock to KCSI	1,038		37
38		Treasury Stock Issued Charged to Retained Income	317		38
39		Prior Period Adjustment to Carland's Beginning	124		39
40		Retained Income			40
41					41
42					42
43					43
44		TOTAL APPLICATION OF WORKING CAPITAL	83,507	79,631	44
45		Net increase (decrease) in working capital	3,152	(3,624)	45

NOTES AND REMARKS

245. WORKING CAPITAL
(Dollars in Thousands)

1. This schedule should include only data pertaining to railway transportation services.
2. Carry out calculation of lines 9, 10, 20, and 21, to the nearest whole number.

Line No.	Item (a)	Source No.	Amount (b)	Line
CURRENT OPERATING ASSETS				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	1,727	1
2	Customers (706)	Schedule 200, line 6, column b	21,443	2
3	Other (707)	Note A	3,363	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	26,533	4
OPERATING REVENUE				
5	Railway Operating Revenue	Schedule 210, line 13, column b	305,842	5
6	Rent Income	Note B	28,556	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	334,398	7
8	Average Daily Operating Revenues	Line 7 ÷ 360 days	929	8
9	Days of Operating Revenue in Current Operating Assets	Line 4 ÷ line 8	29	9
10	Revenue Delay Days Plus Buffer	Lines 9 + 15 days	44	10
CURRENT OPERATING LIABILITIES				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	1,379	11
12	Audited Accounts and Wages Payable (753)	Note A	11,276	12
13	Accounts Payable—Other (754)	Note A	1,557	13
14	Other Taxes Accrued (761.5)	Note A	3,724	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	17,936	15
OPERATING EXPENSES				
16	Railway Operating Expenses	Schedule 210, line 14, column b	246,549	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column b	31,276	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	243,829	18
19	Average Daily Expenditures	Line 18 ÷ 360 days	677	19
20	Days of Operating Expenses in Current Operating Liabilities	Line 15 ÷ line 19	26	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	18	21
22	Cash Working Capital Required	Line 21 x line 19	12,186	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	49,810	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	12,186	24
MATERIALS AND SUPPLIES				
25	Total Material and Supplies (712)	Note A	17,808	25
26	Scrap and Obsolete Material included in Acct. 712	Note A	1,555	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	16,253	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	28,439	28

- Notes:
- (A) Use common carrier portion only. Common carrier refers to railway transportation service.
- (B) Rent Income is the sum of Schedule 410, column b, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.
- (C) If result is negative, use zero.

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

1. Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at close of year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments and advances; affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

- (A) Stocks
 - (1) Carriers-active
 - (2) Carriers-inactive
 - (3) Noncarriers-active
 - (4) Noncarriers-inactive
- (B) Bonds (including U.S. Government Bonds)
- (C) Other secured obligations
- (D) Unsecured notes
- (E) Investment advances

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.

9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10. Do not include the value of securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds"; 716, "Capital Funds"; 721, "Investments and Advances Affiliated Companies"; and 717, "Other Funds."
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 18, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1						1
2	716	B-3	IX	Deposits for destroyed equipment		2
3						3
4	717	C-3	VI	Barclay's Bank - Nassau Bahamas - Insurance		4
5						5
6	721			Investment in Affiliated Companies		6
7						7
8				Capital Stock		8
9		A-1	VII	Kansas City Terminal Railway Co.	8 1/3%	9
10				Joplin Union Depot Co.	33 1/3%	10
11				Louisiana Arkansas & Tax and Transportation Co.	100%	11
12				Landa Motor Lines	100%	12
13				Trailer Train Co.	3%	13
14			X	Kansas City Southern Industries - Preferred		14
15						15
16				Total Class A		16
17						17
18		C-1	VII	Trailer Train Co. - Notes	3%	18
19						19
20				Advances		20
21						21
22		E-1	VII	Kansas City Terminal Railway Co.	8 1/3%	22
23				Joplin Union Depot Co.	33 1/3%	23
24				Kansas City Southern Transport Co., Inc.	100%	24
25				Landa Motor Lines	100%	25
26				Louisiana, Arkansas & Texas Transportation Co.	100%	26
27						27
28				Total E-1		28
29						29
30		E-3	X	Carland Affiliates		30
31						31
32				Total Advances		32
33						33
34				Total Account 721		34
35						35
36						36
37						37
38						38
39						39
40						40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued
(Dollars in Thousands)

be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income (l)	Line No.
	Opening balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1								1
2	236		236	--			6	2
3								3
4	260			260			16	4
5								5
6								6
7								7
8								8
9	183			183				9
10	10			10				10
11	10			10				11
12	20			20				12
13	99			99				13
14	1,038		*1,038	--			36	14
15								15
16	1,360		1,038	322			36	16
17								17
18	154			154			11	18
19								19
20								20
21								21
22	3,499		216	3,283				22
23	128			128				23
24	595			595				24
25	194			194				25
26	600			600				26
27								27
28	5,016		216	4,800				28
29								29
30	1,624	8,354		9,978				30
31								31
32	6,640	8,354	216	14,778				32
33								33
34	8,154	8,354	1,254	15,254			47	34
35								35
36								36
37								37
38								38
39								39
40								40

*Dividend to Kansas City Southern Industries, Inc.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES-Continued
(Dollars in Thousands)

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18				Completed on Pages 26 and 27		18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Concluded
(Dollars in Thousands)

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income (l)	Line No.
	Opening balance	Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)		
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18			Completed on Pages 26 and 27					18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES
(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments and Advances Affiliated Companies.
2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System of Accounts.)
3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
5. For definitions of "carrier" and "noncarrier," see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
	Carriers: (List specifics for each company)							
1	Kansas City Southern Transport Co., Inc.							1
2	Common Stock	(650)					(650)	2
3								3
4	Landa Motor Lines - Common Stock	(609)		334			(275)	4
5								5
6	Louisiana Arkansas & Texas Transportation Co.							6
7	Common Stock	(274)		6			(268)	7
8								8
9	The Kansas and Missouri Railway and Terminal Co. - Common Stock	1,596		148			1,744	10
10								11
11								12
12	Total	63		488			551	13
13								
	Noncarrier: (List specifics for each company)							
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property," and Account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.
2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
4. In column (c) and (e) should be included all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.
6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state in a footnote the cost, location, area, and other details which will identify the property.
8. Report on line 29 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$2,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

NOTES AND REMARKS

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
(Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	5,881			1
2		(3) Grading	31,813			2
3		(4) Other right-of-way expenditures	679			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	22,123			5
6		(7) Elevated structures				6
7		(8) Ties	112,704			7
8		(9) Rail and other track material	146,465			8
9		(11) Ballast	36,707			9
10		(13) Fences, snowsheds, and signs	674			10
11		(16) Station and office buildings	12,155			11
12		(17) Roadway buildings	446			12
13		(18) Water stations	107			13
14		(19) Fuel stations	2,378			14
15		(20) Shops and enginehouses	22,226			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals	5,488			19
20		(26) Communication systems	3,799			20
21		(27) Signals and interlockers	17,592			21
22		(29) Power plants	26			22
23		(31) Power-transmission systems	694			23
24		(35) Miscellaneous structures	257			24
25		(37) Roadway machines	11,750			25
26		(39) Public improvements - Construction	3,254			26
27		(44) Shop machinery	2,902			27
28		(45) Power-plant machinery	178			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	440,298			30
31		(52) Locomotives	104,107			31
32		(53) Freight-train cars	154,055			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	12,646			36
37		(58) Miscellaneous equipment	14,312			37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT	285,120			39
40		(76) Interest during construction	2,568			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	33,020			42
43		GRAND TOTAL	761,006			43

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT -- Continued
(Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (c)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		(12)	28	(40)	5,841	1
2		246	37	209	32,022	2
3		33		33	712	3
4						4
5		770	125	645	22,768	5
6						6
7		4,306	1,364	2,942	115,646	7
8		25,960	11,636	14,324	160,789	8
9		3,743	925	2,818	39,525	9
10			3	(3)	671	10
11		394	82	312	12,467	11
12		68	5	63	509	12
13					107	13
14		70		70	2,448	14
15		968	2	966	23,192	15
16						16
17						17
18						18
19		18		18	5,506	19
20		495		495	4,294	20
21		1,498	48	1,450	19,042	21
22					26	22
23					694	23
24					257	24
25		1,379	1,117	262	12,012	25
26		283	16	267	3,521	26
27		346	83	263	3,165	27
28					178	28
29						29
30		40,565	15,471	25,094	465,392	30
31		2,478	9,056	(6,578)	97,529	31
32		2,014	3,096	(1,082)	152,973	32
33						33
34						34
35						35
36		2,018	1,013	1,005	13,651	36
37		(4,062)	2,674	(6,736)	7,576	37
38		7,071		7,071	7,071	38
39		9,519	15,839	(6,320)	278,800	39
40			5	(5)	2,563	40
41						41
42		(1,212)		(1,212)	31,808	42
43		48,872	31,315	17,557	778,563	43

332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (c), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (e) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.
2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	31,813	31,987	1.00				1
2	(4) Other, right-of-way expenditures	679	712	1.97				2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	22,123	22,767	1.33				4
5	(7) Elevated structures							5
6	(8) Ties	112,703	115,590	4.19				6
7	(9) Rail and other track material	146,465	160,396	3.46				7
8	(11) Ballast	36,707	39,063	7.10				8
9	(13) Fences, snow sheds, and signs	674	671	1.77				9
10	(16) Station and office buildings	12,138	12,008	1.90				10
11	(17) Roadway buildings	446	448	2.67				11
12	(18) Water stations	108	108	1.22				12
13	(19) Fuel stations	2,378	2,448	2.82				13
14	(20) Shops and enginehouses	22,226	23,052	2.16				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOPC/CORC terminals	5,488	5,506	2.64				18
19	(26) Communication systems	3,798	4,294	3.50				19
20	(27) Signals and interlockers	17,592	19,044	2.48				20
21	(29) Power plants	26	26	.50				21
22	(31) Power-transmission systems	694	694	2.70				22
23	(35) Miscellaneous structures	257	257	3.18				23
24	(37) Roadway machines	11,750	12,011	12.58				24
25	(39) Public improvements—Construction	3,254	3,521	2.36				25
26	(44) Shop machinery	2,902	3,166	4.61				26
27	(45) Power-plant machinery	178	178	2.28				27
28	All other road accounts							28
29	Amortization (other than defense projects)							29
30	TOTAL ROAD	434,399	457,947	3.75				30
	EQUIPMENT							
31	(52) Locomotives	97,711	91,075	5.89				31
32	(53) Freight-train cars	129,272	127,390	3.12				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	12,647	13,897	10.24				36
37	(58) Miscellaneous equipment	14,309	5,665	19.46				37
38	(59) Computer systems and word processing equipment		6,594	11.17				38
39	TOTAL EQUIPMENT	253,939	244,621	5.15				39
40	GRAND TOTAL	688,338	702,568	NA			NA	40

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	12,788	318		37		13,069	1
2		(4) Other right-of-way expenditures	222	14				236	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	9,543	300		124		9,719	4
5		(7) Elevated structures							5
6		(8) Ties	48,376	4,784		1,516		51,644	6
7		(9) Rail and other track material	48,875	5,258		5,689		48,444	7
8		(11) Ballast	20,760	2,613		926		22,447	8
9		(13) Fences, snow sheds, and signs	417	12		3		426	9
10		(16) Station and office buildings	5,425	232		82		5,575	10
11		(17) Roadway buildings	266	12		4		274	11
12		(18) Water stations	105	1				106	12
13		(19) Fuel stations	760	68				828	13
14		(20) Shops and enginehouses	5,990	496		1		6,485	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	2,413	145		48		2,510	18
19		(26) Communication systems	2,447	145				2,592	19
20		(27) Signals and interlockers	4,188	466				4,654	20
21		(29) Power plants	23					23	21
22		(31) Power-transmission systems	418	19				437	22
23		(35) Miscellaneous structures	127	8				135	23
24		(37) Roadway machines	7,222	1,510		1,074		7,658	24
25		(39) Public improvements—Construction	2,077	83		15		2,145	25
26		(44) Shop machinery*	1,457	146		73		1,530	26
27		(45) Power-plant machinery	154	4				158	27
28		All other road accounts							28
29		Amortization (Adjustments)	(1,579)	112				(1,467)	29
30		TOTAL ROAD	172,474	16,746		9,592		179,628	30
		EQUIPMENT							
31	*	(52) Locomotives	61,518	5,772		8,625		58,665	31
32	*	(53) Freight-train cars	104,898	4,701		2,360		107,239	32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment	8,134	1,423		964		8,593	36
37	*	(58) Miscellaneous equipment	10,793	1,104		2,625	2,910	6,362	37
38		(59) Computer systems and word processing equipment		768	4,533			5,301	38
39	*	Amortization Adjustments	83	637				720	39
40		TOTAL EQUIPMENT	185,426	14,405	4,533	14,574	2,910	186,880	40
41		GRAND TOTAL	357,900	31,151	4,533	24,166	2,910	366,508	41

*To be reported with equipment expenses rather than W&S expenses.

339. ACCRUED LIABILITY—LEASED PROPERTY

(Dollars in Thousands)

1. Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property," during the year concerning road and equipment leased from others.
2. In column (c), enter amounts charged to operating expenses; in column (e), enter debits to account arising from retirements; in column (f), enter amounts paid to lessor.
3. Any inconsistencies between credits to account, charges to operating expenses and payments to lessors should be fully explained.
4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.
5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account No. 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/UOFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD							30
		EQUIPMENT							
31		(52) Locomotives							31
32		(53) Freight-train cars							32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems and word processing equipment							38
39		Amortization Adjustments							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL	None					None	41

*To be reported with equipment expenses rather than W&S expenses.

340. DEPRECIATION BASE AND RATES—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
(Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any charges or rates were effective during the year, give full particulars in a footnote.
2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.
4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading			%	1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings	17	18	--	10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery*				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD	17	18		30
	EQUIPMENT				
31	(52) Locomotives	180	312	23.06	31
32	(53) Freight-train cars	95	95	54.55	32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment		32	--	36
37	(58) Miscellaneous equipment	2	2	--	37
38	(59) Computer systems and word processing equipment				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	277	441		40
41	GRAND TOTAL	294	459		41

*To be reported with equipment expense rather than W&S expenses.

342. ACCUMULATED DEPRECIATION—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation—Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.

2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 35. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained on page 35.

4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.

5. Details in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.		Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	List No.
					Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD										
1			(3) Grading							1
2			(4) Other, right-of-way expenditures							2
3			(5) Tunnels and subways							3
4			(6) Bridges, trestles, and culverts							4
5			(7) Elevated structures							5
6			(8) Ties							6
7			(9) Rail and other track material							7
8			(11) Ballast							8
9			(13) Fences, snow sheds, and signs							9
10			(16) Station and office buildings	17					17	10
11			(17) Roadway buildings							11
12			(18) Water stations							12
13			(19) Fuel stations							13
14			(20) Shops and enginehouses							14
15			(22) Storage warehouses							15
16			(23) Wharves and docks							16
17			(24) Coal and ore wharves							17
18			(25) TOFC/COFC terminals							18
19			(26) Communication systems							19
20			(27) Signals and interlockers							20
21			(29) Power plants							21
22			(31) Power-transmission systems							22
23			(35) Miscellaneous structures							23
24			(37) Roadway machines							24
25			(39) Public improvements—Construction							25
26			(44) Shop machinery*							26
27			(45) Power-plant machinery							27
28			All other road accounts							28
29			TOTAL ROAD	17					17	29
EQUIPMENT										
30			(52) Locomotives	52	73				125	30
31			(53) Freight-train cars	43	52				95	31
32			(54) Passenger-train cars							32
33			(55) Highway revenue equipment							33
34			(56) Floating equipment							34
35			(57) Work equipment							35
36			(58) Miscellaneous equipment							36
37			(59) Computer systems and word processing equipment							37
38			TOTAL EQUIPMENT	95	125				220	38
39			GRAND TOTAL	112	125				237	39

*To be reported with equipment expense rather than W&S expenses.

NOTES AND REMARKS FOR SCHEDULE .42

350. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS
(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used to compute the depreciation for the month of December and on lines 29 and 38 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used to compute the depreciation for December and dividing the total also computed by the depreciation base.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

5. If total road leased to others is less than 5% of total road owned; omit. If total equipment leased to others is less than 5% of total equipment owned; omit.

1. However, Line 39, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and oil wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight-train cars				31
32	(54) Passenger-train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment			N/A	36
37	(59) Computer systems and word processing equipment				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL	NONE	NONE		39

351. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.

2. Disclose credits and debits to Account 735, "Accumulated Depreciation—Road and Equipment Property," during the year relating to road and equipment leased to others, the depreciation charges for which are not includible in operating expenses of the respondent. (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent).

3. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

4. Details in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight-train cars							31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems and word processing equipment							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL	NONE					NONE	39

*To be reported with equipment expense rather than W&S expense.

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)
(Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by the respondent and used in the respondent's transportation service. Such property includes (a) the investment reported in Accounts 731, "Road and Equipment Property," and 732, "Improvements on Leased Property," of the respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property, and (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by the respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment of other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by the respondent.

2. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

3. In column (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company in column (d) and (e). Then show, as deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable in Accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, explanations should be given. Differences between the amounts in column (d) of this schedule and the amounts shown in column (c), line 24, on the asset side of the comparative general balance sheet of each individual railway, should be explained in a footnote. Book value included in Accounts 731 or 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

Line No.	Class (See Ins. 2)	Name of company	Miles of road used (See Ins. 4) (whole number)	Investments in property (See Ins. 5)	Depreciation and amortization of defense projects (See Ins. 6)	Line No.
(a)		(b)	(c)	(d)	(e)	
1						1
2	R	The Kansas City Southern Railway Co.	869	490,172	197,183	2
3		732-733 Improvements on leased property		147	113	3
4		736 Amortization			459	4
5		Fort Smith & Van Buren Railway Co. Prpty.			253	5
6						6
7						7
8	R	Louisiana & Arkansas Railway Co.	743	205,201	103,884	8
9		732-733 Improvements on leased prpty.		312	124	9
10		736 Amortization			15	10
11						11
12	R	The Arkansas Western Railway Company	33	6,713	5,333	12
13						13
14	R	Fort Smith & Van Buren Railway Co.	20	2,371	2,102	14
15						15
16	O	Carland, Inc.	--	73,647	57,753	16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31		TOTAL	1,665	778,563	367,219	31

352B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE

(By Property Accounts)

(Dollars in Thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.

2. The amounts for respondent and for each group or class of companies and properties on line 44 herein, should correspond with the amounts for each class of company and properties shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.

3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6 per cent per year where property is not classified by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain on page 37 methods of estimating value of property of non-carriers or property of other carriers.

4. Report on line 30 amounts not includible in the accounts shown, or in line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other Leased properties (e)	Line No.
1		(2) Land for transportation purposes	5,841				1
2		(3) Grading	32,022				2
3		(4) Other, right-of-way expenditures	712				3
4		(5) Tunnels and subways					4
5		(6) Bridges, trestles, and culverts	22,768				5
6		(7) Elevated structures					6
7		(8) Ties	115,646				7
8		(9) Rail and other track material	160,789				8
9		(11) Ballast	39,525				9
10		(13) Fences, snow sheds, and signs	671				10
11		(16) Station and office buildings	12,467				11
12		(17) Roadway buildings	509				12
13		(18) Water stations	107				13
14		(19) Fuel stations	2,448				14
15		(20) Shops and enginehouses	23,192				15
16		(22) Storage warehouses					16
17		(23) Wharves and docks					17
18		(24) Coal and ore wharves					18
19		(25) TOFC/COFC terminals	5,506				19
20		(26) Communication systems	4,294				20
21		(27) Signals and interlockers	19,042				21
22		(29) Power plants	26				22
23		(31) Power-transmission systems	694				23
24		(35) Miscellaneous structures	257				24
25		(37) Roadway machines	12,012				25
26		(39) Public improvements—Construction	3,521				26
27		(44) Shop machinery	3,165				27
28		(45) Power-plant machinery	178				28
29		Leased property capitalized rentals (explain)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	465,392				31
32		(52) Locomotives	97,529				32
33		(53) Freight-train cars	152,973				33
34		(54) Passenger-train cars					34
35		(55) Highway revenue equipment					35
36		(56) Floating equipment					36
37		(57) Work equipment	13,651				37
38		(58) Miscellaneous equipment	7,576				38
39		(59) Computer systems and word processing equipment	7,071				39
40		TOTAL EQUIPMENT	278,800				40
41		(76) Interest during construction	2,563				41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	31,808				43
44		GRAND TOTAL	778,563				44

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross-checks

Schedule 410		Schedule 210
Line 620, column (h)	=	Line 14, column (b)
Line 620, column (f)	=	Line 14, column (d)
Line 620, column (g)	=	Line 14, column (e)
		Schedule 412
Lines 136 thru 138 column (f)	=	Line 29 column (b)
Lines 118 thru 123, and 130 thru 135 column (f)	=	Line 29, column (c)
		Schedule 414
Line 231, column (f)	=	Line 19, columns (b) thru (d)
Line 230, column (f)	=	Line 19, columns (e) thru (g)
		Schedule 415
Lines 207, 208, 211, 212, column (f)	=	Lines 5, 38, column (f)
Lines 226, 227, column (f)	=	Lines 24, 39, column (f)
Lines 311, 312, 315, 316, column (f)	=	Lines 32, 35, 36, 37, 40, 41, column (f)
		And
		Schedule 414
		Minus line 24, columns (b) thru (d) plus line 24, columns (e) thru (g)
		Schedule 415
Line 213, column (f)	=	Lines 5, 38, columns (c) and (d)
Line 232, column (f)	=	Lines 24, 39, columns (c) and (d)
Line 317, column (f)	=	Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)
Lines 202, 203, 216, column (f) (equal to or greater than, but variance cannot exceed line 216, column (f))		Lines 5, 38, column (b)
Lines 221, 222, 235, column (f) (equal to or greater than, but variance cannot exceed line 235, column (f))		Lines 24, 39, column (b)
Lines 302 thru 307 and 320, column (f) (equal to or greater than, but variance cannot exceed line 320, column (f))		Lines 32, 35, 36, 37, 40, 41, column (b)
		Schedule 417
Line 507, column (f)	=	Line 1, column (j)
Line 508, column (f)	=	Line 2, column (j)
Line 509, column (f)	=	Line 3, column (j)
Line 510, column (f)	=	Line 4, column (j)
Line 511, column (f)	=	Line 5, column (j)
Line 512, column (f)	=	Line 6, column (j)
Line 513, column (f)	=	Line 7, column (j)
Line 514, column (f)	=	Line 8, column (j)
Line 515, column (f)	=	Line 9, column (j)
Line 516, column (f)	=	Line 10, column (j)
Line 517, column (f)	=	Line 11, column (j)
		Schedule 210
Schedule 450		
Line 4 column b	=	Line 47 column b

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410. RAILWAY OPERATING EXPENSES
(Dollars in Thousands)

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Commission's rules governing the separation of such expenses between freight and passenger services.

