

RC-134500

KANSAS CITY SOUTHERN

1989

1 OF 4

0134500

ORIGINAL

R-1

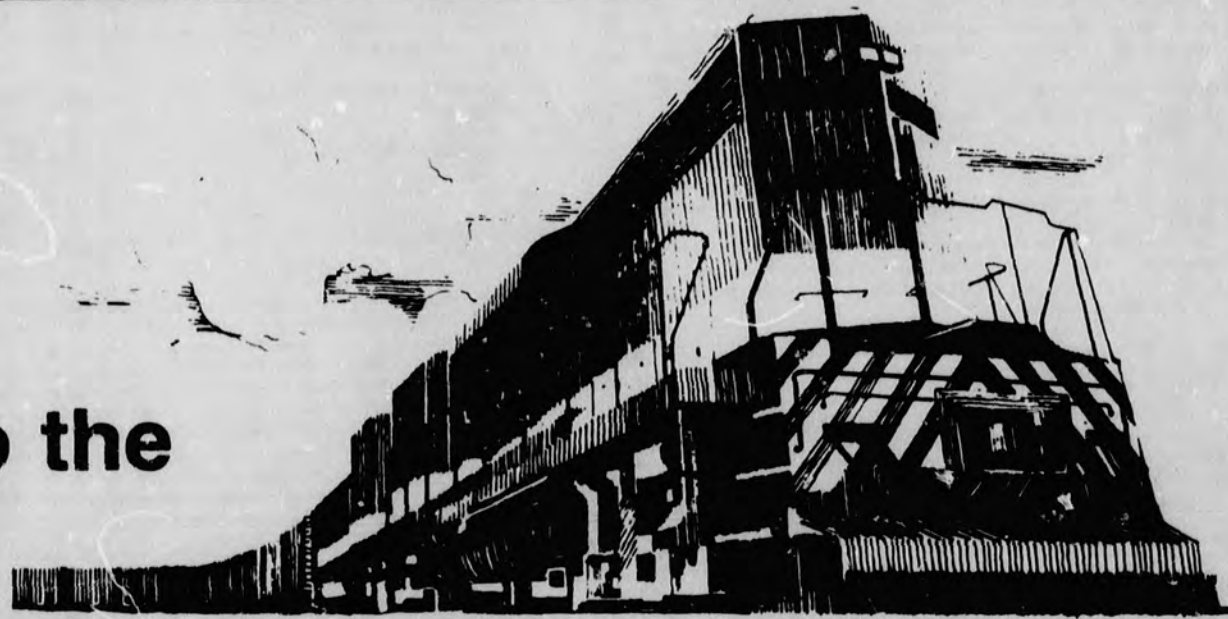
APPROVED BY OMB
3120-0029
EXPIRES 3-31-90

annual report

BUREAU OF ACCOUNTS
APR 7 7 58 AM '90

	<p>RCD000352 R186</p> <p>KANSAS CITY SOUTHERN RAILWAY COMPANY 114 WEST 11TH STREET KANSAS CITY, MISSOURI 64105</p>
<p>Correct name and address if different than shown.</p>	<p>Full name and address of reporting carrier. (Use mailing label on original, copy in full on duplicate.)</p>

to the



Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1989

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of accounts, Washington, D.C. 20423, by March 31 of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

(49) U.S.C. 11145, Reports by carriers, lessors, and associations

(a) The Interstate Commerce Commission may require—

(1) carriers, brokers, lessors, and associations, or classes of them as the Commission may prescribe, to file annual, periodic, and special reports with the Commission containing answers to questions asked by it; and

(2) a person furnishing cars or protective services against heat or cold to a rail or express carrier providing transportation subject to this subtitle, to file reports with the Commission containing answers to questions about those cars or services.

(b)(1) An annual report shall contain an account, in as much detail as the Commission may require, of the affairs of the carrier, broker, lessor, or association for the 12-month period ending on the 31st day of December of each year. However, when an annual report is made by a motor carrier, a broker, or a lessor or an association maintained by or interested in one of them, the person making the report may elect to make it for the 13-month period accounting year ending at the close of one of the last 7 days of each calendar year if the books of the person making the report are kept by that person on the basis of that accounting year.

(2) An annual report shall be filed with the Commission by the end of the 3rd month after the end of the year for which the report is made unless the Commission extends the filing date or changes the period covered by the report. The annual report and, if the Commission requires, any other report made under this section, shall be made under oath.

(c) The Commission shall streamline and simplify, to the maximum extent practicable, the reporting requirements applicable under this subchapter to motor common carriers of property with respect to transportation provided under certificates to which the provisions of section 10922(b)(4)(E) of this title apply and to motor contract carriers of property with respect to transportation provided under permits to which the provisions of section 10923(b)(5) of this title apply. Pub. L. 95-473, Oct. 17, 1978, 92 Stat. 1427; Pub. L. 96-296, § 5(b), July 1, 1980, 94 Stat. 796.

(49) U.S.C. 11901. (g) A person required to make a report to the Commission, answer a question, or make, prepare, or preserve a record under this subtitle concerning transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title, or an officer, agent, or employee of that person that (1) does not make the report, (2) does not specifically, completely, and truthfully answer the question, (3) does not make, prepare, or preserve the record in the form and manner prescribed by the Commission, or (4) does not comply with section 10921 of this title, is liable to the United States Government for a civil penalty of not more than \$500 for each violation and for not more than \$250 for each additional day the violation continues. After the date of enactment of this sentence, no penalties shall be imposed under this subsection for a violation relating to the transportation of household goods. Any such penalties that were imposed prior to such date of enactment shall be collected only in accordance with the provisions of subsection (b) of this section.

The term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier, and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor.

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule B, page 2.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because

of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable; see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states that fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a page of the Form. Inserted sheets should be securely attached, preferably at the inner margin; attachment by pins or clips is inefficient.

5. All entries should be made in a permanent black ink. Those of a cursive character should be indicated in parenthesis.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts; a lessor company, the property of which is leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts.

Operating companies are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$50,000,000 or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues less than \$50,000,000 but in excess of \$10,000,000.

Class III companies are those having annual operating revenues of \$10,000,000 or less.

All switching and terminal companies will be designated class III railroads.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings stated below:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. Year means the year ended December 31 for which the report is made; The Close of the Year means the close of business on December 31 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. The Beginning of the Year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The Preceding Year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

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, 1989

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 (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)

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 710 Add new codes to lines 41, 46, 50, 52, 59, 60, 61, 62, 63, 64, 65, 66 and 67.
Deleted codes from Lines 43, 52, 59, 60, 61, 62, 63, 64, 65, 66 and 67.

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.

It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Section of Administrative Services, Interstate Commerce Commission and the Office of Information and Regulatory Affairs, Office of Management and Budget.

TABLE OF CONTENTS

	SCHEDULE NO.	PAGE		SCHEDULE NO.	PAGE
Schedules Omitted by Respondent	A	1	Supporting Schedule—Road	416	58
Identity of Respondent	B	2	Specialized Service Subschedule—Transportation	417	60
Voting Powers and Elections	C	3	Supporting Schedule—Capital Leases	418	61
Comparative Statement of Financial Position	200	5	Analysis of Taxes	450	63
Results of Operations	210	16	Items in Selected Income and Retained Earnings		
Retained Earnings—Unappropriated	220	19	Accounts for the Year	460	65
Capital Stock	230	20	Guaranties and Suretyships	501	66
Statement of Changes in Financial Position	240	21	Compensating Balances and Short-Term Borrowing		
Working Capital Information	245	23	Arrangements	502	67
Investments and Advances Affiliated Companies	310	26	Separation of Deitholdings between Road Property and Equipment	510	69
Investments in Common Stocks of Affiliated Companies	310A	30	Transactions Between Respondent and Companies or Persons Affiliated With Respondent for Services Received or Provided	512	72
Road Property and Equipment and Improvements to leased Property and Equipment	330	32	Mileage Operated at Close of Year	700	74
Depreciation Base and Rates—Road and Equipment Owned and Used and Leased from Others	332	34	Miles of Road at Close of Year—By States and Territories (Single Track) (For Other Than Switching and Terminal Companies)	702	75
Accumulated Depreciation—Road and Equipment Owned and Used	335	35	Inventory of Equipment	710	78
Accrued Liability—Leased Property	339	36	Unit Cost of Equipment Installed During the Year	710S	84
Depreciation Base and Rates—Improvements to Road and Equipment Leased from Others	340	37	Track and Traffic Conditions	720	85
Accumulated Depreciation—Improvements to Road and Equipment Leased from Others	342	38	Ties Laid in Replacement	721	86
Depreciation Base and Rates—Road and Equipment Leased to Others	350	40	Ties Laid in Additional Tracks and in New Lines and Extensions	722	87
Accumulated Depreciation—Road and Equipment Leased to Others	351	41	Rails Laid in Replacement	723	88
Investment in Railroad Property Used in Transportation Service (By Company)	352A	42	Rails Laid in Additional Tracks and in New Lines and Extensions	724	89
Investment in Railway Property Used in Transportation Service (By Property Accounts)	352B	43	Weight of Rail	725	90
Railway Operating Expenses	410	45	Summary of Track Replacements	726	91
Way and Structures	412	52	Consumption of Fuel by Motive-Power Units	750	91
Rents for Interchanged Freight Train Cars and Other Freight Carrying Equipment	414	53	Railroad Operating Statistics	755	94
Supporting Schedule—Equipment	415	56	Verification		98
			Memoranda		99
			Index		100

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

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 1989.

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 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 1989. 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. 9,923,557 votes, as of December 31, 1989
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 139 (Date) 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		83,500	83,500			6
7	Employees						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

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 9,840,057
votes cast.
11. Give the date of such meeting. May 9, 1989
12. Give the place of such meeting. Kansas City, Missouri 64105

NOTES AND REMARKS

SCHEDULE 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	3,317		1
2		702	Temporary Cash Investments	36,482	13,794	2
3		703	Special Deposits	11	90,511	3
Accounts Receivable						
4		704	- Loan and Notes	57	128	4
5		705	- Interline and Other Balances	1,703	2,391	5
6		706	- Customers	26,586	17,799	6
7		707	- Other	4,689	3,752	7
8		709, 708	- Accrued Accounts Receivables	19,380	19,053	8
9		708.5	- Receivables from Affiliated Companies	2,086	11,455	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(2,690)	(2,156)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	1,960	5,920	11
12		712	Materials and Supplies	14,814	19,585	12
13		713	Other Current Assets	206	14	13
14			TOTAL CURRENT ASSETS	108,601	172,246	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310A)	18,829	17,829	16
17		722, 723	Other Investments and Advances	7	7	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) \$4,289	2,436	2,431	19
20		739, 741	Other Assets	369	431	20
21		743	Other Deferred Debits	5,984	10,588	21
22		744	Accumulated Deferred Income Tax Debits	1,673	1,349	22
23			TOTAL OTHER ASSETS	29,298	32,635	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	537,921	467,808	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	289,814	281,128	25
26		731, 732	Unallocated Items	45,173	66,490	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(418,124)	(395,968)	27
28			Net Road and Equipment	454,784	419,458	28
29			TOTAL ASSETS	592,683	624,339	29

NOTES AND REMARKS

SCHEDULE 230 - 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	938	1,293	31
32		753	Audited Accounts and Wages	21,145	10,674	32
33		754	Other Accounts Payable	1,347	1,212	33
34		755, 756	Interest and Dividends Payable	1,405	1,370	34
35		757	Payables to Affiliated Companies	199	200	35
36		759	Accrued Accounts Payable	64,387	133,223	36
37		760, 761, 761.5, 762	Taxes Accrued	5,856	6,363	37
38		763	Other Current Liabilities	607	1,063	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	14,588	22,087	39
40			TOTAL CURRENT LIABILITIES	110,472	177,485	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured		43,750	41
42		766	Equipment Obligations	65,225	54,740	42
43		766.5	Capitalized Lease Obligations	9,608	11,791	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	82,334	60,280	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	41,572	39,927	50
51			TOTAL NONCURRENT LIABILITIES	199,871	211	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)	29,327	7,365	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	197,350	172,180	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(1,851)	(1,825)	60
61			Net Stockholders Equity	282,340	235,234	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	592,683	624,339	62

NOTES AND REMARKS

*See revised page
dated 7/27/90*

SCHEDULE 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 Begin- ning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable: Interline and Other Balances	938	1,293	31
32		753	Audited Accounts and Wages	21,145	10,674	32
33		754	Other Accounts Payable	1,347	1,212	33
34		755, 756	Interest and Dividends Payable	1,405	1,370	34
35		757	Payables to Affiliated Companies	199	200	35
36		753	Accrued Accounts Payable	64,387	133,223	36
37		760, 761, 761.5, 762	Taxes Accrued	5,356	6,303	37
38		763	Other Current Liabilities	607	1,063	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	14,588	18,962	39
40			TOTAL CURRENT LIABILITIES	110,472	174,360	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured		46,875	41
42		766	Equipment Obligations	65,225	54,740	42
43		766.5	Capitalized Lease Obligations	9,608	11,791	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	82,334	60,280	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits			
51			TOTAL NONCURRENT LIABILITIES	199,871	214,745	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)	29,327	7,365	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	197,350	172,180	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(1,851)	(1,825)	60
61			Net Stockholders Equity	282,340	235,234	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	592,683	624,339	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 contracts \$ 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

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 X

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ 928

(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.)