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		WAY AND STRUCTURES								
		ADMINISTRATION								
1		Track	2,496	159	18	183	2,856			1
2		Bridge and building	219	8	7	17	251			2
3		Signal	445	22	11	23	501		SAME	3
4		Communication	92	6	7		105			4
5		Other	428	12	138	34	612		AS	5
		REPAIR AND MAINTENANCE								
6		Roadway - Running	662	94	1,289	51	2,096			6
7		Roadway - Switching	154		122		276		COLUMN	7
8		Tunnels and Subways - Running								8
9		Tunnels and Subways - Switching							"P"	9
10		Bridges and Culverts - Running	644	89	1,193	51	1,977			10
11		Bridges and Culverts - Switching			5		5			11
12		Ties - Running	520	534	25	(148)	931			12
13		Ties - Switching	287	219		(1)	505			13
14		Rail and other track material - Running	1,983	2,342	937	(102)	5,160			14
15		Rail and other track material - Switching	378	134	74		586			15
16		Ballast - Running	(868)	94	47	154	(573)			16
17		Ballast - Switching	(10)	33	59		82			17
18		Road Property Damaged - Running	139	107		2	248			18
19		Road Property Damaged - Switching	146	78			224			19
20		Road Property Damaged - Other								20
21		Signals and Interlockers - Running	725	414	1,251	66	2,456			21
22		Signals and Interlockers - Switching	24		12		36			22
23		Communications Systems		67	1,994		2,061			23
24		Power Systems								24
25		Highway Grade Crossings - Running	632	93	269		994			25
26		Highway Grade Crossings - Switching	12		8		20			26
27		Station and Office Buildings	2	23	147		172			27
28		Shop Building - Locomotives	1	18	79		98			28
29		Shop Buildings - Freight Cars	1	3	9		13	N/A	29	
30		Shop Buildings - Other Equipment			1	2	3			30

Donna D. Page
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410. RAILWAY OPERATING EXPENSES (Dollars in Thousands)

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Commission's rules governing the separation of such expenses between freight and passenger services.

Line No.	Cross Check	Name of railway operating expense account (a)	Freight				Passenger	Total	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)			
		WAY AND STRUCTURES							
		ADMINISTRATION							
1		Track	2,902	159	18	183	3,262		1
2		Bridge and Building	249	8	7	17	281		2
3		Signal	497	22	11	23	553	SAME	3
4		Communication	103	6	7		116		4
5		Other	487	12	138	34	671	AS	5
		REPAIR AND MAINTENANCE							
6		Roadway - Running	618	94	1,289	51	2,052		6
7		Roadway - Switching	142		122		264	COLUMN	7
8		Tunnels and Subways - Running							8
9		Tunnels and Subways - Switching						"P"	9
10		Bridges and Culverts - Running	601	89	1,793	51	1,934		10
11		Bridges and Culverts - Switching			5		5		11
12		Ties - Running	480	534	25	(148)	891		12
13		Ties - Switching	268	219		(1)	486		13
14		Rail and other track material - Running	1,828	2,342	937	(102)	5,005		14
15		Rail and other track material - Switching	352	134	74		560		15
16		Ballast - Running	(898)	94	77	154	(603)		16
17		Ballast - Switching	(12)	33	59		80		17
18		Road Property Damaged - Running	130	107		2	239		18
19		Road Property Damaged - Switching	135	78			213		19
20		Road Property Damaged - Other							20
21		Signals and Interlockers - Running	674	414	1,251	66	2,405		21
22		Signals and Interlockers - Switching	22		12		34		22
23		Communications Systems		67	1,994		2,061		23
24		Power Systems							24
25		Highway Grade Crossings - Running	589	93	269		951		25
26		Highway Grade Crossings - Switching	11		8		19		26
27		Station and Office Buildings	2	23	147		172		27
28		Shop Building - Locomotives	1	18	79		98		28
29		Shop Buildings - Freight Cars	1	3	9		13	N/A	29
30		Shop Buildings - Other Equipment			1	2	3		30

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued								
101		Locomotive Servicing Facilities	1	20	33		54			101
102		Miscellaneous Buildings and Structures	41	35	50	4	130			102
103		Coal Terminals						N/A	SAME	103
104		Ore Terminals						N/A		104
105		Other Marine Terminals						N/A	AS	105
106		TOFC/COFC - Terminals		40	229		269	N/A		106
107		Motor Vehicle Loading and Distribution Facilities						N/A		107
108		Facilities for Other Specialized Service Operations						N/A	COLUMN	108
109		Roadway Machines	727	638	741	73	2,179			109
110		Small Tools and Supplies		(517)	55		(462)			110
111		Snow Removal	4				4		"P"	111
112		Fringe Benefits - Running	N/A	N/A	N/A	2,131	2,131			112
113		Fringe Benefits - Switching	N/A	N/A	N/A	423	423			113
114		Fringe Benefits - Other	N/A	N/A	N/A	2,290	2,290			114
115		Casualties and Insurance - Running	N/A	N/A	N/A	619	619			115
116		Casualties and Insurance - Switching	N/A	N/A	N/A	77	77			116
117		Casualties and Insurance - Other	N/A	N/A	N/A	1,887	1,887			117
118	*	Lease Rentals - Debit - Running	N/A	N/A	440	N/A	440			118
119	*	Lease Rentals - Debit - Switching	N/A	N/A	482	N/A	482			119
120	*	Lease Rentals - Debit - Other	N/A	N/A	4,975	N/A	4,975			120
121	*	Lease Rentals - [Credit] - Running	N/A	N/A	()	N/A	()	()	()	121
122	*	Lease Rentals - [Credit] - Switching	N/A	N/A	()	N/A	()	()	()	122
123	*	Lease Rentals - [Credit] - Other	N/A	N/A	(3,948)	N/A	(3,948)	()	()	123
124		Joint Facility Rent - Debit - Running	N/A	N/A	606	N/A	606			124
125		Joint Facility Rent - Debit - Switching	N/A	N/A	132	N/A	132			125
126		Joint Facility Rent - Debit - Other	N/A	N/A	8	N/A	8			126
127		Joint Facility Rent - [Credit] - Running	N/A	N/A	(213)	N/A	(213)	()	()	127
128		Joint Facility Rent - [Credit] - Switching	N/A	N/A	(dr 11)	N/A	(dr 11)	()	()	128
129		Joint Facility Rent - [Credit] - Other	N/A	N/A	(25)	N/A	(25)	()	()	129
130	*	Other Rents - Debit - Running	N/A	N/A		N/A				130
131	*	Other Rents - Debit - Switching	N/A	N/A		N/A				131
132	*	Other Rents - Debit - Other	N/A	N/A	232	N/A	232			132
133	*	Other Rents - [Credit] - Running	N/A	N/A	()	N/A	()	()	()	133

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued								
101		Locomotive Servicing Facilities	1	20	33		54			101
102		Miscellaneous Buildings and Structures	44	35	50	4	133			102
103		Coal Terminals						N/A	SAME	103
104		Ore Terminals						N/A		104
105		Other Marine Terminals						N/A	AS	105
106		TOFC/COFC - Terminals		40	229		269	N/A		106
107		Motor Vehicle Loading and Distribution Facilities						N/A		107
108		Facilities for Other Specialized Service Operations						N/A	COLUMN	108
109		Roadway Machines	793	638	741	73	2,245			109
110		Small Tools and Supplies		(517)	55		(462)			110
111		Snow Removal	4				4		"F"	111
112		Fringe Benefits - Running	N/A	N/A	N/A	2,131	2,131			112
113		Fringe Benefits - Switching	N/A	N/A	N/A	423	423			113
114		Fringe Benefits - Other	N/A	N/A	N/A	2,290	2,290			114
115		Casualties and Insurance - Running	N/A	N/A	N/A	619	619			115
116		Casualties and Insurance - Switching	N/A	N/A	N/A	77	77			116
117		Casualties and Insurance - Other	N/A	N/A	N/A	1,887	1,887			117
118	*	Lease Rentals - Debit - Running	N/A	N/A	440	N/A	440			118
119	*	Lease Rentals - Debit - Switching	N/A	N/A	482	N/A	482			119
120	*	Lease Rentals - Debit - Other	N/A	N/A	4,975	N/A	4,975			120
121	*	Lease Rentals - [Credit] - Running	N/A	N/A	()	N/A	()	()	()	121
122	*	Lease Rentals - [Credit] - Switching	N/A	N/A	()	N/A	()	()	()	122
123	*	Lease Rentals - [Credit] - Other	N/A	N/A	3,948	N/A	3,948	()	()	123
124		Joint Facility Rent - Debit - Running	N/A	N/A	606	N/A	606			124
125		Joint Facility Rent - Debit - Switching	N/A	N/A	132	N/A	132			125
126		Joint Facility Rent - Debit - Other	N/A	N/A	8	N/A	8			126
127		Joint Facility Rent - [Credit] - Running	N/A	N/A	(213)	N/A	(213)	()	()	127
128		Joint Facility Rent - [Credit] - Switching	N/A	N/A	(dr 11)	N/A	(dr 11)	()	()	128
129		Joint Facility Rent - [Credit] - Other	N/A	N/A	(25)	N/A	(25)	()	()	129
130	*	Other Rents - Debit - Running	N/A	N/A		N/A				130
131	*	Other Rents - Debit - Switching	N/A	N/A		N/A				131
132	*	Other Rents - Debit - Other	N/A	N/A	232	N/A	232			132
133	*	Other Rents - [Credit] - Running	N/A	N/A	()	N/A	()	()	()	133

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410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
134	*	REPAIR AND MAINTENANCE - Continued								134
		Other Rents - [Credit] - Switching	N/A	N/A	()	N/A	()	()	()	134
135	*	Other Rents - [Credit] - Other	N/A	N/A	(5)	N/A	(5)	()	(SAME)	135
136	*	Depreciation - Running	N/A	N/A	N/A	12,223	12,223			136
137	*	Depreciation - Switching	N/A	N/A	N/A	1,569	1,569			137
138	*	Depreciation - Other	N/A	N/A	N/A	2,780	2,780		AS	138
139		Joint Facility - Debit - Running	N/A	N/A	2,018	N/A	2,018			139
140		Joint Facility - Debit - Switching	N/A	N/A	368	N/A	368			140
141		Joint Facility - Debit - Other	N/A	N/A	1	N/A	1		COLUMN	141
142		Joint Facility - [Credit] - Running	N/A	N/A	(1,457)	N/A	(1,457)	()	()	142
143		Joint Facility - [Credit] - Switching	N/A	N/A	(544)	N/A	(544)	()	()	143
144		Joint Facility - [Credit] - Other	N/A	N/A	()	N/A	()	()	("P")	144
145		Dismantling Retired Road Property - Running	25		5		30			145
146		Dismantling Retired Road Property - Switching	3				3			146
147		Dismantling Retired Road Property - Other			35		35			147
148		Other - Running	1,669	(14)	(57)	409	2,007			148
149		Other - Switching	410		4	1	415			149
150		Other - Other		39	278	68	385			150
151		TOTAL WAY AND STRUCTURES	12,061	4,790	12,156	24,386	53,893			151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	691	22	13	44	770			201
202	*	Repair and Maintenance	3,722	7,994	446	16	12,178			202
203	*	Machinery Repair	34	48	13		95			203
204		Equipment Damaged								204
205		Fringe Benefits	N/A	N/A	N/A	2,138	2,138			205
206		Other Casualties and Insurance	N/A	N/A	N/A	772	772			206
207	*	Lease Rentals - Debit	N/A	N/A	1,317	N/A	1,317			207
208	*	Lease Rentals - [Credit]	N/A	N/A	(4,483)	N/A	(4,483)	()	()	208
209		Joint Facility Rent - Debit	N/A	N/A	5	N/A	5			209
210		Joint Facility Rent - [Credit]	N/A	N/A	()	N/A	()	()	()	210
211	*	Other Rents - Debit	N/A	N/A		N/A				211
212	*	Other Rents - [Credit]	N/A	N/A	(45)	N/A	(45)	()	()	212
213	*	Depreciation	N/A	N/A	N/A	5,483	5,483			213
214		Joint Facility - Debit	N/A	N/A	92	N/A	92			214
215		Joint Facility - [Credit]	N/A	N/A	(60)	N/A	(60)	()	()	215
216	*	Repairs Billed to Others - [Credit]	N/A	N/A	()	N/A	()	()	()	216

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410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued								
134	*	Other Rents - [Credit] - Switching	N/A	N/A	()	N/A	()	()	()	134
135	*	Other Rents - [Credit] - Other	N/A	N/A	(5)	N/A	(5)	()	(SAME)	135
136	°	Depreciation - Running	N/A	N/A	N/A	12,223	12,223			136
137	*	Depreciation - Switching	N/A	N/A	N/A	1,569	1,569			137
138	*	Depreciation - Other	N/A	N/A	N/A	2,780	2,780		AS	138
139		Joint Facility - Debit - Running	N/A	N/A	2,018	N/A	2,018			139
140		Joint Facility - Debit - Switching	N/A	N/A	368	N/A	368			140
141		Joint Facility - Debit - Other	N/A	N/A	1	N/A	1		COLUMN	141
142		Joint Facility - [Credit] - Running	N/A	N/A	(1,457)	N/A	(1,457)	()	()	142
143		Joint Facility - [Credit] - Switching	N/A	N/A	(544)	N/A	(544)	()	()	143
144		Joint Facility - [Credit] - Other	N/A	N/A	()	N/A	()	()	"F"	144
145		Dismantling Retired Road Property - Running	24		5		29			145
146		Dismantling Retired Road Property - Switching	3				3			146
147		Dismantling Retired Road Property - Other			35		35			147
148		Other - Running	1,669	(14)	(57)	409	2,007			148
149		Other - Switching	410		4	1	415			149
150		Other - Other		39	278	68	385			150
151		TOTAL WAY AND STRUCTURES	12,061	4,790	12,156	24,886	53,893			151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	691	22	13	44	770			201
202	*	Repair and Maintenance	3,722	7,994	446	16	12,178			202
203	*	Machinery Repair	34	48	13		95			203
204		Equipment Damaged								204
205		Fringe Benefits	N/A	N/A	N/A	2,138	2,138			205
206		Other Casualties and Insurance	N/A	N/A	N/A	772	772			206
207	*	Lease Rentals - Debit	N/A	N/A	1,317	N/A	1,317			207
208	*	Lease Rentals - [Credit]	N/A	N/A	(4,483)	N/A	(4,483)	()	()	208
209		Joint Facility Rent - Debit	N/A	N/A	5	N/A	5			209
210		Joint Facility Rent - [Credit]	N/A	N/A	()	N/A	()	()	()	210
211	*	Other Rents - Debit	N/A	N/A		N/A				211
212	*	Other Rents - [Credit]	N/A	N/A	(45)	N/A	(45)	()	()	212
213	*	Depreciation	N/A	N/A	N/A	5,483	5,483			213
214		Joint Facility - Debit	N/A	N/A	92	N/A	92			214
215		Joint Facility - [Credit]	N/A	N/A	(60)	N/A	(60)	()	()	215
216	*	Repairs Billed to Others - [Credit]	N/A	N/A	()	N/A	()	()	()	216

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
217		LOCOMOTIVES - Continued								217
218		Dismantling Retired Property							SAME	218
219		Other	56	3	3		62			219
219		TOTAL LOCOMOTIVES	4,503	8,067	(2,699)	8,453	18,324			
220		FREIGHT CARS								
220		Administration	437	19	4	27	487	N/A	AS	220
221	*	Repair and maintenance	2,382	2,838	1,745	41	7,006	N/A		221
222	*	Machinery Repair		15	9		24	N/A		222
223		Equipment Damaged	546	649	30	9	1,234	N/A	COLUMN	223
224		Fringe Benefits	N/A	N/A	N/A	2,053	2,053	N/A		224
225		Other Casualties and Insurance	N/A	N/A	N/A	2,605	2,605	N/A		225
226	*	Lease Rentals - Debit	N/A	N/A	2,810	N/A	2,810	N/A	"F"	226
227	*	Lease Rentals - [Credit]	N/A	N/A	(729)	N/A	(729)	N/A	()	227
228		Joint Facility Rent - Debit	N/A	N/A		N/A		N/A	()	228
229		Joint Facility Rent - [Credit]	N/A	N/A	()	N/A	()	N/A	()	229
230	*	Other Rents - Debit	N/A	N/A	26,965	N/A	26,965	N/A		230
231	*	Other Rents - [Credit]	N/A	N/A	(14,734)	N/A	(14,734)	N/A	()	231
232	*	Depreciation	N/A	N/A	N/A	5,855	5,855	N/A		232
233		Joint Facility - Debit	N/A	N/A		N/A		N/A		233
234		Joint Facility - [Credit]	N/A	N/A	()	N/A	()	N/A	()	234
235	*	Repairs Billed to Others - [Credit]	N/A	N/A	(4,720)	N/A	(4,720)	N/A	()	235
236		Dismantling Retired Property						N/A		236
237		Other	(175)	(3)	4	(13)	(187)	N/A		237
238		TOTAL FREIGHT CARS	3,190	3,518	11,384	10,577	28,669	N/A		238
301		OTHER EQUIPMENT								
301		Administration	143	1	145	2	291			301
302	*	Repair and Maintenance								302
302		Trucks, Trailers, and Containers - Revenue Service		54	414		468	N/A		302
303	*	Floating Equipment - Revenue Service						N/A		303
304	*	Passenger and Other Revenue Equipment								304
305	*	Computer systems and word processing equip.		8	512		520			305
306	*	Machinery	3	6	2		11			306
307	*	Work and Other Non-Revenue Equipment	4	122	583		709			307
308		Equipment Damaged								308
309		Fringe Benefits	N/A	N/A	N/A	164	164			309
310		Other Casualties and Insurance	N/A	N/A	N/A	215	215			310
311	*	Lease Rentals - Debit	N/A	N/A	4,878	N/A	4,878			311
312	*	Lease Rentals - [Credit]	N/A	N/A	(2,846)	N/A	(2,846)		()	312

410. RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		OTHER EQUIPMENT - Continued								
313		Joint Facility Rent - Debit	N/A	N/A	1	N/A	1			313
314		Joint Facility Rent - [Credit]	N/A	N/A	()	N/A	()	()	()	314
315	*	Other Rents - Debit	N/A	N/A	2,514	N/A	2,514		SAME	315
316	*	Other Rents - [Credit]	N/A	N/A	(1,539)	N/A	(1,539)	()	()	316
317	*	Depreciation	N/A	N/A	N/A	3,366	3,366			317
318		Joint Facility - Debit	N/A	N/A		N/A			AS	318
319		Joint Facility - [Credit]	N/A	N/A	()	N/A	()	()	()	319
320	*	Repairs Billed to Others - [Credit]	N/A	N/A	(223)	N/A	(223)	()	()	320
321		Dismantling Retired Property							COLUMN	321
322		Other								322
323		TOTAL OTHER EQUIPMENT	150	191	4,441	3,747	8,529			323
324		TOTAL EQUIPMENT	7,843	11,776	13,126	22,777	55,522		"F"	324
		TRANSPORTATION:								
		TRAIN OPERATIONS								
401		Administration	1,222	98	30	98	1,448			401
402		Engine Crews	7,083	64	3	415	7,565			402
403		Train Crews	15,287	171	135	1,275	16,868			403
404		Dispatching Trains	837		2		839			404
405		Operating Signals and Interlockers	291		114		405			405
406		Operating Drawbridges	147		4		151			406
407		Highway Crossing Protection		31	24		55			407
408		Train Inspection and Lubrication	1,002	69	20		1,091			408
409		Locomotive Fuel	25	15,837	5		15,867			409
410		Electric Power Purchased or Produced for Motive Power								410
411		Servicing Locomotives	531	651	48		1,230			411
412		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	255	255			412
413		Clearing Wrecks	17	5	463		485			413
414		Fringe Benefits	N/A	N/A	N/A	8,417	8,417			414
415		Other Casualties and Insurance	N/A	N/A	N/A	5,408	5,408			415
416		Joint Facility - Debit	N/A	N/A	230	N/A	230			416
417		Joint Facility - [Credit]	N/A	N/A	(173)	N/A	(173)	()	()	417
418		Other	587	70	235	504	1,396			418
419		TOTAL TRAIN OPERATIONS	27,029	16,996	1,140	16,372	61,537			419
		YARD OPERATIONS								
420		Administration	866	73	32	34	1,005			420
421		Switch Crews	13,991	22	5	6	14,024			421

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KANSAS CITY SOUTHERN

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410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		YARD OPERATIONS - Continued								
422		Controlling Operations	822		145		967			423
423		Yard and Terminal Clerical	2,477	3	158		2,638		SAME	424
424		Operating Switches, Signals, Retarders and Humps	4		1		5			425
425		Locomotive Fuel	12	1,346			1,358		AS	426
426		Electric Power Purchased or Produced for Motive Power								427
427		Servicing Locomotives	303	9	23		335		COLUMN	428
428		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	112	112			429
429		Clearing Wrecks	6		25		31		"F"	430
430		Fringe Benefits	N/A	N/A	N/A	6,628	6,628			431
431		Other Casualties and Insurance	N/A	N/A	N/A	1,383	1,383			432
432		Joint Facility - Debit	N/A	N/A	536	N/A	536			433
433		Joint Facility - [Credit]	N/A	N/A	(2,982)	N/A	(2,982)			434
434		Other	(25)	4	34	12	25			435
435		TOTAL YARD OPERATIONS	18,456	1,457	(2,023)	8,175	26,065			
		TRAIN AND YARD OPERATIONS COMMON								
501		Cleaning Car Interiors	28		57	N/A	85			501
502		Adjusting and Transferring Loads		1	106	N/A	107	N/A		502
503		Car Loading Devices and Grain Doors				N/A		N/A		503
504		Freight Lost or Damaged - all other	N/A	N/A	N/A	(15)	(15)			504
505		Fringe Benefits	N/A	N/A	N/A	22	22			505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	28	1	163	7	199			506
		SPECIALIZED SERVICE OPERATIONS								
507	*	Administration						N/A		507
508	*	Pickup and Delivery and Marine Line Haul						N/A		508
509	*	Loading and Unloading and Local Marine		19	1,222		1,241	N/A		509
510	*	Protective Services		2		4	6	N/A		510
511	*	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A			N/A		511
512	*	Fringe Benefits	N/A	N/A	N/A	1	1	N/A		512
513	*	Casualties and Insurance	N/A	N/A	N/A			N/A		513
514	*	Joint Facility - Debit	N/A	N/A		N/A		N/A		514
515	*	Joint Facility - [Credit]	N/A	N/A	()	N/A	()	N/A	()	515
516	*	Other	7		22		29	N/A		516
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS	7	21	1,244	5	1,277	N/A		517

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries, and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchase services (d)	General (e)	Total freight expense (f)			
		ADMINISTRATIVE SUPPORT OPERATIONS								
518		Administration	878	16	131	174	1,199			518
519		Employees Performing Clerical and Accounting Functions	1,666	59	479	23	2,227			519
520		Communications Systems Operation	10		7		17		SAME	520
521		Loss and Damage Claims Processing	153		1	10	164			521
522		Fringe Benefits	N/A	N/A	N/A	1,027	1,027		AS	522
523		Casualties and Insurance	N/A	N/A	N/A	17	17			523
524		Joint Facility - Debit	N/A	N/A	19	N/A	19		COLUMN	524
525		Joint Facility - [Credit]	N/A	N/A	()	N/A	()	()	()	525
526		Other	1	1	5		7		"F"	526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	2,708	76	642	1,251	4,677			527
528		TOTAL TRANSPORTATION	48,228	18,551	1,166	25,810	93,755			528
		GENERAL AND ADMINISTRATIVE								
601		Officers - General Administration	2,362	278	3,306	362	6,308			601
602		Accounting, Auditing and Finance	3,125	52	2,091	38	5,306			602
603		Management Services and Data Processing	1,589	97	160	73	1,919			603
604		Marketing	1,590	44	440	107	2,181			604
605		Sales	3,390	19	265	753	4,427			605
606		Industrial Development						N/A		606
607		Personnel and Labor Relations	945	98	149	98	1,290			607
608		Legal and Secretarial	299	13	8,252	39	8,603			608
609		Public Relations and Advertising			105		105			609
610		Research and Development								610
611		Fringe Benefits	N/A	N/A	N/A	6,694	6,694			611
612		Casualties and Insurance	N/A	N/A	N/A	266	266			612
613		Writedown of Uncollectible Accounts	N/A	N/A	N/A					613
614		Property Taxes	N/A	N/A	N/A	2,873	2,873			614
615		Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	2,259	2,259			615
616		Joint Facility - Debit	N/A	N/A	46	N/A	46			616
617		Joint Facility - [Credit]	N/A	N/A	(11)	N/A	(11)	()	()	617
618		Other	591	46	219	257	1,113			618
619		TOTAL GENERAL AND ADMINISTRATIVE	13,891	647	15,022	13,819	43,379			619
620	*	TOTAL CARRIER OPERATING EXPENSES	82,023	35,764	41,470	87,292	246,549			620

412. WAY AND STRUCTURES (Dollars in Thousands)

1. Report freight expenses only.
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in schedule 410, column (f) lines, 136, 137, and 138.
3. Report in column (c) the lease/rentals for the various property categories of Way and Structures. The total net lease/rental reported in column (c), line 29 should balance the net amount reported in schedule 410, column (f), lines 118 through 123, plus lines 130 through 135.
If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property categories is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases to the depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report for obtaining the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item; the net adjustment on line 29 shall equal the adjustment reported on line 29 of schedule 335.
5. Report on line 28 all other lease rentals not apportioned to any category listed on lines 1-27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of Schedule 415.

Line No.	Cross Check	Property account	Category (a)	Depreciation (b)	Lease/Rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A	(2)		1
2		3	Grading	322	(13)	4	2
3		4	Other right-of-way expenditures	21		7	3
4		5	Tunnels and subways				4
5		6	Bridges, trestles and culverts	286		(14)	5
6		7	Elevated structures				6
7		8	Ties	4,786	(45)	2	7
8		9	Rail and other track material	5,266	(63)	8	8
9		11	Ballast	2,615	(15)	2	9
10		13	Fences, snowsheds and signs	3		(9)	10
11		16	Station and office buildings	285	1,157	53	11
12		17	Roadway buildings	16		4	12
13		18	Water stations	5		4	13
14		19	Fuel stations	70		2	14
15		20	Stops and enginehouses	541		45	15
16		22	Storage warehouses				16
17		23	Wharves and docks				17
18		24	Coal and ore wharves				18
19		25	TOFC/COFC terminals	176		31	19
20		26	Communications systems	102	611	(43)	20
21		27	Signals and interlockers	466	439		21
22		29	Power plants				22
23		31	Power transmission systems	13		(6)	23
24		35	Miscellaneous structures	5		(3)	24
25		37	Roadway machines	1,510	107		25
26		39	Public improvements: construction	34		1	26
27		45	Power plant machines				27
28		—	Other lease/rentals	N/A		N/A	28
29	*	—	TOTAL	16,572	2,176	88	29

414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT-CARRYING EQUIPMENT

(Dollars in Thousands)

- 1 Report freight expenses only
- 2 Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad, owned or leased equipment and privately owned equipment (reporting for leased equipment covers equipment that carrier on railroad markings).
- 3 The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (d), and line 19, columns (e) through (g), respectively) should balance with Schedule 410, column (f), lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f), lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (e). The balancing of Schedule 410, 414 and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
- 4 Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper-owned cars.
- 5 Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Commission in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

NOTES: Mechanical designations for each car type are shown in Schedule 710.

Line No	Cross Check	Type of equipment (a)	GROSS AMOUNTS RECEIVABLE Per diem basis			GROSS AMOUNTS PAYABLE Per diem basis			Line No.
			Private line cars (b)	Mileage (c)	Time (d)	Private line cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box-Plain 40 Foot					1	1	1
2		Box-Plain 50 Foot and Longer		2,082	6,297	206	484	1,630	2
3		Box-Equipped		784	2,193		419	960	3
4		Gondola-Plain		220	512	40	450	460	4
5		Gondola-Equipped		130	233		66	122	5
6		Hopper-Covered		222	1,153	3,270	1,168	2,824	6
7		Hopper-Open Top-General Service		4	188		373	675	7
8		Hopper-Open Top-Special Service		14	90	4	20	125	8
9		Refrigerator-Mechanical					50	105	9
10		Refrigerator-Non-Mechanical		1	100	45	51	118	10
11		Flat TOFC/COFC		4	16	2,322	136	304	11
12		Flat Multi-Level					9	64	12
13		Flat-General Service		15	57		9	75	13
14		Flat-Other		65	156	13	71	176	14
15		Tank-Under 22,000 Gallons				3,811			15
16		Tank-22,000 Gallons and Over				5,988			16
17		All Other Freight Cars			40	3	13	62	17
18		Auto Racks			158			222	18
19		TOTAL FREIGHT TRAIN CARS		3,541	11,193	15,702	3,320	7,943	19
OTHER FREIGHT-CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			1,447	1,222		756	21
22		Refrigerated Containers							22
23		Other Containers							23
24	*	TOTAL TRAILERS AND CONTAINERS			1,447	1,222		756	24
25		GRAND TOTAL (LINES 19 AND 24)		3,541	12,640	16,924	3,320	8,699	25

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 415

1. Report *freight* expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services and general).
3. Report in column (b) net repair expense excluding the cost to repair damaged equipment.

Schedule 415, column (b), will balance to Schedule 410, column (f), as follows:

(a) Locomotives, line 5 plus line 38 compared to the sum of Schedule 410, lines 202, 203 plus 216 (excluding wreck repairs). *Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204.*

(b) Freight Cars, line 24 plus line 39 compared to the sum of Schedule 410, lines 221, 222 plus 235 (excluding wreck repairs). *Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.*

(c) Sum of Highway Equipment (line 32), Floating Equipment (line 35), Passenger and Other Revenue Equipment (line 36), Computer and Data Processing Equipment (line 37), Machinery-Other Equipment (line 40), plus Work and Other Non-Revenue Equipment (line 41) compared to Schedule 410, the sum of lines 302 through 307, inclusive, plus line 320 (excluding wreck repairs). *Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 308.*

Note: Lines 216, 235 and 320 of Schedule 410 are credit amounts.

The allocation of freight car repair expense reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201.

4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342.

Depreciation charges reported on columns (c) and (d) will balance to Schedule 410, column (f), as follows:

a. Locomotives, line 5 plus 38 compared to Schedule 410, line 213

b. Freight Cars, line 24 plus line 39 compared to Schedule 410, line 232

c. Sum of Highway Equipment (line 32); Floating Equipment (line 35); Passenger and Other Revenue Equipment (line 36); Computer and Data Processing Equipment (line 37); Machinery-Other Equipment (line 40); and Work and Other Non-Revenue Equipment (line 41) compared to Schedule 410, line 317.

5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item; the net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 38, column (c), of Schedule 335.

6. Lease/Rentals reported in column (f) should balance to column (f) of Schedule 410 as follows:

a. Locomotives, line 5 plus 38 compared with Schedule 410, lines 207, 208, 211 and 212.

b. Freight Cars, line 24 plus line 39 compared with Schedule 410, lines 226 plus 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 414 and are not to be included in Schedule 415).

(c) Sum of Lease/Rentals for All Other Equipment, lines 32, 35, 36, 37, 40 and 41, will balance to Schedule 410, lines 311, 312, 315 and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing Lease/Rentals Other Equipment to Schedule 410. Do not report in Schedule 415 the Trailer and Container rentals reported in Schedule 414.

7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of Equipment Used But Not Owned when the rents therefor are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00 and 35-23-00. It should include the Cost of Equipment Owned and Leased to Others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00 and 36-23-00.

Property Used But Not Owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00 and 31-23-00, inclusive.

The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h), of Schedule 415.

8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 330, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

415. SUPPORTING SCHEDULE—EQUIPMENT (Dollars in Thousands)							Included in Column C
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
1		LOCOMOTIVES					
		Diesel Locomotive-Yard	1,218	111	73	(82)	1
2		Diesel Locomotive-Road	10,960	4,855	333	(318)	2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL	12,178	4,966	406	(400)	5
6		FREIGHT TRAIN CARS					
		Box-Plain 40 Foot	12	104		42	6
7		Box-Plain 50 Foot and Longer	1,121	585	382	11	7
8		Box-Equipped	410	783	59	229	8
9		Gondola-Plain	80	1,124	145	140	9
10		Gondola-Equipped	8	227			10
11		Hopper-Covered	259	1,055		347	11
12		Hopper-Open Top-General Service	60	158		42	12
13		Hopper-Open Top-Special Service	84	509		63	13
14		Refrigerator-Mechanical					14
15		Refrigerator-Nonmechanical	2	99		49	15
16		Flat TOFC/COFC	7				16
17		Flat Multi-level		16		16	17
18		Flat-General Service	28	70		1	18
19		Flat-Other	53	78		46	19
20		All Other Freight Cars	162	89		16	20
21		Cabooses		115	22	35	21
22		Auto Racks		2	116		22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS	2,286	5,014	724	1,037	24
25		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					25
		Refrigerated Trailers					26
26		Other Trailers	245				27
27		Refrigerated Containers					28
28		Other Containers					29
29		Bogies					30
30		Chassis					31
31		Other Highway Equipment (Freight)					32
32	*	TOTAL HIGHWAY EQUIPMENT	245				33
33		FLOATING EQUIPMENT-REVENUE SERVICE					34
		Marine Line-Haul					35
34		Local Marine					36
35	*	TOTAL FLOATING EQUIPMENT					37
		OTHER EQUIPMENT					38
		Passenger and Other Revenue Equipment (Freight Portion)					39
36	*	Computer systems and word processing equip.	520	768			40
37	*	Machinery-Locomotives ¹	95	38		9	41
38	*	Machinery-Freight Cars ²	24	65		15	42
39	*	Machinery-Other Equipment ³	11	71			43
40	*	Work and Other Non-revenue Equipment	709	2,527			44
41	*	TOTAL OTHER EQUIPMENT	1,359	3,469		24	45
42		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	16,068	13,449	1,130	661	46

¹The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

²The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portions of line 235.

³The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

415. SUPPORTING SCHEDULE—EQUIPMENT—Continued

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		(326)	26,427	1,123	22,083	902	1
2		(2,885)	64,575	5,092	31,941	3,738	2
3							3
4							4
5		(3,211)	91,002	6,215	54,024	4,640	5
6			538		370		6
7		1,366	31,731	18,577	27,500	14,955	7
8			23,939	3,070	20,299	2,804	8
9		(81)	15,043	2,608	5,998	217	9
10			3,444		1,440		10
11		131	15,382		7,972		11
12			4,775		1,198		12
13			19,841		13,637		13
14							14
15			235		73		15
16			29		14		16
17					--		17
18			2,045		1,805		18
19		67	5,228		1,751		19
20		98	3,688		4,621		20
21			994	327	1,050	236	21
22			186	1,198	182	1,117	22
23							23
24		2,081	127,098	25,780	87,910	19,329	24
25							25
26		1,299					26
27							27
28							28
29							29
30							30
31							31
32		1,299					32
33							33
34							34
35							35
36							36
37		969	7,071		5,301		37
38							38
39							39
40							40
41		208	21,193		14,955		41
42		1,177	28,264		20,256		42
43		1,346	246,364	31,995	162,190	23,969	43

¹The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

²The depreciation to be reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (j), Schedule 335.

416. SUPPORTING SCHEDULE--ROAD
(Dollars in Thousands)

Line No.	Density category (C1-a)	Account No. (b)	Owned and used			Improvements to leased property			Capitalized leases			TOTAL		Line No.
			Inv. Base (c)	Accum. depr. (d)	Depr. rate % (e)	Inv. Base (f)	Accum. depr. (g)	Depr. rate % (h)	Inv. Base (i)	Current year Amort. (j)	Accum. Amort. (k)	Inv. Base (l)	Accum. depr. & Amort. (m)	
1		3	1,921	784	1.09							1,921	784	1
2		8	38,889	12,512	5.53							38,889	12,512	2
3		9	73,454	12,984	4.52							73,454	12,984	3
4		11	17,095	7,828	10.00							17,095	7,828	4
5	SUB-TOTAL		131,359	34,108								131,359	34,108	5
6	II	3	21,775	8,887	1.09							21,775	8,837	6
7		8	53,611	29,469	4.47							53,611	29,469	7
8		9	68,222	27,753	2.91							68,222	27,753	8
9		11	17,124	11,566	6.66							17,124	11,566	9
10	SUB-TOTAL		160,732	77,675								160,732	77,675	10
11	III	3		N/A	N/A		N/A	N/A		N/A	N/A			11
12		8		N/A	N/A		N/A	N/A		N/A	N/A			12
13		9		N/A	N/A		N/A	N/A		N/A	N/A			13
14		11		N/A	N/A		N/A	N/A		N/A	N/A			14
15	SUB-TOTAL			N/A	N/A		N/A	N/A		N/A	N/A			15
16	IV	3	8,326	3,398	1.09							8,326	3,398	16
17		8	23,146	9,663	3.77							23,146	9,663	17
18		9	19,113	7,707	8.91							19,113	7,707	18
19		11	5,305	3,053	4.99							5,305	3,053	19
20	SUB-TOTAL		55,890	23,821								55,890	23,821	20
21	V	3												21
22		8												22
23		9												23
24		11												24
25	SUB-TOTAL													25
26	GRAND TOTAL		347,981	135,604	N/A			N/A				347,981	135,604	26

(1) Columns (c) + (f) + (i) = Column 12
Columns (d) + (g) + (k) = Column 13

(2) The base grand total for owned and used, improvements to leased property and capitalized leases should equal the sum of Accounts 3, 8, 9 and 11 shown at year end on Schedule 330 and Schedule 330a.

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Road Initials:

Year 8 /

IMPROVEMENTS ON
LEASED PROPERTY

415. SUPPORTING SCHEDULE—EQUIPMENT
(Dollars in Thousands)

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization	Line No.
				Owned (c)	Capitalized lease (d)	Adjustment net during year (e)	
1		LOCOMOTIVES					1
2		Diesel Locomotive-Yard			73		2
3		Diesel Locomotive-Road					3
4		Other Locomotive-Yard					4
5		Other Locomotive-Road			73		5
5	*	TOTAL					
6		FREIGHT TRAIN CARS					6
7		Box-Plain 40 Foot					7
8		Box-Plain 50 Foot and longer					8
9		Box-Equipped					9
10		Gondola-Plain					10
11		Gondola-Equipped					11
12		Hopper-Covered					12
13		Hopper-Open Top-General Service					13
14		Hopper-Open Top-Special Service					14
15		Refrigerator-Mechanical					15
16		Refrigerator-Nonmechanical					16
17		Flat TOFC/COFC					17
18		Flat Multi-level					18
19		Flat-General Service			52		19
20		Flat-Other					20
21		All Other Freight Cars					21
22		Cabooses					22
23		Auto Racks					23
24		Miscellaneous Accessories					24
24	*	TOTAL FREIGHT TRAIN CARS				52	
25		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					25
26		Refrigerated Trailers					26
27		Other Trailers					27
28		Refrigerated Containers					28
29		Other Containers					29
30		Bogies					30
31		Chassis					31
32		Other Highway Equipment (Freight)					32
32	*	TOTAL HIGHWAY EQUIPMENT					
33		FLOATING EQUIPMENT-REVENUE SERVICE					33
34		Marine Line-Haul					34
35		Local Marine					35
35	*	TOTAL FLOATING EQUIPMENT					
36		OTHER EQUIPMENT					36
37	*	Passenger and Other Revenue Equipment (Freight Portion)					37
38	*	Computer systems and word processing equip.					38
39	*	Machinery-Locomotives ¹					39
40	*	Machinery-Freight Cars ²					40
41	*	Machinery-Other Equipment ³					41
42	*	Work and Other Non-revenue Equipment					42
42		TOTAL OTHER EQUIPMENT					
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)				125	43

¹The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.
²The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portions of line 235.
³The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

Road Initials:

Year 19 87

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IMPROVEMENTS ON
LEASED PROPERTY

415. SUPPORTING SCHEDULE—EQUIPMENT—Continued

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1							1
2				312		125	2
3							3
4							4
5				312		125	5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18				95		95	18
19							19
20							20
21							21
22							22
23							23
24				95		95	24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35
36							36
37							37
38							38
39							39
40							40
41				34			41
42				34			42
43				441		220	43

¹The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment

²The depreciation to be reported on lines 38, 39, and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (c), Schedule 335.

NOTES AND REMARKS

417. SPECIALIZED SERVICE SUBSCHEDULE — TRANSPORTATION
(Dollars in Thousands)

1. Report *freight* expenses only.
2. Report in lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services, and general) incurred in the operation of each type of specialized service facility. This schedule *does not* include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The expenses in column (j) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See schedule 755, note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h), relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load and distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b-i) (j)	Line No.
1	*	Administration										1
2	*	Pick up and delivery, marine line haul							N/A			2
3	*	Loading and unloading and local marine	943					72	N/A	226	1,241	3
4	*	Protective services, total debit and credits							6		6	4
5	*	Freight lost or damaged—solely related										5
6	*	Fringe benefits								1	1	6
7	*	Casualty and insurance										7
8	*	Joint facility — Debit										8
9	*	Joint facility — Credit	()	()	()	()	()	()	()	()	()	9
10	*	Other								29	29	10
11	*	TOTAL	943					72	6	256	1,277	11

Schedule 418

Instruction:

This schedule will show the investment in capitalized leases in road and equipment by primary account.