NONE

(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

SCHEDULE 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 parentheses.

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	296,397	294,467	296,397		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	14,837	12,484	14,837		4
5		(105) Water Transfers					5
6		(106) Demurrage	3,183	2,732	3,183		6
7		(110) Incidental	989	875	989		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)	315,406	310,558	315,406		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)	315,406	310,558	315,406		13
14		(531) Railway operating expenses	253,018	264,135	253,018		14
15		Net revenue from railway operations	62,388	46,423	62,388		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	230	211			16
17		(510) Miscellaneous rent income	977	1,001			17
18		(512) Separately operated properties—Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income	4,479	3,966			20
21		(516) Income from sinking and other funds	42	98			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	8,969	3,624			24
25		Income from affiliated companies: 519					
		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	894	910			26
27		TOTAL OTHER INCOME (lines 16–26)	15,591	9,810			27
28		TOTAL INCOME (lines 15, 27)	77,979	56,233			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	486	523			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	290	647			34
35		(553) Uncollectible accounts	1,119	1,831			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29–35)	1,897	3,001			36
37		Income available for fixed charges (lines 28, 36)	76,082	53,232			37

SCHEDULE 210 - RESULTS OF OPERATIONS - Continued

(Dollars in Thousands)

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Line No.
		(a)	(b)	(c)	
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	14,316	16,877	38
39		(b) Interest in default:			39
40		(547) Interest on unfunded debt	3,144	32	40
41		(548) Amortization of discount on funded debt	427	42	41
42		TOTAL FIXED CHARGES (lines 38-41)	17,887	16,951	42
43		Income after fixed charges (lines 37, 42)	58,195	36,281	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		(82,000)	45
46		Income (Loss) from continuing operations (before income taxes)	58,195	(45,719)	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	(970)	3,267	47
48		(b) State income taxes	(449)	228	48
49		(c) Other income taxes	43	53	49
50		(557) Provision for deferred taxes	25,602	(26,768)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	24,226	(23,220)	51
52		Income from continuing operations (lines 46-51)	33,969	(22,499)	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	33,969	(22,499)	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 \$)		(15,649)	60
61		Net income (Loss) (lines 55 + 59 + 60)	33,969	(6,850)	61
		Reconciliation of net railway operating income (NROI)			
62		Net revenues from railway operations	62,388	46,423	62
63		(556) Income taxes on ordinary income (-)	(1,376)	3,548	63
64		(557) Provision for deferred taxes (-)	25,602	(26,768)	64
65		Income from lease of road and equipment (-)	496	324	65
66		Rent for leased roads and equipment (+)	660	904	66
67		Net railway operating income (loss)	38,326	70,223	67

NOTES AND REMARKS FOR SCHEDULES 210 and 220

SCHEDULE 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	170,719	1,461	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	33,075	894	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings	2		5
6		TOTAL	33,077	894	6
		DEBITS			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings	1		8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	8,002		11
12		Preferred stock*	798		12
13		TOTAL	8,801		13
14		Net increase (decrease) during Year (Line 6 minus line 13)	24,276	894	14
15		Balances at close of year (lines 1, 2, and 14)	194,995	2,355	15
16		Balances from line 15 (c)	2,355	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	197,350		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

*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)	
		Non-Par	10140000	10140,000	216,500	9,923,500	35,703	801	1
1	Common	100	1,000	100		100	10		2
2	Carland, Inc.								3
3		350,000	60	60	3	57	19,950	1,050	4
4	Preferred								5
5									6
6									7
7									8
8									9
9	TOTAL	--	10141,060	10140,160	216,503	9,923,657	55,663	1,851	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	57	19,950	9,924,900	35,739	215,203	1,825	7,365	11
12	Capital Stock Sold ¹			1,300	26	1,300	26		12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled							1,962	14
15	KCSR Restricted Stock Plan							20,000	15
16	Capital Contribution by Parent	57	19,950	9,923,600	35,713	216,503	1,851	29,327	16
17	Balance at close of year								17

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

SCHEDULE 240 - STATEMENT OF CASH FLOWS

(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers as cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenue and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If direct method is used complete lines 1 - 41; Indirect method complete lines 10 - 41. Cash for the purpose of this schedule shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and financing activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and noncash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES					
Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
1.		Cash received from operating revenues			1.
2.		Dividends received from affiliates			2.
3.		Interest received			3.
4.		Other income			4.
5.		Cash paid for operating expenses			5.
6.		Interest paid (net of amounts capitalized)			6.
7.		Income taxes paid			7.
8.		Other—net			8.
9.		NET CASH PROVIDED BY OPERATING ACTIVITIES (LINES 1 - 8)			9.
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10.		Income from continuing operations	33,969	(22,499)	10.
ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11.		Loss (gain) on sale or disposal of tangible property and investments	(7,429)	(3,071)	11.
12.		Depreciation and amortization expenses	30,683	31,132	12.
13.		Increase (decrease) in provision for Deferred Income Taxes	25,605	(50,052)	13.
14.		Net decrease (increase) in undistributed earnings (losses) of affiliates	(894)	(910)	14.
15.		Decrease (increase) in accounts receivable	611	(9,187)	15.
16.		Decrease (increase) in materials and supplies, and other current assets	85,369	(32,294)	16.
17.		Increase (decrease) in current liabilities other than debt	(59,719)	66,304	17.
18.		Increase (decrease) in other—net	8,273	25,367	18.
19.		Net cash provided from continuing operations (Lines 10-18)	116,468	4,790	19.
20.		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items		15,649	20.
21.		NET CASH PROVIDED FROM OPERATING ACTIVITIES (Lines 19 & 20)	116,468	20,439	21.
CASH FLOWS FROM INVESTING ACTIVITIES					
Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22.		Proceeds from sale of property	7,434	4,214	22.
23.		Capital expenditures	(72,873)	(40,495)	23.
24.		Net change in temporary cash investments not qualifying as cash equivalents			24.
25.		Proceeds from sale/repayment of investment and advances	27,881	16,038	25.
26.		Purchase price of long-term investment and advances	(21,131)	(17,146)	26.
27.		Net decrease (increase) in sinking and other special funds		260	27.
28.		Other—net			28.
29.		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(58,689)	(37,129)	29.

(Continued on next page)

SCHEDULE 240 - STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30.		Proceeds from issuance of long-term debt	27,290	6,400	30.
31.		Principal payments of long-term debt	(50,237)	(16,988)	31.
32.		Proceeds from issuance of capital stock			32.
33.		Purchase price of acquiring treasury stock	(26)		33.
34.		Cash dividends paid	(8,801)	(8,740)	34.
35.		Other—net			35.
36.		NET CASH FROM FINANCING ACTIVITIES (Lines 30-35)	(31,774)	(19,326)	36.
37.		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (LINES 21, 29 & 36)	26,005	(36,016)	37.
38.		Cash and cash equivalents at beginning of the year		49,810	38.
39.		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	26,005	13,794	39.
		Footnotes to Schedule 240			
		Cash paid during the year for:			
40.		Interest (net of amount capitalized)*	17,852	8,746	40.
41.		Income taxes (net)*	(3,451)	24,997	41.

*Only applies if indirect method is adopted.

NOTES AND REMARKS

The parent company paid \$20 million of the railroad's debt which was recorded as a capital contribution.

SCHEDULE 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	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	1,703	1
2	Customers (706)	Schedule 200, line 6, column b	26,586	2
3	Other (707)	Note A	4,689	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	32,978	4
OPERATING REVENUE				
5	Railway Operating Revenue	Schedule 210, line 13, column b	315,406	5
6	Rent Income	Note B	28,123	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	343,529	7
8	Average Daily Operating Revenues	Line 7 / 360 days	954	8
Days of Operating Revenue in				
9	Current Operating Assets	Line 4 / line 8	35	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 days	50	10
CURRENT OPERATING LIABILITIES				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	938	11
12	Audited Accounts and Wages Payable (753)	Note A	21,145	12
13	Accounts Payable — Other (754)	Note A	1,347	13
14	Other Taxes Accrued (761.5)	Note A	5,173	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	28,603	15
OPERATING EXPENSES				
16	Railway Operating Expenses	Schedule 210, line 14, column b	253,018	16
17	Depreciation	Schedule 410, line 136, 137, 138, 213, 232, 317, column h	30,445	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	250,696	18
19	Average Daily Expenditures	Line 18 / 360 days	696	19
Days of Operating Expenses in Current				
20	Operating Liabilities	Line 15 / line 19	41	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	9	21
22	Cash Working Capital Required	Line 21 * line 19	6,264	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	39,799	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	6,264	24
MATERIALS AND SUPPLIES				
25	Total Material and Supplies (712)	Note A	14,814	25
26	Scrap and Obsolete Material included in Acct. 712	Note A	826	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	13,988	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	20,252	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 h, 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

**250-CONSOLIDATED INFORMATION
FOR REVENUE ADEQUACY DETERMINATION
(Dollars in Thousands)**

Line No.	Item (a)	of year (b)	year (c)
	Adjusted Net Railway Operating Income For Reporting Entity		
1	Combined/Consolidated Net Rail-way Operating Income for Reporting Entity	N/A	40,096
2	Add:Interest Income from Working Capital Allowance-Cash Portion		965
3	Income Taxes Associated with Non-Rail Income and Deductions		(260)
4	Gain or (loss) from transfer/reclassification to nonrail-status (net of income taxes)		0
5	Adjusted Net Railway Operating Income(Lines 1, 2, 3, & 4)		40,801
	Adjusted Investment in Railroad Property for Reporting Entity		
6	Combined Investment in Railroad Property Used in Transportation Service	419,478	454,805
7	Less: Interest During Construction	2,299	2,299
8	Other Elements of Investment (if debit balance)	0	0
9	Add: Net Rail Assets of Rail-Related Affiliates	3,653	878
10	Working Capital Allowance	29,130	20,958
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	449,962	474,342
12	Less: Accumulated Deferred Income Tax Credits	80,501	83,160
13	Net Investment Base (Line 11-12)	369,461	391,182

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidation, along with the nature of the business for each company.

Name of Affiliate	Nature of Business
The Kansas City Southern Railway Co.	Railroad
Louisiana & Arkansas Railway Co.	Railroad
The Arkansas Western Railway Co.	Railroad
Fort Smith and Van Buren Railway Co.	Railroad
The Kansas and Missouri Railway and Terminal Co.	Switching Terminal
Carland, Inc.	Leasing Co.
Kansas City Southern Transport Co.	Trucking Co.
Landa Motor Lines	Trucking Co.
Louisiana, Arkansas & Texas Transportation Co.	Trucking Co.
Mid-South Microwave	Communications Leasing Co.
Superior Tie and Timber Tie Plant	Tie and Timber Treating Co.

SCHEDULE 250 - PART B

Determination of Nonrail Taxes

This table is designed to facilitate the calculation of taxes that are not rail-related, the amount to be reported on Schedule 250, Line 3.

Part I - DETERMINE TAXES ON NONRAILROAD INCOME FOR ALL COMBINED/CONSOLIDATED RAILROADS (EXCLUDES ALL RAIL - RELATED AFFILIATES)

(1) Determine Combined/Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do not include rail-related affiliates that are not railroads in this part. This represents the total combined/consolidated amounts for all items listed below for all railroads in the reporting entity.

Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46 adjusted to include all railroads in the reporting entity.....	58,438
- Equity in undistributed earnings, which represents the total of Schedule 210, Line 26 for all railroads in the reporting entity.....	894
- Dividends in affiliated companies. (If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend).....	0
= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.....	57,544

(2) Determine Combined/Consolidated Adjusted Pre-tax NROI for all railroads in the reporting entity
Combined/Consolidated Pre-tax NROI for the entire entity, which equals the amount shown on
Schedule 250, Line 1.....

40,096	
+ Current Provisions for taxes, which represents the consolidated amounts of Schedule 210, Line 51 for all railroads in the reporting entity. (This figure includes both Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.....	24,334
+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the net investment base and should equal the amount shown in Schedule 250, Line 2 for all railroads in the reporting entity.....	965
+ Release of premiums on funded debt, which represents the consolidated total of release of premium on funded debt as shown on Schedule 210, Line 22 for all railroads in the reporting entity.....	0
- Total fixed charges, which represents the consolidated total of fixed charges as shown on Schedule 210, Line 42 for all railroads in the reporting entity.....	17,887
- Railroad-related income from affiliates (Other than railroads) which was included in consolidated NROI (Schedule 250, Line 1).....	1,712
= Combined/Consolidated Pre-Tax Adjusted NROI for all railroads. This represents "B" in Item (3) below...	45,796

(3) Calculate the railroad-related tax ratio : "B/A"..... 79.58%

(4) Compute the nonrailroad related complement: (1 - Railroad-related income ratio) which equals the
Nonrailroad-related tax ratio.....