Column

- (a) = primary account number and title for which capital lease amounts are included therein.
- (b) = the total investment in that primary account.
- (c) = the investment in capital leases at the end of the year.
- (d) = the current year amortization.
- (e) = the accumulated amortization relating to the leased properties.

418. SUPPORTING SCHEDULE—CAPITAL LEASES
(Dollars in thousands)

[illegible]

NOTES AND REMARKS

450. ANALYSIS OF TAXES (Dollars in Thousands)

A. Railway Taxes.

Line No.	Cross Check	Kind of tax (a)	Amount (b)	Line No.
1		Other than U.S. Government Taxes	5,132	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax and Surtax	23,271	2
3		Excess Profits		3
4	*	Total - Income Taxes L 2 + 3	23,271	4
5		Railroad Retirement	16,675	5
6		Hospital Insurance	1,102	6
7		Supplemental Annuities	1,268	7
8		Unemployment Insurance	2,076	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	44,392	10
11		Total - Railway Taxes	49,524	11

B. Adjustments to Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption Other (Specify), including State and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under Other (Specify).

2. Indicate in column (b) the beginning of the year total of Accounts 714, 744, 762 and 786 applicable to each particular item in column (a).

3. Indicate in column (c) the net change in Accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.

4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back.

5. The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.

6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762 and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No.
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21.	90,479	(144)		90,335	1
2	Accelerated amortization of facilities, Sec. 168 I.R.C.					2
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.					3
4	Amortization of rights of way, Sec. 185 I.R.C.					4
5	Other (Specify)					5
6	Asset Restructuring	(24,748)			(24,748)	6
7	Reserve for Claims	(2,639)	(2,669)		(5,308)	7
8	Reacquisition of 1st Mort. Bonds	1,041			1,041	8
9	Future benefits of Capitalized					9
10	Leases	(146)	472		326	10
11	Provisions for Contingencies	2,063	400		2,463	11
12	Accelerated Depreciation Change					12
13	From RRB Accounting to					13
14	Depreciation Accounting	41,202			41,202	14
15						15
16						16
17						17
18	Investment tax credit*					18
19	TOTALS	107,252	(1,941)		105,311	19

450. ANALYSIS OF TAXES - Continued
(Dollars in Thousands)

*Footnotes:

1. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit _____ \$ _____
- If deferral method for investment tax credit was elected:
- (1) Indicate amount of credit utilized as a reduction of tax liability for current year _____ \$ _____
- (2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes _____ \$ _____
- (3) Balance of current year's credit used to reduce current year's tax accrual _____ \$ _____
- (4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual _____ \$ _____
- (5) Total decrease in current year's tax accrual resulting from use of investment tax credits _____ \$ _____
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made _____ \$ NONE

460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR
(Dollars in Thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items; 560, Income or Loss From Operations of Discontinued Segments; 562, Gain or Loss on Disposal of Discontinued Segments; 570, Extraordinary Items; 590, Income Taxes on Extraordinary Items; 592, Cumulative Effect of Changes in Accounting Principles; 603, Appropriations Released; 606, Other Credits to Retained Earnings; 616, Other Debits to Retained Earnings; 620, Appropriations for Sinking and Other Funds; 621, Appropriations for Other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

For Accounts 519, Miscellaneous Income, and 551, Miscellaneous Income Charges, if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in the account and any other items in excess of 10% of net income.

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)	Line No.
1	519	Miscellaneous income		N/A	1
2	551	Miscellaneous income charges	N/A		2
3	555	Unusual or infrequent items		None	3
4	560	Operations of discontinued segments	None		4
5	562	Disposal of discontinued segments	None		5
6	570	Extraordinary items	None		6
7	590	Income Taxes on extraordinary items	None		7
8	592	Changes in accounting principles	None		8
9	603	Appropriations released			9
10		First Mortgage Bonds redeemed		None	10
11	606	Other credits to retained earnings		None	11
12	616	Other debits to retained earnings			12
13		Book cost of 88,000 shares of Common	316		13
14		Stock issued from KCS Railway Treasury			14
15		Stock			15
16	620	Appropriations for sinking fund			16
17		Retirement of First Mortgage Bonds	None		17
18		Bonds retired 12/01/84			18
19	621	Appropriations for other purposes	None		19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

501. GUARANTIES AND SURETYSHIPS

(Dollars in Thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show the particulars of each contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1	City of	Jointly and severally liable			1
2					2
3	New Orleans	for principal and interest			3
4					4
5	Louisiana	for New Orleans Union			5
6					6
7		Passenger Terminal Revenue			7
8					8
9		Bonds 1/1/1948 to 1/1/1998.			9
10					10
11		Finance Docket 15920. The			11
12					12
13		L&A Railway Co. is guarantor			13
14					14
15		of their proportion of	713	Joint	15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3					3
4					4
5					5
6					6
7					7
8					8
9					9

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

(Dollars in Thousands)

Using the following notes as a guideline, show the requirements compensating balances and short-term borrowing arrangements. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances included in Account 703, Special Deposits, and in Account 717, Other Funds, should also be separately disclosed below.
5. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

N O N E

SCHEDULE 510 SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT
(Dollars in Thousands)

The principal use of this schedule is to determine the average embedded rate of debt capital.

I. Debt Outstanding at End of Year:

Line #	Account No.	Title	Source	Balance at Close of Year
1	751	Loans and Notes Payable	Sch. 200, L. 30	--
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch. 200, L. 39	15,302
3	765/767	Funded Debt Unmatured	Sch. 200, L. 41	14,554
4	766	Equipment Obligations	Sch. 200, L. 42	49,256
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 43	13,842
6	768	Debt in Default	Sch. 200, L. 44	--
7	770.1/770.2	Unamortized Debt Premium	Sch. 200, L. 46	--
8		Total Debt	Sum L. 1-7	92,954
9		Debt Directly Related to Road Property	Note 1.	--
10		Debt Directly Related to Equipment	Note 1.	92,954
11		Total Debt Directly Related to Road & Equipment	Sum L. 9 and 10	92,954
12		Percent Directly Related to Road	L. 9 ÷ L. 11 (2 decimals)	--
13		Percent Directly Related to Equipment	L. 10 ÷ L. 11 (2 decimals)	100.00
14		Debt Not Directly Related to Road or Equipment	L. 8 minus L. 11	--
15		Road Property Debt	(L. 12 × L. 14) plus L. 9	--
16		Equipment Debt	(L. 13 × L. 14) plus L. 10	92,954

II. Interest Accrued During the Year:

Line #	Account No.	Title	Source	Balance at Close of Year
17	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	8,951
18	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	--
19	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	--
20		Total Interest	Sum of Lines 17-19	8,951
21		Interest Affiliated Company Debt	Note 2.	--
22		Net Interest Expense	L. 23 minus L. 24	3,951
23		Interest Directly Related to Road Property Debt	Note 3.	--
24		Interest Directly Related to Equipment Debt	Note 3.	9,678
25		Interest Not Directly Related to Road or Equipment Property Debt	L. 22 - (L. 23 + L. 24)	(727)
26		Interest Road Property Debt	L. 23 + (L. 25 × L. 12)	--
27		Interest Equipment Debt	L. 24 + (L. 25 × L. 13)	8,951

Note 1. Directly related means the purpose which the funds were used when the debt was issued.

Note 2. Line 21 includes interest on debt in Account 679—Account Payable; Affiliated Companies.

Note 3. This Interest relates to debt reported in Lines 9 and 10, respectively.

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services
- (b) Payments to or from other carriers for interline services and interchange of equipment
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro forma" balance sheet and income statement for that portion or entity of each affiliate

which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate nature of relationship or control between the respondent and the company or person identified in column (a) as follows:

- (a) If respondent directly controls affiliate, insert the word "direct"
- (b) If respondent controls through another company, insert the word "indirect"
- (c) If respondent is under common control with affiliate, insert the word "common"
- (d) If respondent is controlled directly or indirectly by the company listed in column (a), insert the word "controlled"
- (e) If control is exercised by other means such as a management contract or other arrangement of whatever kind, insert the word "other" and footnote to describe such arrangements.

4. In column (c) fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (e).

5. In column (d) report the dollar amounts of transaction shown and the effect of any change in the method of establishing the terms from that used in the preceding period.

6. In column (e) report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) paid and (R) received by the amount in column (e).

SCHEDULE 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	Kansas City Southern Industries Inc.		Controlled	Management fee	6,035		1
2				Common stock dividend	7,872		2
3				Preferred " "	798	200	3
4				Federal Income Taxes	16,105		4
5				Employee profit sharing	3,497		5
6				Employee payroll deduc-			6
7				tions-Common stock			7
8				purchase	1,783		8
9				Purchase commercial			9
10				paper for railroad			10
11				investment	3,721		11
12				Insurance premiums	1,058		12
13				Reimburse KCSI railroad			13
14				and employee expenses			14
15				paid by KCSI	242		15
16				Deferred compensation			16
17				and Director's fees	171		17
18				Dividends from KCSI	36		18
19							19
20				Billings to KCSI			20
21				Computer opern. exp.	63		21
22				Telephone service	45		22
23				Insurance	23		23
24				Supplies & Office Exp.	24		24
25							25

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year 1987

SCHEDULE 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	Argus		Common	Billings to Argus for			1
2				computer expense	399		2
3							3
4	American Coleman Co.		Common	Material	78		4
5							5
6	Carland, Inc.		Common	rental of equipment	12,251		6
7				Purchase 5 freight cars	316		7
8				Billings			8
9				Repairs to frt. cars	25		9
10				Telephone service	3		10
11							11
12	Investors Fiduciary Trust		Common	Employee insurance prem.	1,580		12
13				Common stock dividend	18		13
14							14
15	Mid-South Microwave		Common	Rental	600		15
16				Maintenance	1,309		16
17							17
18	Rice Carden Corporation		Common	Equipment leases			18
19				Hot box detector	473		19
20				Central traffic cntrl.	293		20
21				Room telephone	122		21
22				Closed circuit TV	101		22
23				Modems	84		23
24				Other leases	53		24
25				Maintenance on leases	1,287		25

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THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year 19 87

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SCHEDULE 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	Rice Carden Corporation		Common	Dockage Pt. Arthur	108		1
2				Billing for rental			2
3				of warehouse	2		3
4							4
5	Southern Development Co.		Common	Rental of building	1,038		5
6				Furniture	4		6
7				Billing for modifica-			7
8				tion to building	36		8
9							9
10	Superior Tie & Timber Company		Common	Cross and switch ties	3,489		10
11				Billings for materials	4		11
12							12
13	Support Resources		Common	Stationery	19		13
14							14
15	Tolmak, Inc.		Common	Track rental and			15
16				maintenance	150		16
17				Billings			17
18				Maintenance on tracks	49		18
19				Construction of track	216		19
20							20
21	Trans-Serve, Inc.		Common	Maintenance and			21
22				inspection services	726		22
23							23
24							24
25							25

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

State particulars of all tracks operated by the respondent at the close of the year, according to the following classification:

- (1) Line owned by respondent
- (2) Line owned by proprietary companies
- (3) Line operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent
- (5) Line operated under trackage rights.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

In column (a) insert the figure (and letter, if any) indicating its class in accordance with the preceding classification.

In column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in column (d) give its entire length (the distances between termini of single or first main track), and in the following columns the lengths of second main track; all other main tracks, passing tracks, cross-overs and turn-outs; way switching tracks; and yard switching tracks. These classes of tracks are defined as follows:

Running tracks. Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points

Way switching tracks. Station, team, industry and other switching tracks for which no separate service is maintained

Yard switching tracks. Yards where separate switching services are maintained, including classification, house, team, industry and other tracks switched by yard locomotives.

The returns in columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc. Tracks belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line, full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rest in a corporation controlled by or controlling the respondent, but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as class (3), except that the rent reserved is conditional upon earnings or other fact.

Class (5) includes all tracks operated and maintained by others, but over which the respondent has the right to operate some or all of its trains. In the road of this class the respondent has no proprietary rights, but only the rights of a licensee. Include in this class, also, all main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them, but does not have exclusive possession of them.

Road held by the respondent as joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class, and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as agent for another carrier should not be included in this schedule.

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class	Proportion owned or leased by Respondent	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	1	100%	1,533	9		207	185	303	2,237	1
2										2
3	1J	50%		4		1	5	90	100	3
4										4
5	1J	33 1/3%					1		1	5
6										6
7	1J	33%					1		1	7
8										8
9	3A	100%					17	5	22	9
10										10
11	3B	100%					6	9	15	11
12										12
13	5	100%	132	10	2	14	8	2	168	13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33										33
34										34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57		TOTAL	1,665	23	2	222	223	409	2,544	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

701. MILEAGE OWNED BUT NOT OPERATED BY RESPONDENT AT CLOSE OF YEAR

Report the name of the company or individual operating them and the conditons under which they are held for operation should be shown in a footnote.
Tracks which have been permanently abandoned should not be included in this schedule.

Line No.	Class	Name of road or track	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1										1
2										2
3										3
4										4
5										5
6										6
7							None			7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15		TOTAL								15

702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned, not operated, should be shown in column (h), as may be appropriate. Mileage which has been permanently abandoned should not be included in column (h).
Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of propri- etary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Missouri	186	9					195		1
2											2
3		Kansas	18	6					24		3
4											4
5		Arkansas	224	1				9	234		5
6											6
7		Oklahoma	157					20	177		7
8											8
9		Louisiana	654	25				62	741		9
10											10
11		Texas	238	15				41	294		11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	1,477	56				132	1,665		32

705. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact, it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

1. For each railroad property used in respondent's transportation service, show all increases and decreases in mileage, classifying the changes in the tables below as follows:

- (Class 1) Line owned by respondent
- (Class 2) Line owned by proprietary companies
- (Class 3) Line operated under lease for a specified sum
- (Class 4) Line operated under contract or agreement for contingent rent
- (Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. Any certificates of convenience and necessity, issued under (49) U.S.C. 10901 of the Interstate Commerce Act should make reference to such authority by docket number as may be appropriate.

3. Show all consolidations, mergers, and reorganizations effected, giving particulars.

This statement should show the mileage, equipment, and cash value of property of each company as well as the consideration received by each company party to the action. State the dates on which consolidated, etc., and whether the prior companies have been dissolved. Copies of the articles of consolidation, merger, or reorganization should be filed with this report.

4. Show other important changes not elsewhere provided for, involving more than \$50,000, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Remarks	Line No.
		Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs and turn-outs					
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
1	1				2		2	4		1
2	3						4	4		2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13	TOTAL INCREASE				2		6	8		13

DECREASES IN MILEAGE

14	1	1			2	2	2	7		14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTAL DECREASE	1			2	2	2	7		25

If returns under Inquiry No. 1 above include any first main track owned by respondent or its proprietary companies that represents new construction or permanent abandonment, give the following particulars:

Owned by respondent:

Miles of road constructed _____ Miles of road abandoned _____

Owned by proprietary companies:

Miles of road constructed _____ Miles of road abandoned _____

The item "Miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory.

By road abandoned is meant "permanently abandoned", the cost of which has been or is to be written out of the investment accounts.

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c) give the number of units purchased new or built in company shops. In column (d) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (1). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "electric" unit includes all units which receive electric power from an overhead contact wire or a third rail, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel, or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g.,

boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."

7. Columns (k) should show aggregate capacity for all units reported in column (j), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

9. Cross-checks

Schedule 710

Line 5, column (j)	=	Line 11, column (l)
Line 6, column (j)	=	Line 12, column (l)
Line 7, column (j)	=	Line 13, column (l)
Line 8, column (j)	=	Line 14, column (l)
Line 9, column (j)	=	Line 15, column (l)
Line 10, column (j)	=	Line 16, column (l)

Schedule 710

When data appear in column (j) lines 1 thru 8, column (k) should have data on same lines.
When data appear in columns (k) or (l) lines 36 thru 53, and 55, column (m) should have data on same lines.

710. INVENTORY OF EQUIPMENT														
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including re-classification (g)	Units at Close of Year					Line No.
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including re-classification and second hand units purchased or leased from others (f)							
1		Locomotive Units Diesel-freight units	179						125	54	179	(H.P.) 514,000		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	7						7		7	11,250		3
4		Diesel-switching units	64						56	8	64	89,500		4
5	*	TOTAL (lines 1 to 4) units	250						188	62	250	614,750		5
6	*	Electric-locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6 and 7)	250						188	62	250	614,750		8
9	*	Auxiliary units	15						3	12	15	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	265						191	74	265	N/A		10

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF RECORDING														Line No.
Line No.	Cross Check	Type or design of units	Before Jan. 1, 1965 (b)	Between Jan. 1, 1965 and Dec. 31, 1969 (c)	Between Jan. 1, 1970 and Dec. 31, 1974 (d)	Between Jan. 1, 1975 and Dec. 31, 1979 (e)	Between Jan. 1, 1980 and Dec. 31, 1984 (f)	During Calendar Year					TOTAL (i)	
								1985 (g)	1986 (h)	1987 (i)	1988 (j)	1989 (k)		
11	*	Diesel	44	82	74	32	18						250	11
12	*	Electric												12
13	*	Other self-powered units												13
14	*	TOTAL (lines 11 to 13)	44	82	74	32	18						250	14
15	*	Auxiliary units	14	1									15	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	58	83	74	32	18					N/A	265	16

710. INVENTORY OF EQUIPMENT—Continued
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

UNIT OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including re-classification (g)	Units at Close of Year					Line No.
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including re-classification and second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches [PA, PB, PBO]												17
18		Combined cars [All class C, except CSB]												18
19		Parlor cars [PBC, PC, PL, PO]												19
20		Sleeping cars [PS, PT, PAS, PDS]												20
21		Dining, grill and tavern cars [All class D, PD]										N/A		21
22		Non-passenger-carrying cars [All class B, CSB, M, PSA, IA]										N/A		22
23		TOTAL (lines 17 to 22)												23
24		Self-Propelled Electric passenger cars [EP, ET]												24
25		Electric combined cars [EC]												25
26		Internal combustion rail motorcars [ED, EG]												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (lines 24 to 27)												28
29		TOTAL (lines 23 and 28)	NONE								NONE			29
30		COMPANY SERVICE CARS Business cars [PV]	2							2	2	N/A		30
31		Board outfit cars [MWX]	7							7	7	N/A		31
32		Derrick and snow removal cars [MWU, MWV, MWW, MWK]	7						2	5	7	N/A		32
33		Dump and ballast cars [MWB, MWD]										N/A		33
34		Other maintenance and service equipment cars	109					2	41	66	107	N/A		34
35		TOTAL (lines 30 to 34)	125					2	43	80	123	N/A		35

Road Initials:

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THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (i). Units rented from others for a period less than one year should not be included in column (j).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars (b)	All others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
FREIGHT TRAIN CARS									
36		Plain box cars - 40' (B100-B287)	95						36
37		Plain box cars - 50' and longer (B300-B887)	2,226						37
38		Equipped box cars (All Code A)	877						38
39		Plain gondola cars (All Codes G & J-1, J-2, J-3, and J-4)	565		5				39
40		Equipped gondola cars (All Code E)	103					6	40
41		Covered hopper cars (All Code C - 1 -)	954						41
42		Open top hopper cars-general service (All Code H)	369						42
43		Open top hopper cars-special service (All Codes K, J-0 and C - 2 -)	746						43
44		Refrigerator cars-mechanical (R150-170, 250-270, 350-370, 450-470, 550-570, 650-670, 750-770 and 850-870)							44
45		Refrigerator cars-non-mechanical (R100-120, 200-220, 300-320, 400-420, 500-520, 600-620, 700-720 and 800-820)	16						45
46		Flat cars-TOFC/COFC (All Code P & Q)	2						46
47		Flat cars-multi-level (All Code V)							47
48		Flat cars-general service (F101-106, F201-206, F301-306)	129					9	48
49		Flat cars-other (F111-166, 211-266, 311-366, 411-466, 501-826)	240					45	49
50		Tank cars-under 22,000 gallons (T-0, T-1, T-2, T-3, T-4, T-5)	4						50
51		Tank cars-22,000 gallons and over (T-6, T-7, T-8, T-9)	47						51
52		All other freight cars (All Codes L & S and F171-176, 271-276, 371-376, 471-476)	577						52
53		TOTAL (lines 36 to 52)	6,950			5			60 53
54		Caboose (All Code N)	N/A		66				54
55		TOTAL (lines 53, 54)	6,950		66	5			60 55

710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased, including reclassification	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)	Leased to others	
					Time-mileage cars	All other			
		(h)	(i)	(j)	(k)	(l)	(m)	(n)	
36		15	64	16	80		4,375		36
37		67	1,111	1,048	2,159		189,630		37
38		25	682	170	852		78,835		38
39		17	447	106	553		57,785		39
40			109		109		10,104		40
41		289	654	11	665		66,343		41
42		43	131	195	326		27,484		42
43		2	723	21	744		63,874		43
44									44
45		1	13	2	15		955		45
46			2		2		125		46
47									47
48			138		138		7,280		48
49		4	223	58	281		28,038		49
50			4		4		308		50
51			47		47		4,010		51
52		60	273	244	517		51,365		52
53		523	4,621	1,871	6,492		590,511		53
54			19	47	N/A	66	N/A		54
55		523	4,640	1,918	6,492	66	590,511		55

710. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNTS, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem (b)	All others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
FLOATING EQUIPMENT									
56		Self-propelled vessels [Tugboats, car ferries, etc.]	N/A						56
57		Non-self-propelled vessels [Car floats, lighters, etc.]	N/A						57
58		TOTAL (lines 56 and 57)	N/A						58
HIGHWAY REVENUE EQUIPMENT									
59		Bogie-chassis z-1							59
60		Dry van u-2 & z-2	444					200	60
61		Flat bed u-3 & z-3	36						61
62		Open top u-4 & z-4							62
63		Mechanical refrigerator u-5 & z-5							63
64		Bulk u-0 & z-0							64
65		Insulated u-7 & z-7							65
66		Tank u-6 & z-6							66
67		Other trailer or container Incl. u-9 & z-9							67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	480					200	70

NOTES AND REMARKS

Re. d Initials:

Year 19 87

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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718. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED TO OTHERS									
Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased, including reclassification	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)	Leased to others	
					Per diem	All other			
		(h)	(i)	(j)	(k)	(l)	(m)	(n)	
56					N/A				56
57					N/A				57
58					N/A				58
59									59
60		101		543	543				60
61		20		16	16				61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70		121		559	559				70

NOTES AND REMARKS

710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

(Dollars in Thousands)

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.

6. All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)	Line No.
1						1
2	Purchase 5 Difco 50 Cubic					2
3						3
4	yard, 100 ton capacity Air Side					4
5						5
6	Dump Cars KCS 485 to 489 inclusive	5	198	322	P	6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	5	N/A	322	N/A	25

REBUILT UNITS

26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL		N/A		N/A	38
39	GRAND TOTAL	5	N/A	322	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 726

1. For purposes of these schedules, the track categories are defined as follows:

Track category¹

- A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers)
- B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers)
- C - Freight density of less than 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers)
- D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers)
- E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate).
- F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.

Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act.

- 2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).
- 3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
- 4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

720. TRACK AND TRAFFIC CONDITIONS

1. Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	651	22.11	37.27	56	1
2	B	770	12.46	37.22	41	2
3	C					3
4	D	333	41	24.32	2	4
5	E	632	XXXXXXX	XXXXX		5
6	TOTAL	2,386		34.80	99	6
7	F		XXXXXXX	XXXXX		7
8	Potential abandonments					8

*To determine average density, total track miles (route miles times number of tracks) rather than route miles shall be used.

721. TIES LAID IN REPLACEMENT

1. Furnish the requested information concerning ties laid in replacement.
2. In column (j), report the total board feet of switch and bridge ties laid in replacement.
3. The term "spot maintenance" in column (k) means repair to track components during routing inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement considered to be spot maintenance.
4. In No. 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Number of cross-ties laid in replacement												
Line No.	Track category (a)	New ties				Second-hand ties			Total (i)	Switch and bridge ties (board feet) (j)	Cross-ties switch and bridge ties Percent of spot maintenance (k)	Line No.
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)				
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)					
1	A	71,149		5					71,154	82,628	30%	1
2	B	127,852		9,152					137,004	113,161	30%	2
3	C											3
4	D	3,620		10					3,630	5,456	30%	4
5	E	28,046		56					28,102	432,108	30%	5
6	TOTAL	230,667		9,223					239,890	633,353	30%	6
7	F											7
8	Potential abandonments											8

9. Average cost per cross-tie \$ 18.23 and switch-tie (MBM) \$ 483.09

722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS
(Dollars in Thousands)

Give particulars of ties laid during the year in new construction during the year.

In column (a) classify the ties as follows:

U — Wooden ties untreated when applied.

T — Wooden ties treated before application.

S — Ties other than wooden (steel, concrete, etc.). Indicate type in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g) show the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yard. In the case of treated ties, also show the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

Line No.	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)	Line No.
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of cross-ties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)		
1	T	4,513	17.38	78					1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20	TOTAL	4,513	17.38	78					20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid <u>1.39</u>								21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid <u>None</u>								22

723. RAILS LAID IN REPLACEMENT

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement considered to be spot maintenance.
3. In No. 10, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No.	Track category (a)	Miles of rail laid in replacement (rail-miles)				Total		Percent of spot maintenance (h)	Line No.	
		New rail		Relay rail		Welded rail (f)	Bolted rail (g)			
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)					
1	A	180.06	.98	20.10	3.58	200.16	4.56	5%	1	
2	B	23.52	.10	43.24	4.62	66.76	4.72	17%	2	
3	C								3	
4	D			.74	.68	.74	.68	55%	4	
5	E	.30	.04	6.66	6.26	6.96	6.30	34%	5	
6	TOTAL	203.88	1.12	70.74	15.14	274.62	16.26	9%	6	
7	F								7	
8	Potential Abandonments								8	
9	Average cost of new and relay rail laid in replacement per gross ton \$ <u>415.07</u> . New \$ <u>176.15</u> relay.									9

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724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS
(Dollars in Thousands)

1. Give particulars of all rails applied during the year in connection with the construction of new track.

In column (a) classify the kind of rail applied as follows:

- (1) New steel rails, Bessemer process
- (2) New steel rails, open-hearth process
- (3) New rails, special alloy (describe more fully in a footnote)
- (4) Relay rails.

2. Returns in columns (c) and (g) should be reported in WHOLE numbers. Fractions of less than one-half should be disregarded, and fractions of one-half or more should be counted as one.

3. The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid (foreign lines), and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks and of train service in connection with the distribution of the rail should not be included in this schedule.

Line No.	Class of rail	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS				Line No.
		Weight of rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year	Average cost per ton (2,000 lb)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year	Average cost per ton (2,000 lb)	
		Pounds per yard of rail	Number of tons (2,000 lb)			Pounds per yard of rail	Number of tons (2,000 lb)			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	4	115	4		51.44					1
2	2	115	3	1	387.02					2
3	4	127	305	80	263.55					3
4	2	137	7	3	423.63					4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A	319	84	265.10	N/A				33
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid 1.43									34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid 0									35
36	Track-miles of welded rail installed on system this year ML 133.83; total to date ML 969 Yard 3.48 Yard 60									36

725. WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by the respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail," the various weights of rails should be given. Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No.
	<i>Pounds</i>				
1	152	13.51			1
2	136	396.59			2
3	133	5.37			3
4	132	.39			4
5	131	23.51			5
6	130	132.74			6
7	127	211.60		Gauge of track 4 ft. 8-1/2 inches	7
8	115	322.94			8
9	112	102.29			9
10	100	39.64			10
11	90	256.64			11
12	85	6.55			12
13	80	8.32			13
14	75	4.97			14
15	70	19.13			15
16	Total	1,544.19			16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48					48

726. SUMMARY OF TRACK REPLACEMENTS

1. Furnish the requested information concerning the summary of track replacements.
2. In columns (d), (e), (g), and (j) give the percentage of replacements to units of property in each track category at year end.

Line No.	Track category	Ties				Rail		Ballast	Track surfacing		Line No.
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles)	Percent replaced	Cubic yards of ballast placed	Miles surfaced	Percent surfaced	
		Crossties	Switch and bridge ties (board feet)	Crosstie	Switch and bridge ties (board feet)						
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)		
1	A	71,154	82,628	1.01	.46	204.72	8.53	496,472	1,728	72	1
2	B	137,004	113,161	1.96	.63	71.48	2.98	173,345	603	25	2
3	C										3
4	D	3,630	5,456	.05	.03	1.42	.05	3,386	12		4
5	E	28,102	432,108	.40	2.41	13.26	.55	32,313	112	5	5
6	TOTAL	239,890	633,353	3.42	3.53	290.88	12.11	705,516	2,455	102	6
7	F										7
8	Potential abandonments										8

750. CONSUMPTION OF DIESEL FUEL (Dollars in Thousands)

LOCOMOTIVES			
Line No.	Kind of locomotive service (a)	Diesel	Line No.
		Diesel oil (gallons) (b)	
1	Freight	32,700,828	1
2	Passenger	-0-	2
3	Yard switching	2,157,837	3
4	TOTAL	34,858,665	4
5	COST OF FUEL' \$(000)	\$ 17,183	5
6	Work Train		6

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and Through Train data under Items 2, 3, 4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar records. Unit train service is a specialized scheduled shuttle type service in equipment (Railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way Trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through Trains are those trains operated between two or more major concentration or distribution points. Do not include Unit Train statistics in Way and Through Train statistics. A Work Train is a train operated solely or preponderantly for the purpose of transporting company freight, work equipment or company employees. Statistics for Work Trains should be reported under Item 11 only. Statistics related to company equipment, company employees and company freight moving in transportation trains are not to be reported in Item 11, but are to be reported in Items 4-17, 6-04, 7-02, and 8-04 and 8-05 as instructed in notes, I, K, and L.

(A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings.

(B) A train-mile is the movement of a train a distance of 1 mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions considered as 1 mile. Train Miles—Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.

(C) A motorcar is a self-propelled unit of equipment designed to carry freight or passenger traffic, and is not considered a locomotive.

(D) A locomotive is self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of 1 mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.

(E) All locomotives unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instructions (B) regarding fractions and official time tables for computing locomotive-miles.

(F) Train switching locomotive-miles shall be computed at the rate of 6 miles per hour for the time actually engaged in such service. Include miles allowed train locomotives for performing switching service at terminals and way stations.

(G) Yard switching locomotive-miles shall be computed at the rate of 6 miles per hour for the time actually engaged in yard switching service. Include miles allowed to yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.

(H) Use car designations shown in Schedule 710. Under Railroad Owned and Leased cars, Items 4-01 and 4-11, report both foreign cars and respondents' own cars while on the line of the respondent railroad. In Items 4-13 and 4-15 report the private-line categories, miles for private-line cars (whether or not under railroad control) and shipper-owned cars. A car-mile is a movement of a unit of car equipment a distance of 1 mile. Report miles made by flatcars carrying loaded highway trailers or empty highway trailers moving under revenue billings as loaded freight car-miles and miles made by flatcars carrying other empty highway trailers as empty freight car-miles. Exclude miles made by motorcars and report miles made by business cars of other than reporting carrier as sleeping car-miles in Item 5-03. Report mail, express baggage cars and combination cars other than 5-02 combination cars, in Item 5-05.

(I) Exclude from Item 4-01, 4-11, 4-13, and 4-15 car-miles of work equipment, cars carrying company freight and no-payment cars moving in transportation trains. Include such car-miles in Item 4-17, 4-18, and 4-19. No payment car-miles are miles made by private-line cars (other than railroad controlled) and shipper-owned cars for which the railroad does not reimburse the owner on a loaded and/or empty mile basis. If the payment for the loaded miles includes the empty miles, the loaded and empty miles should not be considered no-payment car miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where services are combined such as baggage, express and mail.

(K) From conductors' or dispatchers' train reports or other appropriate source, compute weight in tons (2,000 pounds. Item 6-01 includes weight of all locomotive units moved 1 mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Non-revenue gross ton-miles in transportation trains include work equipment and cars carrying company freight (and their contents). Use 150 lbs. as the average weight per passenger, and 4 tons as the average weight of contents of each head-end car.

(L) From conductors' train reports or other appropriate source, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and non-revenue freight moved one mile in transportation train. Include net ton-miles in motorcar trains. Exclude local shipment of freight handled in mixed baggage express cars. Total Ton-Miles Revenue Freight should correspond to the Ton-Miles reported on Form CBS.

(M) Road service represents elapsed time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at the final terminals, including trains switching at way stations and delays on road as shown by conductors' or dispatchers' train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02 train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755—Concluded

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including terminal switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway Commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made, wrecking trains; trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in a through train, and (3) in a way train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondents lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicle (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroads' expense. (Performed at railroads' expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service). Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier etc. when a tariff provision requires the shipper-motor carrier etc. and not the railroad to perform that service. Note: The count should reflect the trailer/containers for which expenses is reported in Schedule 417 Line 2 Column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign per diem cars on line at end of year. Foreign Per Diem Cars refers to freight cars other than cabooses owned by other railroads, whose interline rental is settled on a per diem basis under the code of per diem rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yard (excluding cars which are to be repaired in train yard without loss of time), car moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition available for loading at the initial count on the last day of the year, but which have not been placed for loading within 48 hours. A record shall be made of all such cars on hand at 12:01 a.m. of the day following the last day of each year and a count of the same cars made 48 hours later to ascertain those still not placed for loading. The count of surplus cars shall include cars assembled in advance to meet loading requirements of more than one day; cars which have not been moved because of infrequent train service as on branch lines; cars set aside or stored for special or future loading, such as perishables, grain, autos, rough freight, etc.; and cars stored because of seasonal decline in traffic, such as coal cars, ore cars, etc. The count of surplus cars shall not include cars out of service in connection with repairs, cars actually moving en route to owners, cars moving on car service order, or cars in transit to loading points on holding road or to another road. The phrase "placed for loading" refers to (1) physical switching of a car into position for loading, (2) physical switching of a car into possession of a shipper who will subsequently move it to loading position, and (3) physical switching onto tracks at a freight house, pier, etc., for the purpose of being loaded.

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	1,665		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,101,671	XXXXXX	2
3		2-02 Way Trains	430,582	XXXXXX	3
4		2-03 Through Trains	2,286,271		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	3,818,524		5
6		2-05 Motorcars (C)	--		6
7		2-06 TOTAL, ALL TRAINS (lines 5, 6)	3,818,524		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	4,732,922	XXXXXX	8
9		3-02 Way Trains	982,766	XXXXXX	9
10		3-03 Through Trains	7,732,616		10
11		3-04 TOTAL (lines 8-10)	13,448,304		11
12		3-11 Train Switching (F)	560,602	XXXXXX	12
13		3-21 Yard Switching (G)	1,511,154		13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	15,520,060		14
		4. Freight Car-Miles (thousands) (H)	XXXXXX	XXXXXX	
		4-01 RR Owned and Leased Cars - Loaded	XXXXXX	XXXXXX	
15		4-010 Box-Plain 40-Foot	61	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	11,574	XXXXXX	16
17		4-012 Box-Equipped	6,606	XXXXXX	17
18		4-013 Gondola-Plain	3,481	XXXXXX	18
19		4-014 Gondola-Equipped	1,030	XXXXXX	19
20		4-015 Hopper-Covered	9,892	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	3,670	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	2,361	XXXXXX	22
23		4-018 Refrigerator-Mechanical	280	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	429	XXXXXX	24
25		4-020 Flat-TOP/COPC	3,236	XXXXXX	25
26		4-021 Flat-Multi-Level	119	XXXXXX	26
27		4-022 Flat-General Service	124	XXXXXX	27
28		4-023 Flat-All Other	1,268	XXXXXX	28
29		4-024 All Other Car Types-Total	869	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	45,000	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot	34	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	9,744	XXXXXX	32
33		4-112 Box-Equipped	5,699	XXXXXX	33
34		4-113 Gondola-Plain	3,073	XXXXXX	34
35		4-114 Gondola-Equipped	993	XXXXXX	35
36		4-115 Hopper-Covered	10,251	XX>XXX	36
37		4-116 Hopper-Open Top-General Service	3,725	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	2,421	XXXXXX	38
39		4-118 Refrigerator-Mechanical	103	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	312	XXXXXX	40
41		4-120 Flat-TOFC/COFC	764	XXXXXX	41
42		4-121 Flat-Multi-Level	84	XXXXXX	42
43		4-123 Flat-General Service	146	XXXXXX	43
44		4-123 Flat-All Other	1,274	XXXXXX	44
45		4-124 All Other Car Types	987	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	39,610	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot	--	XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	602	XXXXXX	48
49		4-132 Box-Equipped	--	XXXXXX	49
50		4-133 Gondola-Plain	549	XXXXXX	50
51		4-134 Gondola-Equipped	1	XXXXXX	51
52		4-135 Hopper-Covered	9,610	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	286	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	55	XXXXXX	54
55		4-138 Refrigerator-Mechanical	--	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	168	XXXXXX	56
57		4-140 Flat-TOFC/COFC	17,839	XXXXXX	57
58		4-141 Flat-Multi-Level	603	XXXXXX	58
59		4-142 Flat-General Service	9	XXXXXX	59
60		4-143 Flat-All Other	1,044	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	7,663	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	11,655	XXXXXX	62
63		4-146 All Other Car Types	136	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	50,220	XXXXXX	64

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755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-15 Private Line Cars-Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot	--	XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	238	XXXXXX	66
67		4-152 Box-Equipped	--	XXXXXX	67
68		4-153 Gondola-Plain	726	XXXXXX	68
69		4-154 Gondola-Equipped	1	XXXXXX	69
70		4-155 Hopper-Covered	9,879	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	269	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	63	XXXXXX	72
73		4-158 Refrigerator-Mechanical	--	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	162	XXXXXX	74
75		4-160 Flat-TOFC/COFC	3,566	XXXXXX	75
76		4-161 Flat-Multi-Level	442	XXXXXX	76
77		4-162 Flat-General Service	5	XXXXXX	77
78		4-163 Flat-All Other	867	XXXXXX	78
79		4-164 Tank-Under 22,000 Gallons	7,854	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	11,874	XXXXXX	80
81		4-166 All Other Car Types	181	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	36,127	XXXXXX	82
83		4-17 Work Equipment and Components Freight Car-Miles	629	XXXXXX	83
84		4-18 No Payment Car-Miles (D) ¹	104,270	XXXXXX	84
		4-19 Total Car-Miles by Train Type	XXXXXX	XXXXXX	
85		4-191 Unit Trains	104,270	XXXXXX	85
86		4-192 Way Trains	11,186	XXXXXX	86
87		4-193 Through Trains	160,400	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	275,856	XXXXXX	88
89		4-20 Caboose Miles	1,180	XXXXXX	89

¹Total number of loaded miles _____ and empty miles _____ by roadrailer reported above.

755. RAILROAD OPERATING STATISTICS - Concluded

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	2,319,546		98
		6-02 Freight Trains, Crs., Cnts., and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	8,394,979	XXXXXX	99
100		6-021 Way Trains	769,686	XXXXXX	100
101		6-022 Through Trains	11,610,604	XXXXXX	101
102		6-03 Passenger-Trains, Crs., and Cnts.	--		102
103		6-04 Non-Revenue	333,140	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	23,427,955		104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	35,043	XXXXXX	105
106		7-02 Non-Revenue	1,197	XXXXXX	106
107		7-03 TOTAL (lines 105, 106)	36,240	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	11,551,454	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service	--	XXXXXX	109
110		8-03 TOTAL (lines 108, 109)	11,551,454	XXXXXX	110
111		8-04 Non-Revenue-Road Service	231,382	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service	--	XXXXXX	112
113		8-06 TOTAL (lines 111, 112)	231,382	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110, 113)	11,782,836	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	197,374	XXXXXX	115
116		9-02 Train Switching	33,137	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	202,929	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	36,432	XXXXXX	118
119		11-02 Motorcars	--	XXXXXX	119
		12. Number of Loaded Freight Carr (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	207,961	XXXXXX	120
121		12-02 Way Trains	173,374	XXXXXX	121
122		12-03 Through Trains	350,080	XXXXXX	122
123		13. TOPC/COPC-No. of Rev. Trailers and Containers Loaded and Unloaded (Q)	106,222	XXXXXX	123
124		14. Multi-Level Cars-No. of Motor Vehicles Loaded and Unloaded (Q)	12,434	XXXXXX	124
125		15. TOPC/COPC-No. of Rev. Trailers Picked Up and Delivered (R)	46,640	XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)	XXXXXX	XXXXXX	
126		16-01 Marine Terminals-Coal	--	XXXXXX	126
127		16-02 Marine Terminals-Ore	--	XXXXXX	127
128		16-03 Marine Terminals-Other	--	XXXXXX	128
129		16-04 TOTAL (lines 126-128)	--	XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)	XXXXXX	XXXXXX	
130		17-01 Serviceable	2,418	XXXXXX	130
131		17-02 Unserviceable	7	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	2,425	XXXXXX	133

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of MISSOURI

County of JACKSON

R. L. Brown II makes oath and says that he is Vice President & Comptroller
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of THE KANSAS CITY SOUTHERN RAILWAY COMPANY
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 19 87 to and including December 31, 19 87

Robert L. Brown II
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 25th day of March, 19 88

My commission expires _____

Use an
L.S.
impression seal

James J. Bertchle Jr.
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

Notary Public - State of Missouri
Commissioned in Jackson County

State of MISSOURI

County of JACKSON

D. L. Graf makes oath and says that he is Senior Vice President-Finance
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of THE KANSAS CITY SOUTHERN RAILWAY COMPANY
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including

January 1, 19 87 to and including December 31, 19 87

James J. Bertchle Jr.
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 25th day of March, 19 88

My commission expires _____

Use an
L.S.
impression seal

James J. Bertchle Jr.
(Signature of officer authorized to administer oaths)

JAMES J. BERTCHLE, JR.
Notary Public - State of Missouri
Commissioned in Jackson County
My Commission Expires September 21, 1988

MEMORANDA
(FOR USE OF COMMISSION ONLY)
CORRESPONDENCE

[illegible]

CORRECTIONS

[illegible]

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THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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NOTES AND REMARKS

SUPPLEMENTARY SCHEDULES FOR ACCOUNT OF
THE KANSAS CITY SOUTHERN RAILWAY COMPANY
LOUISIANA & ARKANSAS RAILWAY COMPANY
THE ARKANSAS WESTERN RAILWAY COMPANY
FORT SMITH AND VAN BUREN RAILWAY COMPANY
CARLAND, INC.