20.42%

(5) Compute the nonrailroad portion of the total provisions for taxes. This equals:

The Nonrailroad-related tax ratio (Item (4) above) times the total current income taxes accrued on ordinary income (Account 556) which represents the consolidated amounts of Schedule 210, Lines 47, 48, and 49 for all railroads in the reporting entity.....	(260)
+ Any non-rail portion of deferred taxes (Account 557) which may exist for all railroads in the reporting entity.....	0
Equals Total income taxes on nonrailroad income for all railroads in the reporting entity.....	(260)

**PART II-DETERMINE NONRAILROAD-RELATED TAXES FOR RAIL-RELATED AFFILIATES
(EXCLUDES ALL AFFILIATED RAILROADS)**

(6) This is calculated by dividing the nonrailroad-related income for combined rail-related affiliates by the total pre-tax net income for all combined rail-related affiliates and multiplying this result by the total taxes (current provision plus deferred). This equals the taxes on nonrailroad income for all affiliated companies..... 0

PART III - DETERMINE TOTAL NONRAILROAD-RELATED TAXES

(7) This is determined as follows:

Total income taxes on nonrailroad-related income for all railroads in the reporting entity (Item 5 above).....	(260)
+ Total Nonrailroad-related taxes for rail-related affiliates (Item 6 above).....	0
Equals Total nonrailroad-related taxes (This amount should be transferred to Schedule 250, Part A, Line 3)..	(260)

Original

**250-CONSOLIDATED INFORMATION
FOR REVENUE ADEQUACY DETERMINATION
(Dollars in Thousands)**

Line No.	Item (a)	Beginning of year (b)	End of year (c)
	Adjusted Net Railway Operating Income For Reporting Entity		
1	Combined/Consolidated Net Railway Operating Income for Reporting Entity	N/A	40,096
2	Add: Interest Income from Working Capital Allowance-Cash Portion		965
3	Income Taxes Associated with Non-Rail Income and Deductions		(240)
4	Gain or (loss) from transfer/reclassification to nonrail-status (net of income taxes)		0
5	Adjusted Net Railway Operating Income(Lines 1, 2, 3, & 4)		40,821
	Adjusted Investment in Railroad Property for Reporting Entity		
6	Combined Investment in Railroad Property Used in Transportation Service	419,478	454,805
7	Less: Interest During Construction	2,299	2,299
8	Other Elements of Investment (if debit balance)	0	0
9	Add: Net Rail Assets of Rail-Related Affiliates	3,653	3,453
10	Working Capital Allowance	29,130	22,349
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	449,962	478,308
12	Less: Accumulated Deferred Income Tax Credits	83,351	83,160
13	Net Investment Base (Line 11-12)	366,611	395,148

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidation, along with the nature of the business for each company.

Name of Affiliate	Nature of Business
The Kansas City Southern Railway Co.	Railroad
Louisiana & Arkansas Railway Co.	Railroad
The Arkansas Western Railway Co.	Railroad
Fort Smith and Van Buren Railway Co.	Railroad
The Kansas and Missouri Railway and Terminal Co.	Switching Terminal
Carland, Inc.	Leasing Co.
Kansas City Southern Transport Co.	Trucking Co.
Landa Motor Lines	Trucking Co.
Louisiana, Arkansas & Texas Transportation Co.	Trucking Co.
Mid-South Microwave	Communications Leasing Co.
Superior Tie and Timber Tie Plant	Tie and Timber Treating Co.

See Revised Pages, Dtd 7/1/90

SCHEDULE 250 - PART B

Determination of Nonrail Taxes

This table is designed to facilitate the calculation of taxes that are not rail-related, the amount to be reported on Schedule 250, Line 3.

Part I - DETERMINE TAXES ON NONRAILROAD INCOME FOR ALL COMBINED/CONSOLIDATED RAILROADS (EXCLUDES ALL RAIL-RELATED AFFILIATES)

(1) Determine Combined/Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do not include rail-related affiliates that are not railroads in this part. This represents the total combined/consolidated amounts for all items listed below for all railroads in the reporting entity.

Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46 adjusted to include all railroads in the reporting entity.....	58,438
- Equity in undistributed earnings, which represents the total of Schedule 210, Line 26 for all railroads in the reporting entity.....	894
- Dividends in affiliated companies. (If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend).....	0
= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.....	57,544

(2) Determine Combined/Consolidated Adjusted Pre-tax NROI for all railroads in the reporting entity
Combined/Consolidated Pre-tax NROI for the entire entity, which equals the amount shown on

Schedule 250, Line 1.....	40,096
+ Current Provisions for taxes, which represents the consolidated amounts of Schedule 210, Line 51 for all railroads in the reporting entity. (This figure includes <u>both</u> Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.....	24,334
+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the net investment base and should equal the amount shown in Schedule 250, Line 2 for all railroads in the reporting entity.....	965
+ Release of premiums on funded debt, which represents the consolidated total of release of premium on funded debt as shown on Schedule 210, Line 22 for all railroads in the reporting entity.....	0
- Total fixed charges, which represents the consolidated total of fixed charges as shown on Schedule 210, Line 42 for all railroads in the reporting entity.....	17,887
- Railroad-related income from affiliates (Other than railroads) which was included in consolidated NROI (Schedule 250, Line 1).....	1,712
= Combined/Consolidated Pre-Tax Adjusted NROI for all railroads. This represents "B" in Item (3) below...	47,508

(3) Calculate the railroad-related tax ratio : "B/A"..... 82.56%

(4) Compute the nonrailroad-related complement: (1 - Railroad-related income ratio) which equals the
Nonrailroad-related tax ratio..... 17.44%

(5) Compute the nonrailroad portion of the total provisions for taxes. This equals:

The Nonrailroad-related tax ratio (Item (4) above) times the total current income taxes accrued on ordinary income (Account 556) which represents the consolidated amounts of Schedule 210, Lines 47, 48, and 49 for all railroads in the reporting entity.....	(222)
+ Any non-rail portion of deferred taxes (Account 557) which may exist for all railroads in the reporting entity.....	0
Equals Total income taxes on nonrailroad income for all railroads in the reporting entity.....	(222)

PART II-DETERMINE NONRAILROAD-RELATED TAXES FOR RAIL-RELATED AFFILIATES
(EXCLUDES ALL AFFILIATED RAILROADS)

(6) This is calculated by dividing the nonrailroad-related income for combined rail-related affiliates by the total pre-tax net income for all combined rail-related affiliates and multiplying this result by the total taxes (current provision plus deferred). This equals the taxes on nonrailroad income for all affiliated companies..... (18)

PART III - DETERMINE TOTAL NONRAILROAD-RELATED TAXES

(7) This is determined as follows:

Total income taxes on nonrailroad-related income for all railroads in the reporting entity (Item 5 above).....	(222)
+ Total Nonrailroad-related taxes for rail-related affiliates (Item 6 above).....	(18)
Equals Total nonrailroad-related taxes (This amount should be transferred to Schedule 250, Part A, Line 3)..	(240)

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. Non-carrier 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						2
3						3
4						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 & Tex and Transportation Co	100%	11
12				Landa Motor Lines	100%	12
13				Trailer Train Co.	1/2%	13
14						14
15						15
16				Total Class A		16
17						17
18		C-1	VII	Trailer Train Co. - Notes	1/2%	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				Louisiana, Arkansas & Texas Transportation Co.	100%	25
26				Kansas City Southern Industries, Inc.		26
27				Total E-1		27
28						28
29		E-3	X	Carland Affiliates		29
30						30
31				Total Advances		31
32						32
33				Total Account 721		33
34						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 (i)	Line No.
	Opening balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1								1
2								2
3								3
4								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		79	20				13
14								14
15								15
16	322		79	243				16
17								17
18	154			154			11	18
19								19
20								20
21								21
22	3,214			3,214				22
23	127			127				23
24	611			611				24
25	266			266				25
26	437	14,508	14,945				477	26
27	4,655	14,508	14,945	4,218				27
28								28
29	11,236	6,623	6,000	11,859				29
30								30
31	15,891	21,131	20,945	16,077				31
32								32
33	16,367	21,131	21,024	16,474			488	33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

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				Completed on Pages 26 and 27.		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						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 (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
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	(511)		202			(309)	2
3								3
4	Landa Motor Lines - Common Stock	292		575			867	4
5								5
6	Louisiana Arkansas & Texas Transp. Co.							6
7	Common Stock	(266)		(18)			(284)	7
8								8
9	The Kansas and Missouri Railway and							9
10	Terminal Co. - Common Stock	1,946		135			2,081	10
11								11
12	Total	1,461		894			2,355	12
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

SCHEDULE 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, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	6,018			1
2		(3) Grading	32,521			2
3		(4) Other right-of-way expenditures	734			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	22,430			5
6		(7) Elevated structures				6
7		(8) Ties	115,474			7
8		(9) Rail and other track material	161,264			8
9		(11) Ballast	39,532			9
10		(13) Fences, snowsheds, and signs	664			10
11		(15) Station and office buildings	12,450			11
12		(17) Roadway buildings	488			12
13		(18) Water stations	71			13
14		(19) Fuel stations	2,450			14
15		(20) Shops and enginehouses	23,181			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC/COFC terminals	5,457			19
20		(26) Communication systems	4,064			20
21		(27) Signals and interlockers	19,045			21
22		(29) Power plants	25			22
23		(31) Power-transmission systems	695			23
24		(35) Miscellaneous structures	257			24
25		(37) Roadway machines	14,231			25
26		(39) Public improvements - Construction	2,464			26
27		(44) Shop machinery	3,112			27
28		(45) Power-plant machinery	179			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	467,806			30
31		(52) Locomotives	98,428			31
32		(53) Freight-train cars	153,396			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	14,637			36
37		(58) Miscellaneous equipment	7,597			37
38		(59) Computer systems and word processing equipment	7,071			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	281,129			39
40		(76) Interest during construction	2,299			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	64,191			42
43		GRAND TOTAL	815,425			43

SCHEDULE 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					6,018	1
2					32,521	2
3					734	3
4						4
5		50		50	22,480	5
6						6
7		15,709	6	15,703	131,177	7
8		40,957	60	40,897	202,161	8
9		13,244	1,268	11,976	51,508	9
10					664	10
11		202	7	195	12,645	11
12					488	12
13					71	13
14		45		45	2,495	14
15		108		108	23,289	15
16						16
17						17
18						18
19		201		201	5,658	19
20		136	88	78	4,142	20
21					19,045	21
22					25	22
23					695	23
24					257	24
25		1,425	828	597	14,828	25
26		123		123	3,587	26
27		142		142	3,254	27
28					179	28
29						29
30		72,372	2,257	70,115	537,921	30
31		17,463	4,044	13,419	111,847	31
32		196	4,261	(4,065)	149,331	32
33						33
34						34
35						35
36		3,157	1,304	1,853	16,490	36
37		568	876	(308)	7,289	37
38		88	2,302	(2,214)	4,857	38
39		21,472	12,787	8,685	289,814	39
40					2,299	40
41						41
42		(21,317)		(21,317)	42,874	42
43		72,527	15,044	57,483	872,908	43

SCHEDULE 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	32,521	32,521	1.00				1
2	(4) Other, right-of-way expenditures	734	734	1.97				2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	22,430	22,466	1.26				4
5	(7) Elevated structures							5
6	(8) Ties	115,474	130,383	4.25				6
7	(9) Rail and other track material	161,264	194,952	3.49				7
8	(11) Ballast	39,532	51,736	7.29				8
9	(13) Fences, snow sheds, and signs	664	664	0.53				9
10	(16) Station and office buildings	12,449	12,650	2.37				10
11	(17) Roadway buildings	488	488	3.44				11
12	(18) Water stations	71	71					12
13	(19) Fuel stations	2,450	2,495	3.01				13
14	(20) Shops and enginehouses	23,181	23,289	2.45				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals	5,457	5,519	2.60				18
19	(26) Communication systems	4,064	4,210	4.27				19
20	(27) Signals and interlockers	19,045	19,045	2.26				20
21	(29) Power plants	25	25	2.64				21
22	(31) Power-transmission systems	695	695	1.97				22
23	(35) Miscellaneous structures	257	257	1.95				23
24	(37) Roadway machines	14,441	15,439	12.21				24
25	(39) Public improvements—Construction	3,444	3,587	2.37				25
26	(44) Shop machinery	3,112	3,255	5.82				26
27	(45) Power-plant machinery	179	179	3.49				27
28	All other road accounts							28
29	Amortization (Adjustments)							29
30	TOTAL ROAD	461,787	524,660	3.94				30
	EQUIPMENT							
31	(52) Locomotives	98,116	98,689	3.94				31
32	(53) Freight-train cars	153,301	149,984	2.95				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	14,605	16,254	14.89				36
37	(58) Miscellaneous equipment	7,595	7,486	9.02				37
38	(59) Computer systems and word processing equipment	7,054	7,144	1.48				38
39	TOTAL EQUIPMENT	280,671	279,557	4.12				39
40	GRAND TOTAL	742,458	804,217	N/A			N/A	40