Road Initials:

Year 19 87

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	3,284	(2,300)	1
2		702	Temporary Cash Investments	47,121	44,698	2
3		703	Special Deposits	11	6	3
Accounts Receivable						
4		704	- Loan and Notes	156	159	4
5		705	- Interline and Other Balances	1,309	1,536	5
6		706	- Customers	11,390	9,629	6
7		707	- Other	2,639	2,237	7
8		709, 708	- Accrued Accounts Receivables	8,179	12,291	8
9		708.5	- Receivables from Affiliated Companies	75	75	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(310)	(568)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	1,513	1,594	11
12		712	Materials and Supplies	17,808	21,458	12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	93,175	90,815	14
Other Assets						
15		715, 716, 717	Special Funds	260	260	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	15,331	15,397	16
17		722, 723	Other Investments and Advances	11	82	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$ 145	919	916	19
20		739, 741	Other Assets	100	114	20
21		743	Other Deferred Debits	6,962	2,442	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	23,583	19,211	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	316,708	295,963	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	150,838	150,804	25
26		731, 732	Unallocated Items	22,773	25,886	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(197,754)	(191,454)	27
28			Net Road and Equipment	292,565	281,199	28
29	*		TOTAL ASSETS	409,323	391,225	29

NOTES AND REMARKS

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

Road Initials:

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable; Interline and Other Balances	1,012	744	31
32		753	Audited Accounts and Wages	(42,951)	(26,867)	32
33		754	Other Accounts Payable	1,565	1,914	33
34		755, 756	Interest and Dividends Payable	791	900	34
35		757	Payables to Affiliated Companies	200	200	35
36		759	Accrued Accounts Payable	38,861	37,216	36
37		760, 761, 761.5, 762	Taxes Accrued	11,968	2,864	37
38		763	Other Current Liabilities	59	59	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	6,532	7,608	39
40			TOTAL CURRENT LIABILITIES	18,037	24,638	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured			41
42		766	Equipment Obligations	28,485	33,363	42
43		766.5	Capitalized Lease Obligations	12,119	12,428	43
44		768	Debt in Default			44
45		769	Accounts payable: Affiliated Companies	1,132	1,132	45
46		770.1, 770.2	Unamortized Debt Premium			46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	82,331	83,071	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	7,425	6,153	50
51			TOTAL NONCURRENT LIABILITIES	131,492	136,147	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53&54)			52
53			Common Stock	36,504	36,504	53
54			Preferred Stock	21,000	21,000	54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	338	338	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	203,765	174,728	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(1,813)	(2,130)	60
61			Net Stockholders Equity	259,794	230,440	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	409,323	391,225	62

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210

Line 15, column (b)
Line 47 plus 48 plus 49, column (b)
Line 50, column (b)

Line 14, column (b)
Line 14, column (d)
Line 14, column (e)
Line 49, column (b)

Schedule 210

= Line 62, column (b)
= Line 63, column (b)
= Line 64, column (b)

Schedule 410

= Line 620, column (h)
= Line 620, column (f)
= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	186,297	182,586			1
2		(102) Passenger			SAME		2
3		(103) Passenger-Related					3
4		(104) Switching	6,684	5,494	AS		4
5		(105) Water Transfers					5
6		(106) Demurrage	1,449	1,234	COLUMN		6
7		(110) Incidental	697	577			7
8		(121) Joint Facility-Credit			"B"		8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	195,127	189,891			10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	195,127	189,891			13
14	*	(531) Railway operating expenses	155,373	194,054			14
15	*	Net revenue from railway operations	39,754	(4,163)			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	17	47			16
17		(510) Miscellaneous rent income	541	539			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)	17,338	21,665			19
20		(514) Interest Income	3,181	2,866			20
21		(516) Income from sinking and other funds	16	20			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	415	354			24
25		Income from affiliated companies: 519					25
		a. Dividends (equity method)					
26		b. Equity in undistributed earnings (losses)	148	(38)			26
27		TOTAL OTHER INCOME (lines 16-26)	21,656	25,453			27
28		TOTAL INCOME (lines 15, 27)	61,410	21,290			27
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	286	253			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	471	326			34
35		(553) Uncollectible accounts	120	328			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	877	907			36
37		Income available for fixed charges (lines 28, 36)	60,533	20,383			37

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THE KANSAS CITY SOUTHERN RAILWAY COMPANY

210. RESULTS OF OPERATIONS-Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	5,766	6,244	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	(706)	769	40
41		(548) Amortization of discount on funded debt	29	27	41
42		TOTAL FIXED CHARGES (lines 38-41)	5,089	7,040	42
43		Income after fixed charges (lines 37, 42)	55,444	13,343	43
		OTHER DEDUCTIONS			
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	55,444	13,343	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	15,568	4,614	47
48	*	(b) State income taxes	1,504	1,065	48
49	*	(c) Other income taxes	34	37	49
50	*	(557) Provision for deferred taxes	(741)	(12,105)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	16,365	(6,389)	51
52	*	Income from continuing operations (lines 46-51)	39,079	19,732	52
		DISCONTINUED OPERATIONS			
53		(561) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	39,079	19,732	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	39,079	19,732	61
		Reconciliation of net railway operating income (NROI)			
62	*	Net revenues from railway operations			62
63	*	(556) Income taxes on ordinary income (-)			63
64	*	(557) Provision for deferred income taxes (-)			64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)			67

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226. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ 173,782	\$ 946	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income	38,931	148	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	38,931	148	6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings	316		8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	8,928		11
12		Preferred stock ¹	798		12
13		TOTAL	10,042		13
14		Net increase (decrease) during year (Line 6 minus line 13)	28,889	148	14
15	*	Balances at close of year (Lines 1, 2 and 14)	202,671	1,094	15
16	*	Balances from line 15(c)	1,094	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year (796)	203,765	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
22		Amount of assigned Federal income tax consequences: Account 606 \$ _____			22
23		Account 616 \$ _____			23

¹ If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds"; 716, "Capital Funds"; 721, "Investments and Advances Affiliated Companies"; and 717, "Other Funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 18, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19____ to 19____." Abbreviations in common use in standard financial publications may

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1						1
2	717	C-3	VI	Barclay's Bank Nassau, Bahamas - Insurance		2
3						3
4						4
5	721			Investment in Affiliated Companies		5
6						6
7		A-1	VII	The Arkansas Western Railway Co.	100%	7
8				Joplin Union Depot Co.	33 1/3%	8
9				Kansas City Terminal Railway Co.	8 1/3%	9
10				Louisiana & Arkansas Railway Co.		10
11				Common Stock	100%	11
12				Preferred Stock	100%	12
13				Prior Preferred Stock	100%	13
14						14
15				Fort Smith and Van Buren Railway Co.	100%	15
16				Trailer Train Co.	3%	16
17						17
18				Total Class A		18
19						19
20				Advances		20
21						21
22		A-1	VII	Trailer Train Co.		22
23				1-1-67 due 4-17-97	3%	23
24				1-1-67 due 1-01-99	3%	24
25						25
26				Total Notes		26
27						27
28		E-1	VII	Joplin Union Depot Co.-Reserve for adjustment	33 1/3%	28
29				Fort Smith and Van Buren Railway Co.	100%	29
30				Kansas City Terminal Railway Co.	8 1/3%	30
31				Joplin Union Depot Co.	33 1/3%	31
32				Kansas City Southern Transport Co., Inc.	100%	32
33						33
34				Total Advances		34
35						35
36				Total Account 721		36
37						37
38						38
39						39
40						40

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THE KANSAS CITY SOUTHERN RAILWAY COMPANY

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued
(Dollars in Thousands)

be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income (l)	Line No.
	Opening balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1								1
2	260			260			16	2
3								3
4								4
5								5
6								6
7	828			828				7
8	10			10				8
9	183			183				9
10								10
11	4,072			4,072			17,038	11
12	2,000			2,000			120	12
13	2,715			2,715			180	13
14								14
15	142			142				15
16	99			99				16
17								17
18	10,049			10,049			17,338	18
19								19
20								20
21								21
22								22
23	77			77			5	23
24	77			77			6	24
25								25
26	154			154			11	26
27								27
28	(40)			(40)				28
29	27			27				29
30	3,499		215	3,284				30
31	168			168				31
32	595			595				32
33								33
34	4,249		215	4,034				34
35								35
36	14,452		215	14,237			17,349	36
37								37
38								38
39								39
40								40

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

Road Initials:

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330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
 (Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	4,327			1
2		(3) Grading	22,580			2
3		(4) Other right-of-way expenditures	553			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	14,159			5
6		(7) Elevated structures				6
7		(8) Ties	70,643			7
8		(9) Rail and other track material	101,369			8
9		(11) Ballast	24,404			9
10		(13) Fences, snowsheds, and signs	432			10
11		(16) Station and office buildings	7,858			11
12		(17) Roadway buildings	418			12
13		(18) Water stations	57			13
14		(19) Fuel stations	1,983			14
15		(20) Shops and enginehouses	20,448			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals	2,225			19
20		(26) Communication systems	2,227			20
21		(27) Signals and interlockers	14,250			21
22		(29) Power plants	3			22
23		(31) Power-transmission systems	355			23
24		(35) Miscellaneous structures	185			24
25		(37) Roadway machines	586			25
26		(39) Public improvements - Construction	2,367			26
27		(44) Shop machinery	2,467			27
28		(45) Power-plant machinery	145			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	294,041			30
31		(52) Locomotives	50,075			31
32		(53) Freight-train cars	99,843			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	869			36
37		(58) Miscellaneous equipment	17			37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT	150,804			39
40		(76) Interest during construction	1,922			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	25,886			42
43		GRAND TOTAL	472,653			43

Road Initials:

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THE KANSAS CITY SOUTHERN RAILWAY COMPANY

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT — Continued
(Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		(13)	21	(34)	4,293	1
2		88	35	53	22,633	2
3		33		33	586	3
4						4
5		802	113	689	14,848	5
6						6
7		2,173	1,079	1,094	71,737	7
8		25,402	11,522	13,880	115,249	8
9		3,466	877	2,589	26,993	9
10			3	(3)	429	10
11		349	23	326	8,184	11
12		68	4	64	482	12
13					57	13
14		7		70	2,053	14
15		960	2	958	21,406	15
16						16
17						17
18						18
19		18		18	2,243	19
20		493		493	2,720	20
21		36	4	32	14,282	21
22					3	22
23					355	23
24					185	24
25		32	1	31	617	25
26		283	16	267	2,634	26
27		262	73	189	2,656	27
28					145	28
29						29
30		34,522	13,773	20,749	314,790	30
31		111		111	50,186	31
32		1,351	1,871	(520)	99,323	32
33						33
34						34
35						35
36		32	66	(34)	835	36
37					17	37
38		477		477	477	38
39		1,971	1,937	34	150,838	39
40			4	(4)	1,918	40
41						41
42		(3,113)		(3,113)	22,773	42
43		33,380	15,714	17,666	490,319	43

332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	22,580	22,634	.98				
2	(4) Other, right-of-way expenditures	554	586	2.00				2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	14,159	14,848	1.09				4
5	(7) Elevated structures							5
6	(8) Ties	70,643	71,744	4.74				6
7	(9) Rail and other track material	101,369	115,069	3.93				7
8	(11) Ballast	24,404	26,589	8.42				8
9	(13) Fences, snow sheds, and signs	432	429	1.94				9
10	(16) Station and office buildings	7,840	7,724	1.88				10
11	(17) Roadway buildings	418	420	2.85				11
12	(18) Water stations	57	57	--				12
13	(19) Fuel stations	1,983	2,053	2.75				13
14	(20) Shops and enginehouses	20,448	21,266	2.12				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COPC terminals	2,225	2,243	1.95				18
19	(26) Communication systems	2,227	2,720	4.40				19
20	(27) Signals and interlockers	14,250	14,285	2.39				20
21	(29) Power plants	3	3	2.00				21
22	(31) Power-transmission systems	355	354	1.80				22
23	(35) Miscellaneous structures	185	185	2.86				23
24	(37) Roadway machines	585	616	3.16				24
25	(39) Public improvements—Construction	2,367	2,634	2.07				25
26	(44) Shop machinery	2,467	2,655	2.80				26
27	(45) Power-plant machinery	145	145	2.80				27
28	All other road accounts							28
29	Amortization (other than defense projects)							29
30	TOTAL ROAD	289,696	309,259	3.85				30
	EQUIPMENT							
31	(52) Locomotives	48,952	49,063	2.95				31
32	(53) Freight-train cars	75,386	73,832	3.02				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	869	804	--				36
37	(58) Miscellaneous equipment	15	15	--				37
38	(59) Computer systems and word processing equipment							38
39	TOTAL EQUIPMENT	125,222	123,714	3.01				39
40	GRAND TOTAL	414,918	432,973	NA			NA	40

Road Initials:

Year 19 87

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading	8,937	223		35		9,125	1
2		(4) Other, right-of-way expenditures	163	11				174	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	4,865	160		111		4,914	4
5		(7) Elevated structures							5
6		(8) Ties	24,974	3,382		1,171		27,185	6
7		(9) Rail and other track material	28,947	4,237		5,760		27,424	7
8		(11) Ballast	12,336	2,086		877		13,545	8
9		(13) Fences, snow sheds, and signs	255	8		3		260	9
10		(16) Station and office buildings	2,706	149		23		2,832	10
11		(17) Roadway buildings	238	12		4		246	11
12		(18) Water stations	58					58	12
13		(19) Fuel stations	624	56				680	13
14		(20) Shops and enginehouses	5,092	449		1		5,540	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	1,403	44				1,447	18
19		(26) Communication systems	1,129	114				1,243	19
20		(27) Signals and interlockers	3,442	342		4		3,780	20
21		(29) Power plants	3					3	21
22		(31) Power-transmission systems	188	7				195	22
23		(35) Miscellaneous structures	101	5				106	23
24		(37) Roadway machines	435	19		1		453	24
25		(39) Public improvements—Construction	1,428	54		16		1,466	25
26		(44) Shop machinery*	1,297	75		63		1,309	26
27		(45) Power-plant machinery	129	4				133	27
28		All other road accounts							28
29		Amortization (Adjustments)	(552)	42				(510)	29
30		TOTAL ROAD	98,198	11,479		8,069		101,608	30
EQUIPMENT									
31	*	(52) Locomotives	22,525	1,520		(65)		24,110	31
32	*	(53) Freight-train cars	68,500	2,952		1,547		69,905	32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment	857			63		794	36
37	*	(58) Miscellaneous equipment	14					14	37
38		(59) Computer systems and word processing equipment		31				31	38
39	*	Amortization Adjustments	839	(119)				720	39
40		TOTAL EQUIPMENT	92,735	4,384		1,545		95,574	40
41		GRAND TOTAL	190,933	15,863		9,614		197,182	41

*To be reported with equipment expenses rather than W&S expenses.

Road Initials:

Year 19 87

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

340. DEPRECIATION BASE AND RATES—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
 (Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any charges in rates were effective during the year, give full particulars in a footnote.

2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading			9	1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings	18	18	--	10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery*				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD	18	18		30
	EQUIPMENT				
31	(52) Locomotives				31
32	(53) Freight-train cars	95	95	54.55	32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment		32	--	36
37	(58) Miscellaneous equipment	2	2	--	37
38	(59) Computer systems and word processing equipment				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	97	129		40
41	GRAND TOTAL	115	147		41

*To be reported with equipment expense rather than W&S expenses.

342. ACCUMULATED DEPRECIATION—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation—Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 35. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained on page 35.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Details in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	List No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings	18					18	10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/UOFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD	18					18	29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight-train cars	43	52				95	31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems and word processing equipment							37
38		TOTAL EQUIPMENT	43	52				95	38
39		GRAND TOTAL	61	52				113	39

*To be reported with equipment expense rather than W&S expenses.

Road Initials:

Year 19 87

LOUISIANA & ARKANSAS RAILWAY COMPANY

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

(Dollars in Thousands)

Line No.	Cross Check	Account	Title	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	(810)	(696)	1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
			Accounts Receivable			
4		704	- Loan and Notes	178		4
5		705	- Interline and Other Balances	411	437	5
6		706	- Customers	9,999	6,928	6
7		707	- Other	579	686	7
8		709, 708	- Accrued Accounts Receivables	8,616	6,446	8
9		708.5	- Receivables from Affiliated Companies		12	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(284)	(227)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	654	833	11
12		712	Materials and Supplies			12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	19,343	14,419	14
Other Assets						
15		715, 716, 717	Special Funds		236	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	281	979	16
17		722, 723	Other Investments and Advances	2	17	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$ 46)	952	955	19
20		739, 741	Other Assets	95	95	20
21		743	Other Deferred Debits	934	1,175	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	2,264	3,457	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	128,295	124,237	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	68,212	68,173	25
26		731, 732	Unallocated Items	9,005	7,099	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(104,023)	(97,891)	27
28			Net Road and Equipment	101,489	101,618	28
29	*		TOTAL ASSETS	123,096	119,494	29

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30	751		Loans and Notes Payable			30
31	752		Accounts Payable: Interline and Other Balances	366	429	31
32	753		Audited Accounts and Wages	50,081	34,711	32
33	754		Other Accounts Payabl	(7)	2	33
34	755, 756		Interest and Dividends Payable	763	832	34
35	757		Payables to Affiliated Companies	75	75	35
36	759		Accrued Accounts Payable	21,228	19,001	36
37	760, 761, 761.5, 762		Taxes Accrued	562	1,572	37
38	763		Other Current Liabilities	13	13	38
39	764		Equipment Obligations and Other Long-Term Debt due Within One Year	4,187	4,030	39
40			TOTAL CURRENT LIABILITIES	77,268	60,665	40
Non-Current Liabilities						
41	765, 767		Funded Debt Unmatured			41
42	766		Equipment Obligations	20,771	24,769	42
43	766.5		Capitalized Lease Obligations	1,723	2,149	43
44	768		Debt in Default			44
45	769		Accounts payable: Affiliated Companies			45
46	770.1, 770.2		Unamortized Debt Premium			46
47	781		Interest in Default			47
48	783		Deferred Revenues-Transfers from Government Authorities			48
49	786		Accumulated Deferred Income Tax Credits	21,409	22,594	49
50	771, 772, 774, 775, 782, 784		Other Long-Term Liabilities and Deferred Credits	4,064	2,455	50
51			TOTAL NONCURRENT LIABILITIES	47,967	51,967	51
Shareholders' Equity						
52	791, 792		Total Capital Stock: (Schedule 230) (L 53&54)			52
53			Common Stock	4,000	4,000	53
54			Preferred Stock	5,000	5,000	54
55			Discount on Capital Stock			55
56	794, 795		Additional Capital (Schedule 230)	1,082	1,082	56
Retained Earnings:						
57	797		Appropriated			57
58	798		Unappropriated (Schedule 220)	(12,221)	(3,220)	58
59	798.1		Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60	798.5		Less Treasury Stock			60
61			Net Stockholders Equity	(2,139)	6,862	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	123,096	119,494	62

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210
 Line 15, column (b)
 Line 47 plus 48 plus 49, column (b)
 Line 50, column (b)

Schedule 210
 = Line 62, column (b)
 = Line 63, column (b)
 = Line 64, column (b)

Schedule 410
 = Line 620, column (h)
 = Line 620, column (f)
 = Line 620, column (g)

Line 14, column (b)
 Line 14, column (d)
 Line 14, column (e)
 Line 49, column (b)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	103,729	103,011	SAME		1
2		(102) Passenger					2
3		(103) Passenger-Related			AS		3
4		(104) Switching	5,391	5,973			4
5		(105) Water Transfers			COLUMN		5
6		(106) Demurrage	658	405			6
7		(110) Incidental	169	108	"B"		7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	109,947	109,497			10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	109,947	109,497			13
14	*	(531) Railway operating expenses	93,490	110,207			14
15	*	Net revenue from railway operations	16,457	(710)			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	4	4			16
17		(510) Miscellaneous rent income	361	374			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)	36	48			19
20		(514) Interest Income	27	2			20
21		(516) Income from sinking and other funds	6	17			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	188	222			24
25		Income from affiliated companies: 519 a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	340	13			26
27		TOTAL OTHER INCOME (lines 16-26)	962	680			27
28		TOTAL INCOME (lines 15, 27)	17,419	(30)			27
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	4	6			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	7	(37)			34
35		(553) Uncollectible accounts	120	248			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	131	217			36
37		Income available for fixed charges (lines 28, 36)	17,288	(247)			37

Road Initials: Year 19 87

LOUISIANA & ARKANSAS RAILWAY

210. RESULTS OF OPERATIONS-Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on funded debt:			38
		(a) Fixed interest not in default	2,677	3,066	
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	(21)	27	40
41		(548) Amortization of discount on funded debt	18	18	41
42		TOTAL FIXED CHARGES (lines 38-41)	2,674	3,111	42
43		Income after fixed charges (lines 37, 42)	14,614	(3,358)	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			44
		(c) Contingent interest			
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	14,614	(3,358)	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			47
		(a) Federal income taxes	6,869	5,886	
48	*	(b) State income taxes	593	582	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	(1,185)	(8,077)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	6,277	(1,609)	51
52	*	Income from continuing operations (lines 46-51)	8,337	(1,749)	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	8,337	(1,749)	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	8,337	(1,749)	61
Reconciliation of net railway operating income (NROI)					
62	*	Net revenues from railway operations			62
63	*	(556) Income taxes on ordinary income (-)			63
64	*	(557) Provision for deferred income taxes (-)			64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)			67

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220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 - column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ (2,338)	\$ (882)	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income	7,997	340	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	7,997	340	6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	17,038		11
12		Preferred stock ¹	300		12
13		TOTAL	17,338		13
14		Net increase (decrease) during year (Line 6 minus line 13)	(9,341)	340	14
15	*	Balances at close of year (Lines 1, 2 and 14)	(11,679)	(542)	15
16	*	Balances from line 15(c)	(542)	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(12,221)	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
22		Amount of assigned Federal income tax consequences: Account 606 \$ _____			22
23		Account 616 \$ _____			23