SCHEDULE 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		DEBITS TO RESERVE		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	13,429	264				13,693	1
2		(4) Other, right-of-way expenditures	251	14				265	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	10,022	253				10,275	4
5		(7) Elevated structures							5
6		(8) Ties	56,487	5,029		521		60,995	6
7		(9) Rail and other track material	55,039	5,929		(5,707)		66,675	7
8		(11) Ballast	25,256	3,294		1,267		27,283	8
9		(13) Fences, snow sheds, and signs	438	11				449	9
10		(16) Station and office buildings	5,813	179		23		5,969	10
11		(17) Roadway buildings	287	5				292	11
12		(18) Water stations	108	(36)				72	12
13		(19) Fuel stations	897	72				969	13
14		(20) Shops and enginehouses	6,986	522		7		7,501	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	2,700	141				2,841	18
19		(26) Communication systems	2,740	122		87		2,775	19
20		(27) Signals and interlockers	5,078	471				5,549	20
21		(29) Power plants	24					24	21
22		(31) Power-transmission systems	457	19				476	22
23		(35) Miscellaneous structures	144	8				152	23
24		(37) Roadway machines	8,963	2,050		819		10,194	24
25		(39) Public improvements--Construction	2,227	52				2,279	25
26		(44) Shop machinery*	1,881	165				1,846	26
27		(45) Power-plant machinery	162	4				166	27
28		All other road accounts							28
29		Amortization (Adjustments)	(1,362)	105				(1,257)	29
30		TOTAL ROAD	197,82	18,673		(2,983)		219,483	30
		EQUIPMENT							
31		(52) Locomotives	62,401	4,358		3,697		63,062	31
32		(53) Freight-train cars	111,989	4,151		3,141		112,999	32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment	9,686	2,085		1,295		10,476	36
37		(58) Miscellaneous equipment	6,624	661		865		6,420	37
38		(59) Computer systems and word processing equipment	6,097	603	1	2,271		4,430	38
39		Amortization Adjustments	600	(120)				480	39
40		TOTAL EQUIPMENT	197,397	11,738	1	11,269		197,867	40
41		GRAND TOTAL	395,224	30,411	1	8,286		417,350	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/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							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 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	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				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	1	1		30
	EQUIPMENT				
31	(52) Locomotives	312	312	23.06	31
32	(53) Freight-train cars	95	93		32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment	32	32		36
37	(58) Miscellaneous equipment	2	2		37
38	(59) Computer systems and word processing equipment	17	17		38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	458	456		40
41	GRAND TOTAL	459	457		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.	Crsss 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							10
11		(17) Roadway buildings							11
12		(18) Water stations	1					1	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	1					1	29
		EQUIPMENT							
30		(52) Locomotives	157	34				191	30
31		(53) Freight-train cars	95			2		93	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	17					17	37
38		TOTAL EQUIPMENT	269	34		2		301	38
39		GRAND TOTAL	270	34		2		302	39

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

NOTES AND REMARKS FOR SCHEDULE 342

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. 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 ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(28) 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	R	The Kansas City Southern Railway Co.	880	559,405	230,938	1
2		732-733 Improvements on Leased Property		145	111	2
3		736 Amortization			457	3
4		Pt. Smith & Van Buren Railway Co. Prpty			253	4
5						5
6						6
7	R	Louisiana & Arkansas Railway Co.	640	225,753	116,628	7
8		732-733 Improvements on Leased Property		312	191	8
9		736 Amortization			15	9
10						10
11						11
12	R	The Arkansas Western Railway Company	33	6,822	5,435	12
13						13
14						14
15	R	Fort Smith & Van Buren Railway Company	20	2,366	2,101	15
16						16
17						17
18	O	Carland, Inc.	--	78,105	61,995	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	1,573	872,908	418,124	31

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year 1989

43

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 account 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 percent 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	6,018				1
2		(3) Grading	32,521				2
3		(4) Other, right-of-way expenditures	734				3
4		(5) Tunnels and subways					4
5		(6) Bridges, trestles, and culverts	22,480				5
6		(7) Elevated structures					6
7		(8) Ties	131,177				7
8		(9) Rail and other track material	202,161				8
9		(11) Ballast	51,508				9
10		(13) Fences, snow sheds, and signs	664				10
11		(16) Station and office buildings	12,645				11
12		(17) Roadway buildings	488				12
13		(18) Water stations	71				13
14		(19) Fuel stations	2,495				14
15		(20) Shops and enginehouses	23,289				15
16		(22) Storage warehouses					16
17		(23) Wharves and docks					17
18		(24) Coal and ore wharves					18
19		(25) TOFC/COFC terminals	5,658				19
20		(26) Communication systems	4,142				20
21		(27) Signals and interlockers	19,045				21
22		(29) Power plants	25				22
23		(31) Power-transmission systems	695				23
24		(35) Miscellaneous structures	257				24
25		(37) Roadway machines	14,828				25
26		(39) Public improvements—Construction	3,587				26
27		(44) Shop machinery	3,254				27
28		(45) Power-plant machinery	179				28
29		Leased property capitalized rentals (explain)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	537,921				31
32		(52) Locomotives	111,847				32
33		(53) Freight-train cars	149,331				33
34		(54) Passenger-train cars					34
35		(55) Highway revenue equipment					35
36		(56) Floating equipment					36
37		(57) Work equipment	16,490				37
38		(58) Miscellaneous equipment	7,289				38
39		(59) Computer systems and word processing equipment	4,857				39
40		TOTAL EQUIPMENT	289,814				40
41		(76) Interest during construction	2,299				41
42		(86) Other elements of investment					42
43		(90) Construction work in progress	42,874				43
44		GRAND TOTAL	872,908				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
Line 4 column b	=	Line 47 column b

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(Dollars in Thousands)

1989

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

45

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	2,129	156	45	130	2,460		2,460	1
2		Bridge and building	197	4	9	19	229		229	2
3		Signal	411	8	7	1	427		427	3
4		Communication	36	2	5		43		43	4
5		Other	366	3	140	25	534		534	5
		REPAIR AND MAINTENANCE								
6		Roadway - Running	733	205	2,018	35	2,991		2,991	6
7		Roadway - Switching	154	5	147		306		306	7
8		Tunnels and Subways - Running								8
9		Tunnels and Subways - Switching								9
10		Bridges and Culverts - Running	603	223	950	58	1,834		1,834	10
11		Bridges and Culverts - Switching	2	(13)			(11)		(11)	11
12		Ties - Running	536	393	54	(83)	900		900	12
13		Ties - Switching	191	282		(56)	417		417	13
14		Rail and other track material - Running	1,676	(650)	1,398	(96)	2,328		2,328	14
15		Rail and other track material - Switching	338	352	181	(17)	854		854	15
16		Ballast - Running	1,410	(3)	10	157	1,574		1,574	16
17		Ballast - Switching	432		23		455		455	17
18		Road Property Damaged - Running	71	38		1	110		110	18
19		Road Property Damaged - Switching	117	28			145		145	19
20		Road Property Damaged - Other								20
21		Signals and Interlockers - Running	974	833	1,251	132	3,190		3,190	21
22		Signals and Interlockers - Switching	44		12		56		56	22
23		Communications Systems		145	2,221		2,366		2,366	23
24		Power Systems		1			1		1	24
25		Highway Grade Crossings - Running	720	54	456		1,230		1,230	25
26		Highway Grade Crossings - Switching	13		14		27		27	26
27		Station and Office Buildings		72	142		214		214	27
28		Shop Building - Locomotives	3	30	262		295		295	28
29		Shop Building - Freight Cars		9	25		34		34	29
30		Shop Building - Other Equipment			1	1	2		2	30

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(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)			
		REPAIR AND MAINTENANCE - Continued							
101		Locomotive Servicing Facilities	4	10	19			33	101
102		Miscellaneous Buildings and Structures	35	152	7	4		198	102
103		Coal Terminals							103
104		Ore Terminals							104
105		Other Marine Terminals							105
106		TOFC/COFC - Terminals		(69)	187			118	106
107		Motor Vehicle Loading and Distribution Facilities							107
108		Facilities for Other Specialized Service Operations							108
109		Roadway Machines	854	638	1,237	88		2,817	109
110		Small Tools and Supplies		(347)	58			(289)	110
111		Snow Removal	13					13	111
112		Fringe Benefits - Running	N/A	N/A	N/A	2,628		2,628	112
113		Fringe Benefits - Switching	N/A	N/A	N/A	307		307	113
114		Fringe Benefits - Other	N/A	N/A	N/A	2,491		2,491	114
115		Casualties and Insurance - Running	N/A	N/A	N/A	733		733	115
116		Casualties and Insurance - Switching	N/A	N/A	N/A	81		81	116
117		Casualties and Insurance - Other	N/A	N/A	N/A	1,587		1,587	117
118		Lease Rentals - Debit - Running	N/A	N/A	439	N/A		439	118
119		Lease Rentals - Debit - Switching	N/A	N/A	661	N/A		661	119
120		Lease Rentals - Debit - Other	N/A	N/A	6,300	N/A		6,300	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	(5,106)	N/A		(5,106)	123
124		Joint Facility Rent - Debit - Running	N/A	N/A	1,091	N/A		1,091	124
125		Joint Facility Rent - Debit - Switching	N/A	N/A	92	N/A		92	125
126		Joint Facility Rent - Debit - Other	N/A	N/A	9	N/A		9	126
127		Joint Facility Rent - [Credit] - Running	N/A	N/A	(228)	N/A		(228)	127
128		Joint Facility Rent - [Credit] - Switching	N/A	N/A	(61)	N/A		(61)	128
129		Joint Facility Rent - [Credit] - Other	N/A	N/A	(6)	N/A		(6)	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	259	N/A		259	132
133		Other Rents - [Credit] - Running	N/A	N/A		N/A			133

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(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	(63)	N/A	(63)		(63)	135
136		Depreciation - Running	N/A	N/A	N/A	13,724	13,724		13,724	136
137		Depreciation - Switching	N/A	N/A	N/A	1,532	1,532		1,532	137
138		Depreciation - Other	N/A	N/A	N/A	3,229	3,229		3,229	138
139		Joint Facility - Debit - Running	N/A	N/A	702	N/A	702		702	139
140		Joint Facility - Debit - Switching	N/A	N/A	297	N/A	297		297	140
141		Joint Facility - Debit - Other	N/A	N/A	11	N/A	11		11	141
142		Joint Facility - [Credit] - Running	N/A	N/A	(1,610)	N/A	(1,610)		(1,610)	142
143		Joint Facility - [Credit] - Switching	N/A	N/A	(149)	N/A	(149)		(149)	143
144		Joint Facility - [Credit] - Other	N/A	N/A		N/A				144
145		Dismantling Retired Road Property - Running	6				6		6	145
146		Dismantling Retired Road Property - Switching	2				2		2	146
147		Dismantling Retired Road Property - Other								147
148		Other - Running	327	662		457	1,446		1,446	148
149		Other - Switching	21	(626)	1		(604)		(604)	149
150		Other - Other	(601)	60	251	29	(261)		(261)	150
151		TOTAL WAY AND STRUCTURES	11,817	2,657	13,769	27,197	55,440		55,440	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	506	8	13	48	575		575	201
202		Repair and Maintenance	3,919	8,023	459	32	12,433		12,433	202
203		Machinery Repair		52	7		59		59	203
204		Equipment Damaged								204
205		Fringe Benefits	N/A	N/A	N/A	2,416	2,416		2,416	205
206		Other Casualties and Insurance	N/A	N/A	N/A	1,005	1,005		1,005	206
207		Lease Rentals - Debit	N/A	N/A	898	N/A	898		898	207
208		Lease Rentals - [Credit]	N/A	N/A	(3,254)	N/A	(3,254)		(3,254)	208
209		Joint Facility Rent - Debit	N/A	N/A	13	N/A	13		13	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	(57)	N/A	(57)		(57)	212
213		Depreciation	N/A	N/A	N/A	4,079	4,079		4,079	213
214		Joint Facility - Debit	N/A	N/A	83	N/A	83		83	214
215		Joint Facility - [Credit]	N/A	N/A	(73)	N/A	(73)		(73)	215
216		Repairs Billed to Others - [Credit]	N/A	N/A		N/A				216

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(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
		Dismantling Retired Property								
218		Other		40	113		153		153	218
219		TOTAL LOCOMOTIVES	4,425	8,123	(1,798)	7,580	18,330		18,330	219
		FREIGHT CARS								
220		Administration	375	31	12	35	453		453	220
221		Repair and Maintenance	2,498	3,509	2,198	49	8,254		8,254	221
222		Machinery Repair		41	7		48		48	222
223		Equipment Damaged	389	543	345	5	1,282		1,282	223
224		Fringe Benefits	N/A	N/A	N/A	2,326	2,326		2,326	224
225		Other Casualties and Insurance	N/A	N/A	N/A	3,027	3,027		3,027	225
226		Lease Rentals - Debit	N/A	N/A	2,252	N/A	2,252		2,252	226
227		Lease Rentals - [Credit]	N/A	N/A	(707)	N/A	(707)		(707)	227
228		Joint Facility Rent - Debit	N/A	N/A		N/A				228
229		Joint Facility Rent - [Credit]	N/A	N/A		N/A				229
230		Other Rents - Debit	N/A	N/A	26,530	N/A	26,530		26,530	230
231		Other Rents - [Credit]	N/A	N/A	(14,326)	N/A	(14,326)		(14,326)	231
232		Depreciation	N/A	N/A	N/A	4,442	4,442		4,442	232
233		Joint Facility - Debit	N/A	N/A		N/A				233
234		Joint Facility - [Credit]	N/A	N/A		N/A				234
235		Repairs Billed to Others - [Credit]	N/A	N/A	(4,534)	N/A	(4,534)		(4,534)	235
236		Dismantling Retired Property								236
237		Other		37	8	40	85		85	237
238		TOTAL FREIGHT CARS	3,262	4,161	11,785	9,924	29,132	N/A	29,132	238
		OTHER EQUIPMENT								
301		Administration	115	1	159	1	276		276	301
		Repair and Maintenance								
302		Trucks, Trailers, and Containers - Revenue Service		10	553		563		563	302
303		Floating Equipment - Revenue Service								303
304		Passenger and Other Revenue Equipment								304
305		Computer systems and word processing equipment		39	466		505		505	305
306		Machinery	1	1	2		4		4	306
307		Work and Other Non-Revenue Equipment	1	48	625		674		674	307
308		Equipment Damaged								308
309		Fringe Benefits	N/A	N/A	N/A	185	185		185	309
310		Other Casualties and Insurance	N/A	N/A	N/A	205	205		205	310
311		Lease Rentals - Debit	N/A	N/A	5,541	N/A	5,541		5,541	311
312		Lease Rentals - [Credit]	N/A	N/A	(2,143)	N/A	(2,143)		(2,143)	312

RC-134500

KANSAS CITY SOUTHERN

1989

2 OF 4

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(Dollars in Thousands)

1989

The Kansas City Southern Lines Consolidated

49

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)	Total freight expense (f)			
313		OTHER EQUIPMENT - Continued								
		Joint Facility Rent - Debit	N/A	N/A		N/A				313
314		Joint Facility Rent - [Credit]	N/A	N/A		N/A				314
315		Other Rents - Debit	N/A	N/A	2,506	N/A	2,506		2,506	315
316		Other Rents - [Credit]	N/A	N/A	(2,172)	N/A	(2,172)		(2,172)	316
317		Depreciation	N/A	N/A	N/A	3,439	3,439		3,439	317
318		Joint Facility - Debit	N/A	N/A		N/A				318
319		Joint Facility - [Credit]	N/A	N/A		N/A				319
320		Repairs Billed to Others - [Credit]	N/A	N/A	(203)	N/A	(203)		(203)	320
321		Dismantling Retired Property								321
322		Other			1		1		1	322
323		TOTAL OTHER EQUIPMENT	117	99	5,335	3,830	9,381		9,381	323
324		TOTAL EQUIPMENT	7,804	12,383	15,322	21,334	56,843		56,843	324
		TRANSPORTATION:								
		TRAIN OPERATIONS								
401		Administration	1,336	64	38	99	1,537		1,537	401
402		Engine Crews	7,710	47		431	8,188		8,188	402
403		Train Crews	16,499	145	91	1,229	17,964		17,964	403
404		Dispatching Trains	812		3		815		815	404
405		Operating Signals and Interlockers	313		226		539		539	405
406		Operating Drawbridges	87		2		89		89	406
407		Highway Crossing Protection		1	11		12		12	407
408		Train Inspection and Lubrication	1,640	179	17		1,836		1,836	408
409		Locomotive Fuel	105	16,799	5		16,909		16,909	409
410		Electric Power Purchased or Produced for Motive Power								410
411		Servicing Locomotives	554	616	41		1,211		1,211	411
412		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	41	41		41	412
413		Clearing Wrecks	5		406		411		411	413
414		Fringe Benefits	N/A	N/A	N/A	9,769	9,769		9,769	414
415		Other Casualties and Insurance	N/A	N/A	N/A	5,741	5,741		5,741	415
416		Joint Facility - Debit	N/A	N/A	245	N/A	245		245	416
417		Joint Facility - [Credit]	N/A	N/A	(164)	N/A	(164)		(164)	417
418		Other	4	163	184	449	800		800	418
419		TOTAL TRAIN OPERATIONS	29,065	18,014	1,105	17,759	65,943		65,943	419
		YARD OPERATIONS								
420		Administration	579	31	16	54	680		680	420
421		Switch Crews	14,850	12	6	16	14,884		14,884	421

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(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	853		128		981		981	422
423		Yard and Terminal Clerical	2,624	4	189	4	2,821		2,821	423
424		Operating Switches, Signals, Retarders and Humps	20		1		21		21	424
425		Locomotive Fuel	8	1,306			1,314		1,314	425
426		Electric Power Purchased or Produced for Motive Power								426
427		Servicing Locomotives	240	6	16		262		262	427
428		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	277	277		277	428
429		Clearing Wrecks	6		16		22		22	429
430		Fringe Benefits	N/A	N/A	N/A	7,651	7,651		7,651	430
431		Other Casualties and Insurance	N/A	N/A	N/A	1,020	1,020		1,020	431
432		Joint Facility - Debit	N/A	N/A	410	N/A	410		410	432
433		Joint Facility - [Credit]	N/A	N/A	(853)	N/A	(853)		(853)	433
434		Other		54	50	31	135		135	434
435		TOTAL YARD OPERATIONS	19,180	1,413	(21)	9,053	29,625		29,625	435
		TRAIN AND YARD OPERATIONS COMMON								
501		Cleaning Car Interiors	1		101	N/A	102		102	501
502		Adjusting and Transferring Loads		1	80	N/A	81		81	502
503		Car Loading Devices and Grain Doors				N/A				503
504		Freight Lost or Damaged - all other	N/A	N/A	N/A	(182)	(182)		(182)	504
505		Fringe Benefits	N/A	N/A	N/A	26	26		26	505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	1	1	181	(156)	27		27	506
		SPECIALIZED SERVICE OPERATIONS								
507		Administration								507
508		Pickup and Delivery and Marine Line Haul								508
509		Loading and Unloading and Local Marine		20	2,842		2,862		2,862	509
510		Protective Services								510
511		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A					511
512		Fringe Benefits	N/A	N/A	N/A	2	2		2	512
513		Casualties and Insurance	N/A	N/A	N/A					513
514		Joint Facility - Debit	N/A	N/A		N/A				514
515		Joint Facility - [Credit]	N/A	N/A		N/A				515
516		Other			12		12		12	516
517		TOTAL SPECIALIZED SERVICES OPERATIONS		20	2,854	2	2,876		2,876	517

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED
1989 RAILROAD ANNUAL REPORT R-1
SCHEDULE 410 - RAILWAY OPERATING EXPENSES
(Dollars in Thousands)

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)	Total freight expense (f)			
518		ADMINISTRATIVE SUPPORT OPERATIONS								
		Administration	832	16	106	68	1,022		1,022	518
519		Employees Performing Clerical and Accounting Functions	1,538	68	453	23	2,087		2,087	519
520		Communications Systems Operation	4	16	8		28		28	520
521		Loss and Damage Claims Processing	126	4	1	13	144		144	521
522		Fringe Benefits	N/A	N/A	N/A	1,152	1,152		1,152	522
523		Casualties and Insurance	N/A	N/A	N/A	15	15		15	523
524		Joint Facility - Debit	N/A	N/A		N/A				524
525		Joint Facility - [Credit]	N/A	N/A		N/A				525
526		Other	1		11		12		12	526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	2,501	104	584	1,271	4,460		4,460	527
528		TOTAL TRANSPORTATION	50,747	19,552	4,703	27,929	102,931		102,931	528
601		GENERAL AND ADMINISTRATIVE								
		Officers - General Administration	1,847	334	3,384	169	5,734		5,734	601
602		Accounting, Auditing, and Finance	3,339	80	2,815	46	6,280		6,280	602
603		Management Services and Data Processing	1,817	72	669	130	2,688		2,688	603
604		Marketing	1,430	35	488	147	2,100		2,100	604
605		Sales	2,369	15	263	661	3,308		3,308	605
606		Industrial Development								606
607		Personnel and Labor Relations	845	81	175	60	1,161		1,161	607
608		Legal and Secretarial	252	14	4,914	22	5,232		5,232	608
609		Public Relations and Advertising			42		42		42	609
610		Research and Development								610
611		Fringe Benefits	N/A	N/A	N/A	6,309	6,309		6,309	611
612		Casualties and Insurance	N/A	N/A	N/A	411	411		411	612
613		Writedown of Uncollectible Accounts	N/A	N/A	N/A					613
614		Property Taxes	N/A	N/A	N/A	3,723	3,723		3,723	614
615		Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	(378)	(378)		(378)	615
616		Joint Facility - Debit	N/A	N/A	27	N/A	27		27	616
617		Joint Facility - [Credit]	N/A	N/A	(9)	N/A	(9)		(9)	617
618		Other	729	101	271	75	1,176		1,176	618
619		TOTAL GENERAL AND ADMINISTRATIVE	12,628	732	13,069	11,375	37,804		37,804	619
620		TOTAL CARRIER OPERATING EXPENSES	82,996	35,324	46,863	87,835	253,018		253,018	620

1989

The Kansas City Southern Lines Consolidated

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	1		1
2		3	Grading	264	4		2
3		4	Other right-of-way expenditures	14			3
4		5	Tunnels and subways				4
5		6	Bridges, trestles and culverts	240		(13)	5
6		7	Elevated structures				6
7		8	Ties	5,029	15		7
8		9	Rail and other track material	5,929	23		8
9		11	Ballast	3,294	6		9
10		13	Fences, snowsheds and signs	3		(8)	10
11		16	Station and office buildings	237	1,082	58	11
12		17	Roadway buildings	9		4	12
13		18	Water stations	(32)		4	13
14		19	Fuel stations	74		2	14
15		20	Shops and enginehouses	569		47	15
16		22	Storage warehouses				16
17		23	Wharves and docks				17
18		24	Coal and ore wharves				18
19		25	TOFC/COFC terminals	141	5		19
20		26	Communications systems	156	838	34	20
21		27	Signals and interlockers	430	439	(41)	21
22		29	Power plants	1		1	22
23		31	Power transmission systems	14		(5)	23
24		35	Miscellaneous structures	5		(3)	24
25		37	Roadway machines	2,050	77		25
26		39	Public improvements: construction	52			26
27		45	Power plant machines	6		2	27
28		—	Other lease/rentals	N/A		N/A	28
29	*	—	TOTAL	18,485	2,490	82	29

SCHEDULE 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			GROSS AMOUNTS PAYABLE			Line No.
			Per diem basis			Per diem basis			
			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
2		Box-Plain 50 Foot and Longer		2,297	6,202	493	612	2,169	2
3		Box-Equipped		868	2,046		541	1,003	3
4		Gondola-Plain		432	822	576	236	424	4
5		Gondola-Equipped		105	188		56	110	5
6		Hopper-Covered		235	709	4,122	841	1,792	6
7		Hopper-Open Top-General Service		12	32		299	763	7
8		Hopper-Open Top-Special Service		32	44	3	3	83	8
9		Refrigerator-Mechanical					24	11	9
10		Refrigerator-Non-Mechanical				59	45	89	10
11		Flat TOFC/COFC		4	5	2,038	134	366	11
12		Flat Multi-Level				200	2	18	12
13		Flat-General Service		11	12	2	53	42	13
14		Flat-Other		47	203	789	87	245	14
15		Tank-Under 22,000 Gallons				3,536			15
16		Tank-22,000 Gallons and Over			2	4,453			16
17		All Other Freight Cars		11	7	3	12	11	17
18		Auto Racks						184	18
19		TOTAL FREIGHT TRAIN CARS		4,054	10,272	16,274	2,945	7,311	19
OTHER FREIGHT-CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			2,125	1,219		680	21
22		Refrigerated Containers							22
23		Other Containers							23
24		TOTAL TRAILERS AND CONTAINERS			2,125	1,219		680	24
25		GRAND TOTAL (LINES 19 AND 24)		4,054	12,397	17,493	2,945	7,991	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 therefore 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 335, 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.

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT

(Dollars in Thousands)

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)		
		LOCOMOTIVES					
1		Diesel Locomotive-Yard	1,153	69	72	(77)	1
2		Diesel Locomotive-Road	11,280	3,542	320	(272)	2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5		TOTAL	12,433	3,611	398	(349)	5
		FREIGHT TRAIN CARS					
6		Box-Plain 40 Foot	5	(3)		2	6
7		Box-Plain 50 Foot and Longer	1,674	571	386	10	7
8		Box-Equipped	658	613	59	65	8
9		Gondola-Plain	168	1,018	145	27	9
10		Gondola-Equipped	20	231			10
11		Hopper-Covered	267	751		64	11
12		Hopper-Open Top-General Service	98	176		19	12
13		Hopper-Open Top-Special Service	149	442		17	13
14		Refrigerator-Mechanical					14
15		Refrigerator-Nonmechanical		45		12	15
16		Flat TOFC/COFC	2				16
17		Flat Multi-level				16	17
18		Flat-General Service	59	26		1	18
19		Flat-Other	119	71		1	19
20		All Other Freight Cars	418	(183)		(16)	20
21		Caboose	83	11	21	11	21
22		Auto Racks					22
23		Miscellaneous Accessories					23
24		TOTAL FREIGHT TRAIN CARS	3,720	3,769	611	229	24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	360				26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32		TOTAL HIGHWAY EQUIPMENT	360	0	0	0	32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35		TOTAL FLOATING EQUIPMENT		0	0	0	35
		OTHER EQUIPMENT					
36		Passenger and Other Revenue Equipment (Freight Portion)					36
37		Computer systems and word processing equip.	505	603			37
38		Machinery-Locomotives (1)	59	36		8	38
39		Machinery-Freight Cars (2)	48	62		15	39
40		Machinery-Other Equipment (3)	4	90			40
41		Work and Other Non-revenue Equipment	674	2,746			41
42		TOTAL OTHER EQUIPMENT	1,290	3,537	0	23	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	17,803	10,917	1,009	(97)	43

(1) The data to be reported on line 36 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

(2) The 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 portion of line 235.

(3) The 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.