¹If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds"; 716, "Capital Funds"; 721, "Investments and Advances Affiliated Companies"; and 717, "Other Funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 18, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation is support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19____ to 19____." Abbreviations in common use in standard financial publications may

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1						1
2						2
3	716	B-3	IX	Chemical Bank - Deposit for destroyed equipment		3
4						4
5						5
6	721			Investment in affiliated companies		6
7						7
8				Capital Stock		8
9						9
10		A-1	VII	Louisiana Arkansas & Texas Transportation Co.	100%	10
11				Landa Motor Lines	100%	11
12						12
13				Total Class A		13
14						14
15		A-3	X	Kansas City Southern Industries Inc.		15
16				Preferred Stock 4% non-cumulative		16
17						17
18				Total Capital Stock		18
19						19
20						20
21				Investment Advances		21
22						22
23		E-1	VII	Landa Motor Lines	100%	23
24				Louisiana Arkansas & Texas Transportation Co.	100%	24
25						25
26				Total Investment Advances		26
27						27
28				Total Account 721		28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

Road Initials:

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LOUISIANA & ARKANSAS RAILWAY COMPANY

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued
 (Dollars in Thousands)

be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income (l)	Line No.
	Opening balance	Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)		
1								1
2								2
3	236		236	--			6	3
4								4
5								5
6								6
7								7
8								8
9								9
10	10			10				10
11	20			20				11
12								12
13	30			30				13
14								14
15								15
16	1,038		*1,038	--			36	16
17								17
18	1,068		1,038	30			36	18
19								19
20								20
21								21
22								22
23	194			194				23
24	600			600				24
25								25
26	794			794				26
27								27
28	1,862		1,038	824			36	28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

*Dividend to The Kansas City Southern Railway Company

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
 (Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	1,536			1
2		(3) Grading	8,601			2
3		(4) Other right-of-way expenditures	125			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	7,438			5
6		(7) Elevated structures				6
7		(8) Ties	39,154			7
8		(9) Rail and other track material	41,339			8
9		(11) Ballast	11,171			9
10		(13) Fences, snowsheds, and signs	231			10
11		(16) Station and office buildings	3,372			11
12		(17) Roadway buildings	27			12
13		(18) Water stations	50			13
14		(19) Fuel stations	395			14
15		(20) Shops and enginehouses	1,759			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals	2,500			19
20		(26) Communication systems	840			20
21		(27) Signals and interlockers	3,342			21
22		(29) Power plants	23			22
23		(31) Power-transmission systems	340			23
24		(35) Miscellaneous structures	72			24
25		(37) Roadway machines	268			25
26		(39) Public improvements - Construction	876			26
27		(44) Shop machinery	117			27
28		(45) Power-plant machinery	34			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	123,610			30
31		(52) Locomotives	18,522			31
32		(53) Freight-train cars	49,397			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	252			36
37		(58) Miscellaneous equipment	2			37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT	68,173			39
40		(76) Interest during construction	627			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	7,099			42
43		GRAND TOTAL	199,509			43

Road Initials:

Year 19 87

LOUISIANA & ARKANSAS RAILWAY COMPANY

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT — Continued
(Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (c)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1			3	(3)	1,533	1
2		157	2	155	8,756	2
3					125	3
4						4
5		(32)	13	(45)	7,393	5
6						6
7		2,133	284	1,849	41,003	7
8		558	114	444	41,783	8
9		222	37	185	11,356	9
10					231	10
11		45		45	3,417	11
12					27	12
13					50	13
14					395	14
15		7		7	1,766	15
16						16
17						17
18						18
19					2,500	19
20		3		3	843	20
21		1,462	44	1,418	4,760	21
22					23	22
23					340	23
24					72	24
25					268	25
26					876	26
27					117	27
28					34	28
29						29
30		4,555	497	4,053	127,668	30
31		147		147	18,669	31
32		322	429	(107)	49,290	32
33						33
34						34
35						35
36			1	(1)	251	36
37					2	37
38						38
39		469	430	39	68,212	39
40					627	40
41						41
42		1,906		1,906	9,005	42
43		6,930	927	6,003	205,512	43

332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.
2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others, or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	8,601	8,722	1.09			1	
2	(4) Other, right-of-way expenditures	124	124	1.87			2	
3	(5) Tunnels and subways						3	
4	(6) Bridges, trestles, and culverts	7,438	7,393	1.86			4	
5	(7) Elevated structures						5	
6	(8) Ties	39,154	40,939	3.47			6	
7	(9) Rail and other track material	41,339	41,571	2.44			7	
8	(11) Ballast	11,172	11,343	4.58			8	
9	(13) Fences, snow sheds, and signs	231	232	1.53			9	
10	(16) Station and office buildings	3,372	3,417	2.42			10	
11	(17) Roadway buildings	27	27	--			11	
12	(18) Water stations	50	50	2.62			12	
13	(19) Fuel stations	394	395	3.18			13	
14	(20) Shops and enginehouses	1,759	1,766	2.65			14	
15	(22) Storage warehouses						15	
16	(23) Wharves and docks						16	
17	(24) Coal and ore wharves						17	
18	(25) TOFC/COFC terminals	2,500	2,500	3.96			18	
19	(26) Communication systems	839	842	3.28			19	
20	(27) Signals and interlockers	3,342	4,760	2.74			20	
21	(29) Power plants	23	23	.32			21	
22	(31) Power-transmission systems	340	340	3.63			22	
23	(35) Miscellaneous structures	72	72	4.00			23	
24	(37) Roadway machines	268	268	.20			24	
25	(39) Public improvements—Construction	876	876	3.28			25	
26	(44) Shop machinery	118	118	.94			26	
27	(45) Power-plant machinery	33	33	--			27	
28	All other road accounts						28	
29	Amortization (other than defense projects)						29	
30	TOTAL ROAD	122,072	125,811	2.29			30	
	EQUIPMENT							
31	(52) Locomotives	13,250	13,265	3.11			31	
32	(53) Freight-train cars	49,071	49,038	3.17			32	
33	(54) Passenger-train cars						33	
34	(55) Highway revenue equipment						34	
35	(56) Floating equipment						35	
36	(57) Work equipment	252	252	--			36	
37	(58) Miscellaneous equipment	2	2	--			37	
38	(59) Computer systems and word processing equipment						38	
39	TOTAL EQUIPMENT	62,575	62,557	3.14			39	
40	GRAND TOTAL	184,647	188,368	NA			40	

Road Initials:

Year 19 87

LOUISIANA & ARKANSAS RAILWAY COMPANY

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED
 (Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading	3,236	95		2		3,329	1
2		(4) Other, right-of-way expenditures	59	2				61	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	4,188	138		13		4,313	4
5		(7) Elevated structures							5
6		(8) Ties	20,833	1,380		346		21,867	6
7		(9) Rail and other track material	16,974	1,009		(71)		18,054	7
8		(11) Ballast	7,428	512		37		7,903	8
9		(13) Fences, snow sheds, and signs	152	3				155	9
10		(16) Station and office buildings	1,891	83				1,974	10
11		(17) Roadway buildings	27					27	11
12		(18) Water stations	47	1				48	12
13		(19) Fuel stations	136	13				149	13
14		(20) Shops and enginehouses	878	47				925	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COPC terminals	528	99				627	18
19		(26) Communication systems	694	28				722	19
20		(27) Signals and interlockers	745	124		44		825	20
21		(29) Power plants	21					21	21
22		(31) Power-transmission systems	230	13				243	22
23		(35) Miscellaneous structures	26	3				29	23
24		(37) Roadway machines	263	1				264	24
25		(39) Public improvements—Construction	639	29				668	25
26		(44) Shop machinery*	98	1				99	26
27		(45) Power-plant machinery	25					25	27
28		All other road accounts							28
29		Amortization (Adjustments)	(1,028)	69				(959)	29
30		TOTAL ROAD	58,090	3,650		371		61,369	30
EQUIPMENT									
31	*	(52) Locomotives	8,060	745		(48)		8,853	31
32	*	(53) Freight-train cars	32,143	1,565		335		33,373	32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment	288					288	36
37	*	(58) Miscellaneous equipment	1					1	37
38		(59) Computer systems and word processing equipment							38
39	*	Amortization Adjustments	(757)	757				--	39
40		TOTAL EQUIPMENT	39,735	3,067		287		42,515	40
41		GRAND TOTAL	97,825	6,717		658		103,884	41

*To be reported with equipment expenses rather than W&S expenses.

*To be reported with equipment expenses rather than W&S expenses.

Road Initials:

Year 19 87

LOUISIANA & ARKANSAS RAILWAY COMPANY

340. DEPRECIATION BASE AND RATES—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
 (Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery*				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD				30
	EQUIPMENT				
31	(52) Locomotives	179	312	23.06	31
32	(53) Freight-train cars				32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment				36
37	(58) Miscellaneous equipment				37
38	(59) Computer systems and word processing equipment				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	179	312		40
41	GRAND TOTAL	179	312		41

*To be reported with equipment expense rather than W&S expenses.

342. ACCUMULATED DEPRECIATION—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation—Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.

2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 35. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained on page 35.

4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.

5. Details in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

				CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year			
Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	Balance at close of year (g)	List No.
ROAD									
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvement—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
EQUIPMENT									
30		(52) Locomotives	52	72				124	30
31		(53) Freight-train cars							31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems and word processing equipment							37
38		TOTAL EQUIPMENT	52	72				124	38
39		GRAND TOTAL	52	72				124	39

*To be reported with equipment expense rather than W&S expenses.

Road Initials:

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THE ARKANSAS WESTERN RAILWAY COMPANY

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash			1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
			Accounts Receivable			
4		704	- Loan and Notes			4
5		705	- Interline and Other Balances	7	34	5
6		706	- Customers	54	42	6
7		707	- Other	1	2	7
8		709, 708	- Accrued Accounts Receivables	192	225	8
9		708.5	- Receivables from Affiliated Companies			9
10		709.5	- Less: Allowance for Uncollectible Accounts			10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits			11
12		712	Materials and Supplies			12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	254	303	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)			16
17		722, 723	Other Investments and Advances			17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$			19
20		739, 741	Other Assets			20
21		743	Other Deferred Debits	122		21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	122		23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	6,683	6,640	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b			25
26		731, 732	Unallocated Items	30	35	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(5,333)	(5,293)	27
28			Net Road and Equipment	1,380	1,382	28
29	*		TOTAL ASSETS	1,756	1,685	29

NOTES AND REMARKS

THE ARKANSAS WESTERN RAILWAY COMPANY

Road Initials:

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30	751		Loans and Notes Payable			30
31	752		Accounts Payable: Interline and Other Balances			31
32	753		Audited Accounts and Wages	3,128	3,440	32
33	754		Other Accounts Payable		23	33
34	755, 756		Interest and Dividends Payable			34
35	757		Payables to Affiliated Companies			35
36	759		Accrued Accounts Payable	93	38	36
37	760, 761, 761.5, 762		Taxes Accrued	112	17	37
38	763		Other Current Liabilities			38
39	764		Equipment Obligations and Other Long-Term Debt due Within One Year			39
40			TOTAL CURRENT LIABILITIES	3,333	3,518	40
Non-Current Liabilities						
41	765, 767		Funded Debt Unmatured			41
42	766		Equipment Obligations			42
43	766.5		Capitalized Lease Obligations			43
44	768		Debt in Default			44
45	769		Accounts payable: Affiliated Companies	1,065	1,065	45
46	770.1, 770.2		Unamortized Debt Premium			46
47	781		Interest in Default			47
48	783		Deferred Revenues-Transfers from Government Authorities			48
49	786		Accumulated Deferred Income Tax Credits	1,200	1,156	49
50	771, 772, 774, 775, 782, 784		Other Long-Term Liabilities and Deferred Credits	9	9	50
51			TOTAL NONCURRENT LIABILITIES	2,274	2,230	51
Shareholders' Equity						
52	791, 792		Total Capital Stock: (Schedule 230) (L 53&54)			52
53			Common Stock	650	650	53
54			Preferred Stock			54
55			Discount on Capital Stock			55
56	794, 795		Additional Capital (Schedule 230)	4,262	4,262	56
Retained Earnings:						
57	797		Appropriated			57
58	798		Unappropriated (Schedule 220)	(8,763)	(8,975)	58
59	798.1		Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60	798.5		Less Treasury Stock			60
61			Net Stockholders Equity	(3,851)	(4,063)	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,756	1,685	62

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210

Line 15, column (b)
Line 47 plus 48 plus 49, column (b)
Line 50, column (b)

Line 14, column (b)
Line 14, column (d)
Line 14, column (e)
Line 49, column (b)

Schedule 210

= Line 62, column (b)
= Line 63, column (b)
= Line 64, column (b)

Schedule 410

= Line 620, column (h)
= Line 620, column (f)
= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
1		(101) Freight	768	518	SAME		1
2		(102) Passenger					2
3		(103) Passenger-Related			AS		3
4		(104) Switching		1			4
5		(105) Water Transfers			COLUMN		5
6		(106) Demurrage					6
7		(110) Incidental		5	"B"		7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	768	524			10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	768	524			13
14	*	(531) Railway operating expenses	419	4,540			14
15	*	Net revenue from railway operations	349	(4,016)			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income	5	5			17
18		(512) Separately operated properties-f. ofit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income					20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income					24
25		Income from affiliated companies: 519					25
26		a. Dividends (equity method)					26
27		b. Equity in undistributed earnings (losses)					27
28		TOTAL OTHER INCOME (lines 16-26)	5	5			27
29		TOTAL INCOME (lines 15, 27)	354	(4,011)			27
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	1				29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges					34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	1				36
37		Income available for fixed charges (lines 28, 36)	353	(4,011)			37

Road Initials:

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THE ARKANSAS WESTERN RAILWAY COMPANY

210. RESULTS OF OPERATIONS-Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default			38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt			40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38-41)			42
43		Income after fixed charges (lines 37, 42)	353	(4,011)	43
		OTHER DEDUCTIONS			
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	353	(4,011)	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	97		47
48	*	(b) State income taxes			48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	44		50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	141		51
52	*	Income from continuing operations (lines 46-51)	212	(4,011)	52
		DISCONTINUED OPERATIONS			
53		(563) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	212	(4,011)	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	212	(4,011)	61
		Reconciliation of net railway operating income (NROI)			
62	*	Net revenues from railway operations			62
63	*	(556) Income taxes on ordinary income (-)			63
64	*	(557) Provision for deferred income taxes (-)			64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)			67

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Road Initials:

Year 19 87

THE ARKANSAS WESTERN RAILWAY COMPANY

220. RETAINED EARNINGS
 (Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ (8,975)	\$	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income	212		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	212		6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock			11
12		Preferred stock ¹			12
13		TOTAL			13
14		Net increase (decrease) during year (Line 6 minus line 13)	212		14
15	*	Balances at close of year (Lines 1, 2 and 14)	(8,763)		15
16	*	Balances from line 15(c)		N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year (798)	(8,763)	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
22		Amount of assigned Federal income tax consequences: Account 606 \$ _____			22
23		Account 616 \$ _____			23

¹ If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

THE ARKANSAS WESTERN RAILWAY COMPANY

Road Initials:

Year 19 87
330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
 (Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	4			1
2		(3) Grading	109			2
3		(4) Other right-of-way expenditures				3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	215			5
6		(7) Elevated structures				6
7		(8) Ties	1,978			7
8		(9) Rail and other track material	3,404			8
9		(11) Ballast	904			9
10		(13) Fences, snowsheds, and signs	7			10
11		(16) Station and office buildings	3			11
12		(17) Roadway buildings	1			12
13		(18) Water stations				13
14		(19) Fuel stations				14
15		(20) Shops and enginehouses				15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals				19
20		(26) Communication systems				20
21		(27) Signals and interlockers				21
22		(29) Power plants				22
23		(31) Power-transmission systems				23
24		(35) Miscellaneous structures				24
25		(37) Roadway machines				25
26		(39) Public improvements - Construction	2			26
27		(44) Shop machinery				27
28		(45) Pre-plant machinery				28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	6,627			30
31		(52) Locomotives				31
32		(53) Freight-train cars				32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment				36
37		(58) Miscellaneous equipment				37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT				39
40		(76) Interest during construction	13			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	35			42
43		GRAND TOTAL	6,675			43

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THE ARKANSAS WESTERN RAILWAY COMPANY

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT — Continued
 (Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (c)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1					4	1
2					109	2
3						3
4						4
5					215	5
6						6
7					1,978	7
8					3,404	8
9		55	12	43	947	9
10					7	10
11					3	11
12					1	12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26					2	26
27						27
28						28
29						29
30		55	12	43	6,670	30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40					13	40
41						41
42		(5)		(5)	30	42
43		50	12	38	6,713	43

ARKANSAS WESTERN RAILWAY COMPANY

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332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (c), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (d) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (e) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	109	109	.25				1
2	(4) Other, right-of-way expenditures							2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	215	215	.78				4
5	(7) Elevated structures							5
6	(8) Ties	1,977	1,977	1.13				6
7	(9) Rail and other track material	3,404	3,404	.36				7
8	(11) Ballast	906	906	1.66				8
9	(13) Fences, snow sheds, and signs	7	7	--				9
10	(16) Station and office buildings	3	3	.51				10
11	(17) Roadway buildings	1	1	--				11
12	(18) Water stations							12
13	(19) Fuel stations							13
14	(20) Shops and enginehouses							14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals							18
19	(26) Communication systems							19
20	(27) Signals and interlockers							20
21	(29) Power plants							21
22	(31) Power-transmission systems							22
23	(35) Miscellaneous structures							23
24	(37) Roadway machines							24
25	(39) Public improvements—Construction	2	2	--				25
26	(44) Shop machinery							26
27	(45) Power-plant machinery							27
28	All other road accounts							28
29	Amortization (other than defense projects)							29
30	TOTAL ROAD	6,624	6,624	.78				30
	EQUIPMENT							
31	(52) Locomotives							31
32	(53) Freight-train cars							32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment							36
37	(58) Miscellaneous equipment							37
38	(59) Computer systems and word processing equipment							38
39	TOTAL EQUIPMENT							39
40	GRAND TOTAL	6,624	6,624	NA			NA	40

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THE ARKANSAS WESTERN RAILWAY COMPANY

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED
(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	91					91	1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	180	2				182	4
5		(7) Elevated structures							5
6		(8) Ties	1,641	22				1,663	6
7		(9) Rail and other track material	2,601	12				2,613	7
8		(11) Ballast	768	15		11		772	8
9		(13) Fences, snow sheds, and signs	7					7	9
10		(16) Station and office buildings	2					2	10
11		(17) Roadway buildings	1					1	11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction	2					2	25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	5,293	51		11		5,333	30
		EQUIPMENT							
31	*	(52) Locomotives							31
32	*	(53) Freight-train cars							32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway transport equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment							36
37	*	(58) Miscellaneous equipment							37
38		(59) Computer systems and word processing equipment							38
39	*	Amortization Adjustments							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL	5,293	51		11		5,333	41

*To be reported with equipment expenses rather than W&S expenses.