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT--Continued

(Dollars in Thousands)

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		(212)	26,158	1,123	22,286	1,046	1
2		(2,201)	79,162	5,092	35,340	4,390	2
3							3
4							4
5		(2,413)	105,320	6,215	57,626	5,436	5
6			508		325		6
7		2,040	31,089	18,389	28,202	15,580	7
8			23,664	3,115	21,231	2,963	8
9			15,026	2,608	7,970	507	9
10			3,444	786	1,902	786	10
11			14,795		8,831		11
12			4,593		1,230		12
13		(496)	19,256		13,958		13
14							14
15			142		71		15
16			29		15		16
17							17
18			1,976		1,826		18
19			4,858		3,194		19
20		1	3,052	411	2,552	411	20
21			984	327	984	278	21
22			186		183		22
23							23
24		1,515	123,602	25,636	92,474	20,525	24
25							25
26		2,027					26
27							27
28							28
29							29
30							30
31							31
32		2,027	0	0	0	0	32
33							33
34							34
35		0	0	0	0	0	35
36							36
37		1,199	4,840		4,430		37
38			1,042		562		38
39			1,790		981		39
40			422		303		40
41		732	23,745		16,896		41
42		1,931	31,839	0	23,172	0	42
43		3,090	260,761	31,851	173,272	25,961	43

(1) The data to be reported on lines 36, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

(2) The depreciation to be reported on lines 36, 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.

* Improvements
on Leased Property

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT

(Dollars in Thousands)

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)		
		LOCOMOTIVES					
1		Diesel Locomotive-Yard					1
2		Diesel Locomotive-Road			34		2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL			34		5
		FREIGHT TRAIN CARS					
6		Box-Plain 40 Foot					6
7		Box-Plain 50 Foot and Longer					7
8		Box-Equipped					8
9		Gondola-Plain					9
10		Gondola-Equipped					10
11		Hopper-Covered					11
12		Hopper-Open Top-General Service					12
13		Hopper-Open Top-Special Service					13
14		Refrigerator-Mechanical					14
15		Refrigerator-Nonmechanical					15
16		Flat TOFC/COFC					16
17		Flat Multi-level					17
18		Flat-General Service					18
19		Flat-Other					19
20		All Other Freight Cars					20
21		Cabooses					21
22		Auto Racks					22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS					24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers					26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT					32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger and Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems and word processing equip.					37
38	*	Machinery-Locomotives (1)					38
39	*	Machinery-Freight Cars (2)					39
40	*	Machinery-Other Equipment (3)					40
41	*	Work and Other Non-revenue Equipment					41
42		TOTAL OTHER EQUIPMENT					42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)			34		43

(1) The data to be reported on line 36 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

(2) The 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 portion of line 235.

(3) The 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.

* Improvements
on Leased Property

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT--Continued

(Dollars in Thousands)

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		191	2
3							3
4							4
5				312		191	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				93		93	18
19							19
20							20
21							21
22							22
23							23
24				93		93	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				17		17	37
38							38
39							39
40							40
41				34		0	41
42				51		17	42
43				456		301	43

(1) The 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.

(2) The depreciation to be reported on lines 38, 39, and 40 in column (j) 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.

416. SUPPORTING SCHEDULE—ROAD
(Dollars in Thousands)

Line No.	Density category (Class) (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	I	3	22,545	9,507	1.09							22,545	9,507	1
2		8	41,007	16,745	5.53							41,007	16,745	2
3		9	92,612	21,528	4.52							92,612	21,528	3
4		11	20,657	10,723	10.00							20,657	10,723	4
5	SUB-TOTAL		176,821	58,503								176,821	58,503	5
6	II	3	9,947	4,157	1.09							9,947	4,157	6
7		8	65,134	33,199	4.47							65,134	33,199	7
8		9	89,506	33,914	2.91							89,506	33,914	8
9		11	24,734	13,098	6.66							24,734	13,098	9
10	SUB-TOTAL		189,321	84,368								189,321	84,368	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	29	29	1.09							29	29	16
17		8	25,036	11,051	3.77							25,036	11,051	17
18		9	20,043	11,233	8.91							20,043	11,233	18
19		11	6,117	3,462	4.99							6,117	3,462	19
20	SUB-TOTAL		51,225	25,775								51,225	25,775	20
21	V	3												21
22		8												22
23		9												23
24		11												24
25	SUB-TOTAL													25
26	GRAND TOTAL		417,367	168,646	N/A			N/A				417,367	168,646	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

Road Initials

Year 89

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

59

NOTES AND REMARKS

SCHEDULE 417 - SPECIALIZED SERVICE SUBSCHEDULE -- TRANSPORTATION

(Dollars in Thousands)

1. Report freight expenses only.
2. Report in lines 1, 2, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchases 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 it is 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 total 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	2660						N/A	202	2862	3
4		Protective services, total debit and credits										4
5		Freight lost or damaged—solely related										5
6		Fringe benefits								2	2	6
7		Casualty and insurance										7
8		Joint facility - Debit										8
9		Joint facility - Credit										9
10		Other								12	12	10
11		TOTAL	2660							216	2876	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	3,334	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax and Surtax	(970)	2
3		Excess Profits		3
4	*	Total - Income Taxes L 2 + 3	(970)	4
5		Railroad Retirement	16,658	5
6		Hospital Insurance	1,108	6
7		Supplemental Annuities	1,342	7
8		Unemployment Insurance	2,145	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	20,283	10
11		Total - Railway Taxes	23,617	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.	76,567	7,934		84,501	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	(16,437)			(16,437)	6
7	Reserve for claims	(10,395)	(3,223)		(13,618)	7
8	Reacquisition of 1st mortgage bonds	799			799	8
9	Future benefits of capitalized leases	(2,156)	242		(1,914)	9
10	Provisions for contingencies	(5,405)	2,251		(3,154)	10
11	Accelerated depreciation change					11
12	from RRB Accounting to Deprecia-					12
13	tion Accounting	29,402			29,402	13
14	ETSI Settlement	(18,188)	18,188		-0-	14
15	Asset Dispositions	1,085	210		1,295	15
16						16
17						17
18	Investment tax credit*					18
19	TOTALS	55,272	25,602		80,874	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		8,969	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		2	11
12	***616	Other debits to retained earnings	1		12
13					13
14					14
15					15
16	620	Appropriations for sinking funds			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

*Profit on sale of 400 shares of Trailer Train Capital Stock	\$6,857
Profit on sale of land	\$ 572
Royalties on natural resources	\$ 124

**Book value of 600 shares of Common Stock forfeited under KCSR Employees' Stock Plan.

***Adjustments of 400 shares of Common Stock under KCSR Employees Stock Plan.

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

66 Road Initials:

Road Initials:

Year 89

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	100	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

NOTES AND REMARKS

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	14,588
3	765/767	Funded Debt Unmatured	Sch. 200, L. 41	-
4	766	Equipment Obligations	Sch. 200, L. 42	65,225
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 43	9,608
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	89,421
9		Debt Directly Related to Road Property	Note 1.	-
10		Debt Directly Related to Equipment	Note 1.	89,421
11		Total Debt Directly Related to Road & Equipment	Sum L. 9 and 10	89,421
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 X L. 14) plus L. 8	-
16		Equipment Debt	(L. 13 X L. 14) plus L. 10	89,421

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	17,887
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	17,887
21		Interest Affiliated Company Debt	Note 2.	-
22		Net Interest Expense	L. 20 minus L. 21	17,887
23		Interest Directly Related to Road Property Debt	Note 3.	-
24		Interest Directly Related to Equipment Debt	Note 3.	14,743
25		Interest Not Directly Related to Road or Equipment Property Debt	L. 22 - (L. 23 + L. 24)	3,144
26		Interest Road Property Debt	L. 23 + (L. 25 X L. 12)	-
27		Interest Equipment Debt	L. 24 + (L. 25 X L. 13)	17,887

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 765—Account Payable; Affiliated companies.

Note 3. This interest related 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	Arqus Health Systems		Common	Settlement of 85-86			1
2				RR Retir Tax Assessmnt	158		2
3	Carland, Inc.		Common	Rental of Equipment	11,891		3
4							4
5				Billing to Carland for			5
6				Telephone Service	3		6
7							7
8	Investors Fiduciary Trust		Common	Employee Ins Premiums	1,759		8
9				Common Stock Dividend	17		9
10				Interest	51		10
11				Investment	5,000		11
12							12
13	Mid-South Microwave		Common	Rent	821		13
14				Maintenance	1,508		14
15				Taxes	46		15
16							16
17	Rice Carden Corporation		Common	Equipment Leases			17
18				Hot Box Detector	474		18
19				Central Traffic Cntrl	299		19
20				Roll Telephone	91		20
21				Closed Circuit TV	19		21
22				Modems	2		22
23				Other	28		23
24				Maintenance on Leases	1,437		24
25							25

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	Trans-Serve Inc.		Common	Billings			1
2				Rent of Land	8		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							20
21							21
22							22
23							23
24							24
25							25

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		Controlled	Management Fee	6,079		1
2	Inc.			Common Stock Dividend	7,872		2
3				Preferred Stock Div.	798	199	3
4				Federal Income Taxes	2,935		4
5				Employees Payroll Deduc	25		5
6				Purchase Commercial			6
7				Paper for Railroad Inv.	1,002		7
8				Insurance Premiums	485		8
9				Reimburse KCSI for			9
10				RR Employees Expenses	35		10
11				Employee Stock Option			11
12				Plan	1,411		12
13				Claims Paid	23		13
14				Courier Service	1		14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

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		Controlled	Billings			1
2	Inc.						2
3				Auto Rent	4		3
4				Telephone Service	39		4
5				Postage	2		5
6				Office Supplies	4		6
7				Software Maintenance	2		7
8				Legal Fees	11		8
9				Employees' Business Exp	1		9
10				Federal Income Taxes	3,418		10
11							11
12				Estimated Federal Income			12
13				Tax Receivable	2,086	2,086	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

72C

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year 19 89

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		Common	Dockage Pt Arthur, TX	168		1
2							2
3							3
4							4
5							5
6							6
7	Southern Development Co.		Common	Rental of Building	1,038		7
8				Furniture	35		8
9				Supplies	14		9
10				Wiring for Computers	53		10
11							11
12	Superior Tie & Timber Co.		Common	Switch & Cross Ties	5,374		12
13				Billings			13
14				Pipeline Crossing	1		14
15				Cross Ties	64		15
16							16
17	Support Resources		Common	Stationery	8		17
18							18
19	Tolmak Inc.		Common	Track Rental and			19
20				Maintenance	459		20
21							21
22							22
23							23
24	Trans-Serve Inc.		Common	Maintenance and			24
25				Inspection Services	166		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%	1,573	9		203	174	289	2,248	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%					21	1	22	9
10										10
11	3B	100%					7	11	18	11
12										12
13	5	100%	108	9	2	14	14	4	151	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	1,681	22	2	218	223	395	2,541	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

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	185	9				194			1
2											2
3											3
4		Kansas	18	6				24			4
5											5
6											6
7		Arkansas	224	4			4	232			7
8											8
9											9
10											10
11											11
12											12
13		Oklahoma	157	38			1	196			13
14											14
15											15
16											16
17											17
18											18
19		Louisiana	654	25			62	741			19
20											20
21											21
22											22
23											23
24											24
25		Texas	238	15			41	294			25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	1,476	97			108	1,681			32

Road Initials:

Year 19 89

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

75

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 (l). 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. Column (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 6, column (j)
Line 7, column (j)
Line 8, column (j)
Line 9, column (j)
Line 10, column (j)

Schedule 710

= Line 11, column (l)
= Line 12, column (l)
= Line 13, column (l)
= Line 14, column (l)
= Line 15, column (l)
= Line 16, column (l)

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									(H.P.)			
1		Diesel-freight units	176	10			10	3	129	64	193	561,500	1	
2		Diesel-passenger units											2	
3		Diesel-multiple purpose units	7						7		7	11,250	3	
4		Diesel-switching units	65					5	52	8	60	84,300	4	
5	*	TOTAL (lines 1 to 4) units	248	10			10	8	188	72	260	657,050	5	
6	*	Electric-locomotives											6	
7	*	Other self-powered units											7	
8	*	TOTAL (lines 5, 6 and 7)	248	10			10	8	188	72	260	657,050	8	
9	*	Auxiliary units	17						5	12	17	N/A	9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	265	10			10	8	193	84	277	N/A	10	

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

Line No.	Cross Check	Type or design of units (a)	Before Jan. 1, 1965 (b)	During Calendar Year				1985 (g)	1986 (h)	1987 (i)	1988 (j)	1989 (k)	TOTAL (l)	Line No.
				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)							
11	*	Diesel	33	83	84	32	18					10	260	11
12	*	Electric												12
13	*	Other self-powered units												13
14	*	TOTAL (lines 11 to 13)	33	83	84	32	18					10	260	14
15	*	Auxiliary units	10	1	6								17	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	43	84	90	32	18					10	277	16

710. INVENTORY OF EQUIPMENT—Continued
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)							
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)												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	106						40	66	106	N/A		34
35		TOTAL (lines 30 to 34)	122						42	80	122	N/A		35

Road Initials:

Year 19 89

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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

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)	80						36
37		Plain box cars - 50' and longer (B300-B887)	2,158						37
38		Equipped box cars (All Code A) Except A __ 5 __	852						38
39		Plain gondola cars (All Codes G & J--1, J--2, J--3, and J--4)	552						39
40		Equipped gondola cars (All Code E)	109						40
41		Covered hopper cars (All Code C __ 1 __ C __ 2 __)	665						41
42		Open top hopper cars—general service (All Code H)	324						42
43		Open top hopper cars—special service (All codes K, J--0)	744						43
44		Refrigerator cars—mechanical R-9 (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)	15						45
46		Flat cars—TOFC/COFC (All Code P & Q and S) Except Q8--)	2						46
47		Flat cars—multi-level (All Code V)							47
48		Flat cars—general service (F101-106, F201-206, F301-306)	138						48
49		Flat cars—other F-8 F 40 __ (F111-166, 211-266, 311-366, 411-466, 600-826)	282						49
50		Tank cars—under 22,000 gallons (T-0, T-1, T-2, T-3, T-4, T-5) (Except T000)	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 A __ 5 __ (All Code L and F171-176, 271-276, 371-376, 471-476 and Q8--)	517						52
53		TOTAL (lines 36 to 52)	6,489						53
54		Caboose (All Code M-930)	N/A	67					54
55		TOTAL (lines 53, 54)	6,489	67					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		6	58	16	74		3,700		36
37		36	1,081	1,041	2,122		183,610		37
38		15	668	169	837		85,200		38
39		2	445	105	550		57,200		39
40			109		109		10,900		40
41		41	613	11	624		62,695		41
42		15	116	193	309		26,050		42
43		53	670	21	691		59,320		43
44									44
45		5	8	2	10		650		45
46			2		2		125		46
47									47
48			138		138		7,280		48
49		20	204	58	262		26,140		49
50			4		4		308		50
51		1	46		46		3,925		51
52		125	148	244	392		38,950		52
53		319	4,310	1,860	6,170		566,053		53
54			19	48	N/A	67	N/A		54
55		319	4,329	1,908	6,170	67	566,053		55

710. INVENTORY OF EQUIPMENT — Continued

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	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem	All others	Units installed				
					New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units, including reclassification and second hand units purchased or leased from others	
		(a)	(b)	(c)	(d)	(e)	(f)	(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 Z1-- , Z67 -- , Z68 -- , Z69 --							59
60		Dry van U2-- , Z2-- , Z6 -- , 1-6	790						60
61		Flat bed U3-- Z3--	102						61
62		Open top U4-- Z4--							62
63		Mechanical refrigerator U5-- Z5--							63
64		Bulk U0-- & Z0--							64
65		Insulated U7-- Z7--							65
66		Tank ' Z0-- U6--							66
67		Other trailer and container (Special Equipped Dry Van U9--Z8-- & Z9--)							67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	892						70

NOTES AND REMARKS

* Must have fitting code "CN" to qualify for tank otherwise it is a bulk hopper.

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year 19 89

83

710. INVENTORY OF EQUIPMENT - Concluded

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

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	
					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		61		729	729				60
61		99		3	3				61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70		160		732	732				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	SD 60 Locomotives - 3800 HP	10	1,940	13,860	C	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						20
21						21
22						22
23						23
24						24
25	TOTAL		N/A		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		N/A		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	529	22.26	37.98	60	1
2	B	930	13.05	36.55	113	2
3	C					3
4	D	331	.32	23.56	38	4
5	E	600	XXXXXXXX	XXXXXX		5
6	TOTAL	2,390	13.39	36.72	211	6
7	F		XXXXXXXX	XXXXXX		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 repairs 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.

Line No.	Track category (a)	Number of cross-ties laid in replacement							Total (i)	Switch and bridge ties (board feet) (j)	Cross-ties switch and bridge ties	Line No.
		New ties				Second-hand ties					Percent of spot maintenance (k)	
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)				
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)					
1	A	54,784		66					54,850	311,731	6%	1
2	B	171,412							171,412	196,204	27%	2
3	C											3
4	D	11,189		108					11,297	2,093	23%	4
5	E	28,360		9					28,369	394,316	32%	5
6	TOTAL	265,745		183					265,928	904,344	23%	6
7	F											7
8	Potential abandonments											8

9. Average cost per cross-tie \$ 19.81 and switch-tie (MBM) \$ 560.20

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	2,440	20.97	51	58,276	520.00	4		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	2,440	20.97	51	58,276	520.00	4		20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid .38								21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid .35								22

Read Initials:

Year 19 89

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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	66.47	6.57	16.29	.40	82.76	6.97	2%	1	
2	B	84.65	2.60	23.59	2.26	108.24	4.86	10%	2	
3	C								3	
4	D	16.31	.01	1.98	.35	18.29	.36	2%	4	
5	E	1.51	.36	9.60	1.74	11.11	2.10	19%	5	
6	TOTAL	168.94	9.54	51.46	4.75	220.40	14.29	7%	6	
7	F								7	
8	Potential Abandonments								8	
9	Average cost of new and relay rail laid in replacement per gross ton \$ _____ New \$ _____ relay.									9

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	2	115	4	2	474.52				1			
2	4	115	69	16	239.34				2			
3	2	137	236	69	291.52				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									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	309	87	282.57	N/A			33			
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid								1.25	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								110	total to date	1,325	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	13.50			1
2	136	517.41			2
3	133	5.37			3
4	132	.37			4
5	131	13.24			5
6	130	104.59			6
7	127	138.37		Gauge of track 4 ft. 8-1/2 inches	7
8	115	325.13			8
9	112	123.43			9
10	100	39.63			10
11	90	260.11			11
12	85	8.86			12
13	80	10.21			13
14	75	4.57			14
15	70	19.13			15
16	Total	1,583.92			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 (a)	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 (b)	Switch and bridge ties (board feet) (c)	Crosstie (d)	Switch and bridge ties (board feet) (e)						
1	A	54,850	311,731	2.7	11.8	89.73	5.8	132,635	633	82%	1
2	B	171,412	196,204	6.4	5.6	113.10	6.0	160,584	1,338	143%	2
3	C										3
4	D	1,297	2,093	1.2	.2	18.65	2.9	54,825	4	1%	4
5	E	28,369	394,316	1.8	5.0	13.21	1.1	99,141	167	29%	5
6	TOTAL	265,928	904,344	3.6	5.9	234.69	4.5	447,185	2,142	82%	6
7	F										7
8	Potential abandonments										8

750. CONSUMPTION OF DIESEL FUEL (Dollars in Thousands)

LOCOMOTIVES

Line No.	Kind of locomotive service (a)	LOCOMOTIVES		Line No.
		Diesel	Diesel oil (gallons)	
1	Freight			1
2	Passenger		32,559,396	2
3	Yard switching			3
4	TOTAL		2,046,046	4
5	COST OF FUEL' \$(000)		34,605,442	5
6	Work Train	\$	18,223	6

Road Initials:

Year 19 89

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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 i.e. 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 two through trains, 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 respondent's 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.

RC-134500

KANSAS CITY SOUTHERN

1989

3 OF 4

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description	Freight train	Passenger train	Line No.
		(a)	(b)	(c)	
1		1. Miles of Road Operated (A)	1,681		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,107,799	XXXXXX	2
3		2-02 Way Trains	566,946	XXXXXX	3
4		2-03 Through Trains	2,252,907		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	3,927,652		5
6		2-05 Motorcars (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5,6)	3,927,652		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	4,611,156	XXXXXX	8
9		3-02 Way Trains	1,254,956	XXXXXX	9
10		3-03 Through Trains	7,484,428		10
11		3-04 TOTAL (lines 8-10)	13,350,540		11
12		3-11 Train Switching (F)	594,964	XXXXXX	12
13		3-21 Yard Switching (G)	1,425,451		13
14		3-31 TOTAL ALL SERVICES (lines 11,12,13)	15,370,955		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	38	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	11,747	XXXXXX	16
17		4-012 Box-Equipped	7,086	XXXXXX	17
18		4-013 Gondola-Plain	2,647	XXXXXX	18
19		4-014 Gondola-Equipped	749	XXXXXX	19
20		4-015 Hopper-Covered	7,655	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	2,407	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	2,503	XXXXXX	22
23		4-018 Refrigerator-Mechanical	138	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	378	XXXXXX	24
25		4-020 Flat-TOFC/COFC	2,895	XXXXXX	25
26		4-021 Flat-Multi-Level	28	XXXXXX	26
27		4-022 Flat-General Service	356	XXXXXX	27
28		4-023 Flat-All Other	1,260	XXXXXX	28
29		4-024 All Other Car Types-Total	914	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	40,801	XXXXXX	30

See Revised Page
 7/27/90
 ATTACHED

SCHEDULE 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)	1,681		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,107,799	XXXXXX	2
3		2-02 Way Trains	625,658	XXXXXX	3
4		2-03 Through Trains	2,252,907		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	3,986,364		5
6		2-05 Motorcars (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5,6)	3,986,364		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	4,611,156	XXXXXX	8
9		3-02 Way Trains	1,254,956	XXXXXX	9
10		3-03 Through Trains	7,484,428		10
11		3-04 TOTAL (lines 8-10)	13,350,540		11
12		3-11 Train Switching (F)	594,964	XXXXXX	12
13		3-21 Yard Switching (G)	1,425,451		13
14		3-31 TOTAL ALL SERVICES (lines 11,12,13)	15,370,955		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	38	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	11,747	XXXXXX	16
17		4-012 Box-Equipped	7,086	XXXXXX	17
18		4-013 Gondola-Plain	2,647	XXXXXX	18
19		4-014 Gondola-Equipped	749	XXXXXX	19
20		4-015 Hopper-Covered	7,655	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	2,407	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	2,503	XXXXXX	22
23		4-018 Refrigerator-Mechanical	138	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	378	XXXXXX	24
25		4-020 Flat-TOFC/COFC	2,895	XXXXXX	25
26		4-021 Flat-Multi-Level	28	XXXXXX	26
27		4-022 Flat-General Service	356	XXXXXX	27
28		4-023 Flat-All Other	1,260	XXXXXX	28
29		4-024 All Other Car Types-Total	914	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	40,801	XXXXXX	30

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description	Freight train	Passenger train	Line No.
		(a)	(b)	(c)	
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot	21	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	10,655	XXXXXX	32
33		4-112 Box-Equipped	6,394	XXXXXX	33
34		4-113 Gondola-Plain	2,727	XXXXXX	34
35		4-114 Gondola-Equipped	723	XXXXXX	35
36		4-115 Hopper-Covered	7,933	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	2,469	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	2,467	XXXXXX	38
39		4-118 Refrigerator-Mechanical	31	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	335	XXXXXX	40
41		4-120 Flat-TOFC/COFC	688	XXXXXX	41
42		4-121 Flat-Multi-Level	20	XXXXXX	42
43		4-122 Flat-General Service	369	XXXXXX	43
44		4-123 Flat-All Other	1,226	XXXXXX	44
45		4-124 All Other Car Types-Total	982	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	37,040	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot	1	XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	870	XXXXXX	48
49		4-132 Box-Equipped	1	XXXXXX	49
50		4-133 Gondola-Plain	470	XXXXXX	50
51		4-134 Gondola-Equipped	4	XXXXXX	51
52		4-135 Hopper-Covered	14,491	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	87	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	80	XXXXXX	54
55		4-138 Refrigerator-Mechanical		XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	206	XXXXXX	56
57		4-140 Flat-TOFC/COFC	16,130	XXXXXX	57
58		4-141 Flat-Multi-Level	78	XXXXXX	58
59		4-142 Flat-General Service	4	XXXXXX	59
60		4-143 Flat-All Other	623	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	7,920	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	10,516	XXXXXX	62
63		4-146 All Other Car Types	1,108	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	52,589	XXXXXX	64

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

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	1	XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	448	XXXXXX	66
67		4-152 Box-Equipped	5	XXXXXX	67
68		4-153 Gondola-Plain	642	XXXXXX	68
69		4-154 Gondola-Equipped	7	XXXXXX	69
70		4-155 Hopper-Covered	14,836	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	139	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	80	XXXXXX	72
73		4-158 Refrigerator-Mechanical		XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	201	XXXXXX	74
75		4-160 Flat-TOFC/COFC	3,734	XXXXXX	75
76		4-161 Flat-Multi-Level	39	XXXXXX	76
77		4-162 Flat-General Service	6	XXXXXX	77
78		4-163 Flat-All Other	737	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	8,047	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	11,012	XXXXXX	80
81		4-166 All Other Car Types	955	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	40,889	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	818	XXXXXX	83
84		4-18 No Payment Car-Miles (I)	103,620	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)	XXXXXX	XXXXXX	
85		4-191 Unit Trains	103,620	XXXXXX	85
86		4-192 Way Trains	12,334	XXXXXX	86
87		4-193 Through Trains	159,804	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	275,758	XXXXXX	88
89		4-20 Caboose Miles	864	XXXXXX	89