Road Initials:

Year 19 87

FORT SMITH AND VAN BUREN RAILWAY COMPANY

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS						
(Dollars in Thousands)						
Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash			1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
4		704	Accounts Receivable			4
5		705	- Loan and Notes			5
6		706	- Interline and Other Balances			6
7		707	- Customers			7
8		709, 708	- Other			8
9		708.5	- Accrued Accounts Receivables			9
10		709.5	- Receivables from Affiliated Companies			10
11		710, 711, 714	- Less: Allowance for Uncollectible Accounts			11
12		712	Working Funds Prepayments Deferred Income Tax Debits			12
13		713	Materials and Supplies			13
14		713	Other Current Assets			14
TOTAL CURRENT ASSETS						
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)			16
17		722, 723	Other Investments and Advances			17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation)			19
20		739, 741	Other Assets			20
21		743	Other Deferred Debits			21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS			23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	2,371	2,374	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b			25
26		731, 732	Unallocated Items			26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(2,102)	(2,102)	27
28			Net Road and Equipment	269	272	28
29	*		TOTAL ASSETS	269	273	29
NOTES AND REMARKS						

FORT SMITH AND VAN BUREN RAILWAY COMPANY

Road Initials:

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY (Dollars in Thousands)						
Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable; Interline and Other Balances			31
32		753	Audited Accounts and Wages	1,002	984	32
33		754	Other Accounts Payable			33
34		755, 756	Interest and Dividends Payable			34
35		757	Payables to Affiliated Companies			35
36		759	Accrued Accounts Payable			36
37		760, 761, 761.5, 762	Taxes Accrued	(2)		37
38		763	Other Current Liabilities		(1)	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year			39
40			TOTAL CURRENT LIABILITIES	1,000	983	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured			41
42		766	Equipment Obligations			42
43		766.5	Capitalized Lease Obligations			43
44		768	Debt in Default			44
45		769	Accounts payable; Affiliated Companies	27	27	45
46		770.1, 770.2	Unamortized Debt Premium			46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	343	343	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits			50
51			TOTAL NONCURRENT LIABILITIES	370	370	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53&54)			52
53			Common Stock	12	12	53
54			Preferred Stock			54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	286	286	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	(1,399)	(1,378)	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	(1,101)	(1,080)	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	269	273	62
NOTES AND REMARKS						

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513. "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210
Line 15, column (b)
Line 47 plus 48 plus 49, column (b)
Line 50, column (b)

Schedule 210
= Line 62, column (b)
= Line 63, column (b)
= Line 64, column (b)
Schedule 410
= Line 620, column (h)
= Line 620, column (f)
= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight					1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching					4
5		(105) Water Transfers					5
6		(106) Demurrage					6
7		(110) Incidental					7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	NONE	NONE			10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	NONE	NONE			13
14	*	(531) Railway operating expenses	22	1,347			14
15	*	Net revenue from railway operations	(22)	(1,347)			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income					20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	4	4			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)					26
27		TOTAL OTHER INCOME (lines 16-26)	4	4			27
28		TOTAL INCOME (lines 15, 27)	(18)	(1,343)			27
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations					29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	3				34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	3				36
37		Income available for fixed charges (lines 28, 36)	(21)	(1,343)			37

Road Initials:

Year 19 87

FORT SMITH AND VAN BUREN RAILWAY COMPANY

210. RESULTS OF OPERATIONS-Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default			38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt			40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38-41)			42
43		Income after fixed charges (lines 37, 42)	(21)	(1,343)	43
		OTHER DEDUCTIONS			
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)			46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes			47
48	*	(b) State income taxes			48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes			50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)			51
52	*	Income from continuing operations (lines 46-51)	(21)	(1,343)	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	(21)	(1,343)	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	(21)	(1,343)	61
		Reconciliation of net railway operating income (NROI)			
62	*	Net revenues from railway operations			62
63	*	(556) Income taxes on ordinary income (-)			63
64	*	(557) Provision for deferred income taxes (-)			64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)			67

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Road Initials:

Year 19 87

FORT SMITH AND VAN BUREN RAILWAY COMPANY

220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 - column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ (1,378)	\$	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income			3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL			6
		DEBITS			
7	*	(612) Debit balance transferred from income	21		7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock			11
12		Preferred stock ¹			12
13		TOTAL	21		13
14		Net increase (decrease) during year (Line 6 minus line 13)	(21)		14
15	*	Balances at close of year (Lines 1, 2 and 14)	(1,399)		15
16	*	Balances from line 15(c)		N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year (796):	(1,399)	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
		Amount of assigned Federal income tax consequences:			
22		Account 606 \$ _____			22
23		Account 616 \$ _____			23

¹ If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

336. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT

(Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	14			1
2		(3) Grading	524			2
3		(4) Other right-of-way expenditures	1			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	312			5
6		(7) Elevated structures				6
7		(8) Ties	928			7
8		(9) Rail and other track material	352			8
9		(11) Ballast	227			9
10		(13) Fences, snowsheds, and signs	3			10
11		(16) Station and office buildings				11
12		(17) Roadway buildings				12
13		(18) Water stations				13
14		(19) Fuel stations				14
15		(20) Shops and enginehouses				15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals				19
20		(26) Communication systems				20
21		(27) Signals and interlockers				21
22		(29) Power plants				22
23		(31) Power-transmission systems				23
24		(35) Miscellaneous structures				24
25		(37) Roadway machines				25
26		(39) Public improvements - Construction	8			26
27		(44) Shop machinery				27
28		(45) Power-plant machinery				28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	2,369			30
31		(52) Locomotives				31
32		(53) Freight-train cars				32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment				36
37		(58) Miscellaneous equipment				37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT				39
40		(76) Interest during construction	5			40
41		(80) Other elements of investment				41
42		(90) Construction in progress				42
43		GRAND TOTAL	2,374			43

Road Initials:

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FORT SMITH AND VAN BUREN RAILWAY COMPANY

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT -- Continued
(Dollars in 'Thousands)

Line No.	Cross-Check	Expenditures for additions during the year (c)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1			3	(3)	11	1
2					524	2
3					1	3
4						4
5					312	5
6						6
7					928	7
8					352	8
9					227	9
10					3	10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26					8	26
27						27
28						28
29						29
30			3	(3)	2,366	30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40					5	40
41						41
42						42
43			3	(3)	2,371	43

332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment owned, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.
2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	494	494	--				
2	(4) Other, right-of-way expenditures	1	1	--				2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	303	303	--				4
5	(7) Elevated structures							5
6	(8) Ties	827	827	--				6
7	(9) Rail and other track material	262	262	--				7
8	(11) Ballast	207	207	--				8
9	(13) Fences, snow sheds, and signs	3	3	--				9
10	(16) Station and office buildings	1	1	--				10
11	(17) Roadway buildings							11
12	(18) Water stations							12
13	(19) Fuel stations							13
14	(20) Shops and enginehouses							14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals							18
19	(26) Communication systems							19
20	(27) Signals and interlockers							20
21	(29) Power plants							21
22	(31) Power-transmission systems							22
23	(35) Miscellaneous structures							23
24	(37) Roadway machines							24
25	(39) Public improvements—Construction	4	4	--				25
26	(44) Shop machinery							26
27	(45) Power-plant machinery							27
28	All other road accounts							28
29	Amortization (other than defense projects)							29
30	TOTAL ROAD	2,102	2,102	--				30
	EQUIPMENT							
31	(52) Locomotives							31
32	(53) Freight-train cars							32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment							36
37	(58) Miscellaneous equipment							37
38	(59) Computer systems and word processing equipment							38
39	TOTAL EQUIPMENT							39
40	GRAND TOTAL	2,102	2,102	NA			NA	40

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FORT SMITH AND VAN BUREN RAILWAY COMPANY

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 35.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	494					494	1
2		(4) Other, right-of-way expenditures	1					1	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	303					303	4
5		(7) Elevation structures							5
6		(8) Ties	827					827	6
7		(9) Rail and other track material	262					262	7
8		(11) Ballast	207					207	8
9		(13) Fences, snow sheds, and signs	3					3	9
10		(16) Station and office buildings	1					1	10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction	4					4	25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	2,102					2,102	30
		EQUIPMENT							
31	*	(52) Locomotives							31
32	*	(53) Freight-train cars							32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment							36
37	*	(58) Miscellaneous equipment							37
38		(59) Computer systems and word processing equipment							38
39	*	Amortization Adjustments							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL	2,102					2,102	41

*To be reported with equipment expenses rather than W&S expenses.

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KANSAS CITY SOUTHERN

1987

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Road Initials:

Year 1987

CARLAND, INC.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	215	107	1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
4		704	Accounts Receivable			4
5		705	- Loan and Notes			5
6		706	- Interline and Other Balances			6
7		707	- Customers	143	167	7
8		709, 708	- Other			8
9		708, 5	- Accrued Accounts Receivables			9
10		709, 5	- Receivables from Affiliated Companies			10
11		710, 711, 714	- Less: Allowance for Uncollectible Accounts			11
12		712	Working Funds Prepayments Deferred Income Tax Debits			12
13		713	Materials and Supplies	79	17	13
14			Other Current Assets	437	291	14
TOTAL CURRENT ASSETS						
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	9,978	1,624	16
17		722, 723	Other Investments and Advances			17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$ 2,417	452	1,086	19
20		739, 741	Other Assets	1	1	20
21		743	Other Deferred Debits			21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	10,431	2,711	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	13,898	13,651	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	59,749	66,143	25
26		731, 732	Unallocated Items			26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(57,753)	(61,492)	27
28			Net Road and Equipment	15,894	18,302	28
29	*		TOTAL ASSETS	26,762	21,304	29

NOTES AND REMARKS

CARLAND, INC.

Road Initials:

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable: Interline and Other Balances			31
32		753	Audited Accounts and Wages	15	1,038	32
33		754	Other Accounts Payable			33
34		755, 756	Interest and Dividends Payable	4	144	34
35		757	Payables to Affiliated Companies			35
36		759	Accrued Accounts Payable	24	90	36
37		760, 761, 761.5, 762	Taxes Accrued	221	1,181	37
38		763	Other Current Liabilities			38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	4,583	8,000	39
40			TOTAL CURRENT LIABILITIES	4,847	10,453	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured	14,554	5,513	41
42		766	Equipment Obligations			42
43		766.5	Capitalized Lease Obligations			43
44		768	Debt in Default			44
45		769	Accounts payable: Affiliated Companies			45
46		770.1, 770.2	Unamortized Debt Premium			46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	28	88	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits			50
51			TOTAL NONCURRENT LIABILITIES	14,582	5,601	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53&54)			52
53			Common Stock	10	10	53
54			Preferred Stock			54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	1,192		56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	6,131	5,240	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	7,333	5,250	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	26,762	21,304	62

NOTES AND REMARKS

210. RESULTS OF OPERATIONS (Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210

Line 15, column (b)

Line 47 plus 48 plus 49, column (b)

Line 50, column (b)

Line 14, column (b)

Line 14, column (d)

Line 14, column (e)

Line 49, column (b)

Schedule 210

= Line 63, column (b)

= Line 63, column (b)

= Line 64, column (b)

Schedule 410

= Line 620, column (b)

= Line 620, column (f)

= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight					1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching					4
5		(105) Water Transfers					5
6		(106) Demurrage					6
7		(110) Incidental					7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)					10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)					13
14	*	(531) Railway operating expenses	(2,755)	(2,826)			14
15	*	Net revenue from railway operations	2,755	2,826			15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	212	849			16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income					20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	271	182			24
25		Income from affiliated companies: 519					25
26		a. Dividends (equity method)					26
27		b. Equity in undistributed earnings (losses)					27
28		TOTAL OTHER INCOME (lines 16-26)	483	1,031			27
29		TOTAL INCOME (lines 15, 27)	3,238	3,857			27
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	266	791			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges					34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	266	791			36
37		Income available for fixed charges (lines 28, 36)	2,972	3,066			37

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Road Initials:

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CARLAND, INC.

210. RESULTS OF OPERATIONS-Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	1,188	1,671	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt			40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38-41)	1,188	1,671	42
43		Income after fixed charges (lines 37, 42)	1,784	1,395	43
OTHER DEDUCTIONS					
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			
46		Income (Loss) from continuing operations (before income taxes)	1,784	1,395	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	737	642	47
48	*	(b) State income taxes	92	80	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	(60)	(37)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	769	685	51
52	*	Income from continuing operations (lines 46-51)	1,015	710	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 51 + 53 + 54)	1,015	710	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	1,015	710	61
Reconciliation of net railway operating income (NROI)					
62	*	Net revenues from railway operations			62
63	*	(556) Income taxes on ordinary income (-)			63
64	*	(557) Provision for deferred income taxes (-)			64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)			67

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CARLAND, INC.

220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	\$ 5,240	\$	1
2		(601.5) Prior period adjustments to beginning retained earnings	(124)		2
CREDITS					
3	*	(602) Credit balance transferred from income	1,015		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	1,015		6
DEBITS					
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock			11
12		Preferred stock ¹			12
13		TOTAL			13
14		Net increase (decrease) during year (Line 6 minus line 13)	1,015		14
15	*	Balances at close of year (Lines 1, 2 and 14)	6,131		15
16	*	Balances from line 15(c)		N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year (798)	6,131	NA	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
Amount of assigned Federal income tax consequences:					
22		Account 606 \$ _____			22
23		Account 616 \$ _____			23

¹If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds"; 716, "Capital Funds"; 721, "Investments and Advances Affiliated Companies"; and 717, "Other Funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 1" classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19____ to 19____." Abbreviations in common use in standard financial publications may

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1						1
2						2
3				ADVANCES		3
4	721	E-3	X	Carland advances to its affiliates		4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
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34						34
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36						36
37						37
38						38
39						39
40						40

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310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued
(Dollars in Thousands)

be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (c). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income (l)	Line No.
	Opening balance	Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)		
1								1
2								2
3								3
4								4
5	1,624	8,354		9,978				5
6								6
7								7
8								8
9								9
10								10
11								11
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330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
(Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment ment. and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes				1
2		(3) Grading				2
3		(4) Other right-of-way expenditures				3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts				5
6		(7) Elevated structures				6
7		(8) Ties				7
8		(9) Rail and other track material				8
9		(11) Ballast				9
10		(13) Fences, snowsheds, and signs				10
11		(16) Station and office buildings	923			11
12		(17) Roadway buildings				12
13		(18) Water stations				13
14		(19) Fuel stations				14
15		(20) Shops and enginehouses	19			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC COFC terminals	763			19
20		(26) Communication systems	732			20
21		(27) Signals and interlockers				21
22		(29) Power plants				22
23		(31) Power-transmission systems				23
24		(35) Miscellaneous structures				24
25		(37) Roadway machines	10,896			25
26		(39) Public improvements - Construction				26
27		(44) Shop machinery	318			27
28		(45) Power-plant machinery				28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	13,651			30
31		(52) Locomotives	35,509			31
32		(53) Freight-train cars	4,815			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	11,526			36
37		(58) Miscellaneous equipment	14,293			37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT	66,143			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction in progress				42
43		GRAND TOTAL	79,794			43

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CARLAND, INC.

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT — Continued
(Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (c)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11			58	(58)	865	11
12						12
13						13
14					19	14
15						15
16						16
17						17
18						18
19					763	19
20					732	20
21						21
22						22
23						23
24						24
25		1,346	1,115	231	11,127	25
26						26
27		83	9	74	392	27
28						28
29						29
30		1,429	1,182	247	13,898	30
31		2,220	9,055	(6,835)	28,674	31
32		341	796	(455)	4,360	32
33						33
34						34
35						35
36		1,948	910	1,038	12,554	36
37		(4,062)	2,674	(6,736)	7,557	37
38		6,594		6,594	6,594	38
39		7,041	13,435	(6,394)	59,749	39
40						40
41						41
42						42
43		8,470	14,617	(6,147)	73,647	43

332. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading							2
2	(4) Other, right-of-way expenditures							3
3	(5) Tunnels and subways							4
4	(6) Bridges, trestles, and culverts							5
5	(7) Elevated structures							6
6	(8) Ties							7
7	(9) Rail and other track material							8
8	(11) Ballast							9
9	(13) Fences, snow sheds, and signs							10
10	(16) Station and office buildings	923	864	.25				11
11	(17) Roadway buildings							12
12	(18) Water stations							13
13	(19) Fuel stations							14
14	(20) Shops and enginehouses	19	19	.64				15
15	(22) Storage warehouses							16
16	(23) Wharves and docks							17
17	(24) Coal and ore wharves							18
18	(25) TOFC/COFC terminals	763	763	5.94				19
19	(26) Communication systems	732	732	4.03				20
20	(27) Signals and interlockers							21
21	(29) Power plants							22
22	(31) Power-transmission systems							23
23	(35) Miscellaneous structures							24
24	(37) Roadway machines	10,896	11,126	74.29				25
25	(39) Public improvements—Construction							26
26	(44) Shop machinery	318	393	74.29				27
27	(45) Power-plant machinery							28
28	All other road accounts							29
29	Amortization (other than defense projects)							30
30	TOTAL ROAD	13,651	13,897	11.27				
	EQUIPMENT							
31	(52) Locomotives	35,509	28,747	12.19				31
32	(53) Freight-train cars	4,815	4,520	4.07				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	11,527	12,842	11.08				36
37	(58) Miscellaneous equipment	14,292	5,648	19.52				37
38	(59) Computer systems and word processing equipment		6,594	11.17				38
39	TOTAL EQUIPMENT	66,143	58,351	11.91				39
40	GRAND TOTAL	79,794	72,248	NA			NA	40

Road Initials:

Year 19 87

CARLAND, INC.

335. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals—Credit—Equipment" accounts and "Other Rents—Credit—Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental—Debit—Equipment" account and "Other Rents—Debit—Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings	826			58		768	10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses	19					19	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	482	3				485	18
19		(26) Communication systems	622	3				625	19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines	6,525	1,490		1,072		6,943	24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*	62	70		9		123	26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	8,536	1,566		1,139		8,963	30
		EQUIPMENT							
31	*	(52) Locomotives	30,934	3,506		8,737		25,703	31
32	*	(53) Freight-train cars	4,256	183		478		3,961	32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment							34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment	6,989	1,423		901		7,511	36
37	*	(58) Miscellaneous equipment	10,777	1,103		2,624	2,910	6,346	37
38		(59) Computer systems and word processing equipment		736	4,533			5,269	38
39	*	Amortization Adjustments							39
40		TOTAL EQUIPMENT	52,956	6,951	4,533	12,740	2,910	48,790	40
41		GRAND TOTAL	61,492	8,517	4,533	13,879	2,910	57,753	41

*To be reported with equipment expenses rather than W&S expenses.

*Transfers for Computer Equipment.

ORIGINAL

APPENDIX
PAGE 1 OF 4

NAME OF CARRIER THE KANSAS CITY SOUTHERN LINES - CONSOLIDATED

SUPPLEMENTAL 1987 R-1 DATA

INSTRUCTIONS

1. Line and column references in column (b) are to the 1982 R-1 report.
2. Data entered in column (c) shall be computed under RRB accounting.
3. Under item 35 list any other property or expense accounts that would be changed due to capitalization of overhead expenses under Depreciation Accounting; and, enter in column (c) the amount that would be reported under RRB Accounting.
4. This supplemental report should be filed with the Bureau of Accounts by April 30, 1988.

Item No.	Selected Items (a)	1982 R-1 Location (b)	RRB Accounting As of 12/31/87 (Dollars in Thousands) (c)
1.	<u>Schedule 335, Accumulated Depreciation-Road and Equipment Owned and Used</u> Total road	Line 28, col. g	\$ 46,388
2.	<u>Schedule 342, Accumulated Depreciation-Improvements to Road and Equipment Leased from Others</u> Total road	Line 27, col. g	17
3.	<u>Schedule 351, Accumulated Depreciation-Road and Equipment Leased to Others</u> Total road	Line 27, col. g	--
4.	<u>Schedule 352B, Investment in Railway Property Used in Transportation Service (By Property Accounts)</u> Ties, Rails, Other Track Material, Ballast, Track Laying and Surfacing	Cols. b thru e, sum of lines 8 thru 12	82,446
5.	Total expenditures for road	Line 34, total of cols. b thru e	231,878
6.	Total general expenditures	Line 45, total of cols. b thru e	2,563

Item No.	Selected Items (a)	1982 R-1 Location (b)	RRB Accounting As of 12/31/87 (Dollars in Thousands) (c)
	<u>Schedule 410, Railway Operating Expenses</u>		
7.	Ties, Rails, Other Track Material, Ballast, Track Laying and Surfacing - Running (Freight)	Col. f, sum of lines 12, 14, 16, 18, 20	<u>28,488</u>
8.	Ties, Rails, Other Track Material, Ballast, Track Laying and Surfacing - Running (Passenger)	Col. g, sum of lines 12, 14, 16, 18, 20	<u>--</u>
9.	Ties, Rails, Other Track Material, Ballast, Track Laying and Surfacing - Switching (Freight)	Col. f, sum of lines 13, 15, 17, 19, 21	<u>2,982</u>
10.	Tie, Rails, Other Track Material, Ballast, Track Laying and Surfacing - Switching (Passenger)	Col. g, sum of lines 13, 15, 17, 19, 21	<u>--</u>
	Depreciation - Running		
11.	Freight	Line 136, col. f	<u>984</u>
12.	Passenger	Line 136, col. g	<u>--</u>
	Depreciation - Switching		
13.	Freight	Line 137, col. f	<u>153</u>
14.	Passenger	Line 137, col. g	<u>--</u>
	Depreciation - Other		
15.	Freight	Line 138, col. f	<u>2,780</u>
16.	Passenger	Line 138, col. g	<u>--</u>
	Other - Running		
17.	Freight	Line 148, col. f	<u>486</u>
18.	Passenger	Line 148, col. g	<u>--</u>
	Other - Switching		
19.	Freight	Line 149, col. f	<u>86</u>
20.	Passenger	Line 149, col. g	<u>--</u>

Item No.	Selected Items (a)	1982 R-1 Location (b)	RRB Accounting As of 12/31/87 (Dollars in Thousands) (c)
	Other - Other		
21.	Freight	Line 150, col. f	<u>385</u>
22.	Passenger	Line 150, col. g	<u>--</u>
	Total Way and Structures		
23.	Freight	Line 151, col. f	<u>68,905</u>
24.	Passenger	Line 151, col. g	<u>--</u>
	<u>Schedule 412, Way and Structures</u>		
25.	Total - Retirement	Line 35, col. c	<u>278</u>
	<u>Schedule 415, Supporting Schedule Equipment</u>		
26.	Total - Locomotives	Line 5, col. f	<u>--</u>
27.	Total - Freight Train Cars	Line 24, col. f	<u>--</u>
28.	Total - Highway Equipment Floating Equipment - Revenue Service	Line 32, col. f	<u>--</u>
29.	Marine Line-Haul	Line 33, col. f	<u>--</u>
30.	Local Marine	Line 34, col. f	<u>--</u>
31.	Total - Floating Equipment	Line 35, col. f	<u>--</u>
32.	Other Equipment	Col. f, sum of lines 37 thru 40	<u>--</u>
33.	Work & Other Non-revenue Equipment	Line 41, col. f	<u>--</u>
34.	Total - All Equipment	Line 43, col. f	<u>--</u>

ROAD INITIALS KCS

Selected Items (a)	1982 R-1 Location (b)	RRB Accounting As of 12/31/87 (Dollars in Thousands) (c)
35. OTHER ACCOUNTS (SEE INSTRUCTIONS)		
<u>Schedule 210</u>	_____	\$ _____
<u>Roadway Machines</u>	<u>109</u>	<u>3,110</u>
<u>Small Tools & Supplies</u>	<u>110</u>	<u>1,075</u>
<u>Fringe Benefits - Running</u>	<u>112</u>	<u>3,433</u>
<u>Fringe Benefits - Switching</u>	<u>113</u>	<u>514</u>
<u>Lease Rentals - Debit - Other</u>	<u>120</u>	<u>5,580</u>
<u>Schedule 210</u>	_____	_____
<u>Provision for Deferred Taxes</u>	_____	<u>6,005</u>
<u>Schedule 352B</u>	_____	_____
Construction Work in Progress	<u>48</u>	<u>13,636</u>