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description	Freight train	Passenger train	Line No.
		(a)	(b)	(c)	
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	2,271,247		98
		6-02 Freight Trains, Crs., Cnts., and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	8,385,701	XXXXXX	99
100		6-021 Way Trains	885,157	XXXXXX	100
101		6-022 Through Trains	11,530,884	XXXXXX	101
102		6-03 Passenger-Trains, Crs., and Cnts.			102
103		6-04 Non-Revenue	317,431	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	23,373,420		104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	34,727	XXXXXX	105
106		7-02 Non-Revenue	1,100	XXXXXX	106
107		7-03 TOTAL (lines 105,106)	35,827	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	11,591,100	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (lines 108,109)	11,591,100	XXXXXX	110
111		8-04 Non-Revenue-Road Service	241,907	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (lines 111,112)	241,907	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110,113)	11,833,007	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	209,995	XXXXXX	115
116		9-02 Train Switching	37,505	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	184,428	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	41,454	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12. Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	184,332	XXXXXX	120
121		12-02 Way Trains	194,069	XXXXXX	121
122		12-03 Through Trains	342,280	XXXXXX	122
123		13. TOFC/COFC-No. Rev Trlrs & Cntnrs Load & Unload(Q)	106,064	XXXXXX	123
124		14. Multi-Level Cars-No. Motor Vhcls Load & Unload(Q)		XXXXXX	124
125		15. TOFC/COFC-No. of Rev. Trlrs Picked Up and Dlvr'd(R)		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	3,294	XXXXXX	130
131		17-02 Unserviceable	39	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	3,333	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 89, to and including December 31, 19 89

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 29th day of March, 19 90

My commission expires _____

Use an
L.S.
impression seal

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

SUPPLEMENTAL OATH

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

JAMES J. BERKIBILE, JR.
Notary Public - State of Missouri
Commissioned in Jackson County
My Commission Expires September 21, 1993

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 89, to and including December 31, 19 89

James J. Berkibile, Jr.
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 29th day of March, 19 90

My commission expires _____

Use an
L.S.
impression seal

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

JAMES J. BERKIBILE, JR.
Notary Public - State of Missouri
Commissioned in Jackson County
My Commission Expires September 21, 1993

MEMORANDA
(FOR USE OF COMMISSION ONLY)
CORRESPONDENCE

[illegible]

CORRECTIONS

[illegible]**EXPLANATORY REMARKS**

INDEX

	Page No.		Page No.
Accumulated depreciation		Leases	61
Road and equipment leased		Locomotive equipment	78
From others	38	Electric and other	78
Improvements to	38	Consumption of fuel diesel	91
To others	41	Locomotive unit miles	94
Owned and used	35	Mileage-Average of road operated	85
Accruals-Railway tax	63	Of main tracks	
Analysis of taxes	63	Of new tracks in which rails were laid	88
Application of funds-Source	21	Of new tracks in which ties were laid	87
Balance sheet	5-9	Miscellaneous items in retained income accounts for the	
Capital stock	20	year	65
Car, locomotive, and floating equipment-Classification	78-83	Motorcar car miles	94
Changes in financial position	21-22	Motor rail cars owned or leased	79
Company service equipment	79	Net income	17
Compensating balances and short-term borrowing		Oath	98
arrangements	67	Operating expenses (see Expenses)	
Consumption of fuel by motive-power units	91	Revenues (see Revenues)	
Contingent assets and liabilities	8	Statistics (See Statistics)	
Crossties (see Ties)		Ordinary income	16
Debt holdings	69	Private line cars loaded	95
Depreciation base and rates		Private line cars empty	95
Road and equipment leased		Rails	
From others	34	Laid in replacement	88
Improvements to	32-33	Charges to operating expenses	45
To others	40	Additional tracks, new lines, and extensions	89
Owned and used	34	Miles of new track in which rails were laid	88
Electric locomotive equipment at close of year	68	Weight of	89
Equipment-classified	78-83	Railway-Operating expenses	45-53
Company service	79	Railway-Operating revenues	16
Floating	82-83	Results of Operations	16-17
Freight-train cars	80-81	Retained income unappropriated	19
Highway revenue equipment	82-83	Miscellaneous items in accounts for year	65
Passenger-train cars	78-79	Revenues	
Inventory	78-83	Freight	16
Owned-Not in service of respondent	78	Passenger	16
Equipment-Leased, depreciation base and rate		Road and equipment-Investment in	32-33
From others	34	Improvements to leased property	32-33
Improvements to	37	Reserve	38
Reserve	38	Leased to others-Depreciation base and rates	40
To others	40	Reserve	41
Reserve	41	Owned-Depreciation base and rates	34
Equipment-Owned, depreciation base rates	34	Reserve	35
Reserve	35	Used-Depreciation base and rates	34
Expenses-railway operating	45-53	Reserve	35
Extraordinary items	17	Road-Mileage operated at close of year	74
Federal income taxes	63	By States and Territories	75
Financial position-Changes in	21-22	Securities (see Investments)	
Floating equipment	82-83	Short-term borrowing arrangements-Compensating	
Freight cars loaded	94	balances and	67
Freight-train cars	80-81	Sinking funds	7
Freight car-miles	94	Source and application of working capital	21-22
Fuel consumed diesel	91	Specialized service subschedule	60
Cost	91	Statement of changes in financial position	21-22
Funded debt (see Debt holdings)		Stock outstanding	20
Guaranties and suretyships	66	Changes during year	20
Identity of respondent	2	Number of security holders	3
Items in selected income and retained earnings accounts	65	Total voting power	3-4
Investments in common stocks of affiliated companies	30	Value per share	3
Investments and advances of affiliated companies	26-29	Voting rights	3
Railway property used in transportation service	42-43	Supporting schedule-Road	56-57
Road and equipment	32-33	Suretyships-Guaranties and	66
Changes during year	32-33	Ties laid in replacement	86
Leased property-improvements made during the		Ties-Additional tracks, new lines, and extensions	87
year	32-33	Tracks operated at close of year	74

Road Initials:

Year 19 89

INDEX - Continued

	Page No.		Page No.
Miles of, at close of year	73	Ton-miles of freight	97
Track and traffic conditions	85	TOFC/COFC number of revenue trailers and containers	
Train hours, yard switching	97	loaded and unloaded	97
Train miles	94	Voting powers and elections	3
Tons of freight	97	Weight of rail	90

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
CARLANL, INC.

**THIS PAGE
LEFT BLANK
INTENTIONALLY**

SCHEDULE 20U - 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	3,051	215	1
2		702	Temporary Cash Investments	36,482	13,794	2
3		703	Special Deposits	11	80,511	3
Accounts Receivable						
4		704	- Loan and Notes	8	12	4
5		705	- Interline and Other Balances	1,504	1,922	5
6		706	- Customers	16,018	9,605	6
7		707	- Other	3,211	2,847	7
8		709, 708	- Accrued Accounts Receivables	20,797	14,500	8
9		708.5	- Receivables from Affiliated Companies	(862)	8,901	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(2,190)	(1,696)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	1,474	3,884	11
12		712	Materials and Supplies	14,814	19,585	12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	94,318	154,080	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310A)	84,966	85,146	16
17		722, 723	Other Investments and Advances	5	5	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) \$1,390	1,237	914	19
20		739, 741	Other Assets	270	322	20
21		743	Other Deferred Debits	5,132	9,942	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	91,610	96,329	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	362,495	314,791	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	161,857	150,855	25
26		731, 732	Unallocated Items	35,198	47,802	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(231,505)	(214,565)	27
28			Net Road and Equipment	328,045	298,883	28
29			TOTAL ASSETS	513,973	549,292	29

NOTES AND REMARKS

SCHEDULE 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	701	1,012	31
32		753	Audited Accounts and Wages	(7,167)	(5,496)	32
33		754	Other Accounts Payable	1,355	1,219	33
34		755, 756	Interest and Dividends Payable	612	681	34
35		757	Payables to Affiliated Companies	199	200	35
36		759	Accrued Accounts Payable	41,421	111,839	36
37		760, 761, 761.5, 762	Taxes Accrued	7,023	4,231	37
38		763	Other Current Liabilities	602	1,059	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	6,861	12,230	39
40			TOTAL CURRENT LIABILITIES	51,607	126,975	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured		43,750	41
42		766	Equipment Obligations	32,724	24,028	42
43		766.5	Capitalized Lease Obligations	8,824	10,522	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	60,731	43,556	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	28,467	29,428	50
51			TOTAL NONCURRENT LIABILITIES	131,878	152,416	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	57,504	57,504	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)	22,300	338	56
57		797	Retained Earnings: Appropriated			57
58		796	Unappropriated (Schedule 220)	252,535	213,884	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(1,851)	(1,825)	60
61			Net Stockholders Equity	330,488	269,901	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	513,973	549,292	62

NOTES AND REMARKS

SCHEDULE 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 parentheses.

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	195,586	191,142	195,586		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	8,590	7,121	8,590		4
5		(105) Water Transfers					5
6		(106) Demurrage	2,181	1,863	2,181		6
7		(110) Incidental	838	680	838		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)	207,195	200,806	207,195		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)	207,195	200,806	207,195		13
14		(531) Railway operating expenses	152,618	169,471	152,618		14
15		Net revenue from railway operations	54,577	31,335	54,577		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	16	16			16
17		(510) Miscellaneous rent income	579	558			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend income (cost method)	16,300	16,300			19
20		(514) Interest income	4,472	3,765			20
21		(516) Income from sinking and other funds	42	98			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	7,026	2,267			24
25		Income from affiliated companies: 519 a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	337	340			26
27		TOTAL OTHER INCOME (lines 16-26)	28,772	23,344			27
28		TOTAL INCOME (lines 15, 27)	83,349	54,679			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	240	265			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	280	643			34
35		(553) Uncollectible accounts	999	1,636			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	1,519	2,544			36
37		Income available for fixed charges (lines 28, 36)	81,830	52,135			37

SCHEDULE 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	8,851	5,109	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	2,855	6,276	40
41		(548) Amortization of discount on funded debt	409	23	41
42		TOTAL FIXED CHARGES (lines 38-41)	12,115	11,408	42
43		Income after fixed charges (lines 37, 42)	69,715	40,727	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		(57,400)	45
46		Income (Loss) from continuing operations (before income taxes)	69,715	(16,673)	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	2,747	1,587	47
48		(b) State income taxes	108	(288)	48
49		(c) Other income taxes	43	53	49
50		(557) Provision for deferred taxes	19,429	(18,734)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	22,327	(17,382)	51
52		Income from continuing operations (lines 46-51)	47,388	709	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	47,388	709	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)		0	59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)		(18,137)	60
61		Net income (Loss) (lines 55 + 59 + 60)	47,388	18,846	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 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

SCHEDULE 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	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No.
		(a)	(b)	(c)	
1		Balances at beginning of year	212,449	1,435	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	47,051	337	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings	2		5
6		TOTAL	47,053	337	6
		DEBITS			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings	1		8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	7,940		11
12		Preferred stock*	798		12
13		TOTAL	8,739		13
14		Net increase (decrease) during Year (Line 6 minus line 13)	38,314	337	14
15		Balances at close of year (lines 1, 2, and 14)	250,763	1,772	15
16		Balances from line 15 (c)	1,772	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	252,535		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

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

**THIS PAGE
LEFT BLANK
INTENTIONALLY**

316. 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						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.	1/2%	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	1/2%	23
24				1-1-67 due 1-01-99	1/2%	24
25						25
26				Total Notes		26
27						27
28		E-1	VII	The Arkansas Western Railway Co.	100%	28
29				Joplin Union Depot Co.-Reserve for adjustment	33 1/3%	29
30				Fort Smith and Van Buren Railway Co.	100%	30
31				Kansas City Terminal Railway Co.	8 1/3%	31
32				Joplin Union Depot Co.	33 1/3%	32
33				Kansas City Southern Transport Co., Inc.	100%	33
34				Kansas city Southern Industries, Inc.		34
35				Total Advances		35
36						36
37				Total Account 721		37
38						38
39						39
40						40

Road Initials:

Year 19 89

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								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	67,206			67,206			120	12
13	2,715			2,715			180	13
14								14
15	142			142				15
16	99		79	20				16
17								17
18	75,155		79	75,176			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	2,873			2,873				28
29	(40)			(40)				29
30	1,039			1,039				30
31	3,214			3,214				31
32	167			167				32
33	611			611				33
34	437	14,508	14,945				477	34
35	8,301	14,508	14,945	7,864				35
36								36
37	83,710	14,508	15,024	83,194			17,826	37
38								38
39								39
40								40

SCHEDULE 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, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	4,388			1
2		(3) Grading	22,571			2
3		(4) Other right-of-way expenditures	609			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	14,807			5
6		(7) Elevated structures				6
7		(8) Ties	71,566			7
8		(9) Rail and other track material	115,725			8
9		(11) Ballast	27,001			9
10		(13) Fences, snowsheds, and signs	429			10
11		(16) Station and office buildings	8,108			11
12		(17) Roadway buildings	469			12
13		(18) Water stations	52			13
14		(19) Fuel stations	2,057			14
15		(20) Shops and enginehouses	21,444			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC/COFC terminals	2,194			19
20		(26) Communication systems	2,572			20
21		(27) Signals and interlockers	14,298			21
22		(29) Power plants	2			22
23		(31) Power-transmission systems	355			23
24		(35) Miscellaneous structures	185			24
25		(37) Roadway machines	604			25
26		(39) Public improvements - Construction	2,604			26
27		(44) Shop machinery	2,605			27
28		(45) Power-plant machinery	145			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	314,790			30
31		(52) Locomotives	50,186			31
32		(53) Freight-train cars	99,323			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	836			36
37		(58) Miscellaneous equipment	18			37
38		(59) Computer systems and word processing equipment	494			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	150,857			39
40		(76) Interest during construction	1,672			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	46,130			42
43		GRAND TOTAL	513,449			43

SCHEDULE 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					4,388	1
2					22,571	2
3					609	3
4						4
5		36		36	14,843	5
6						6
7		9,404	6	9,398	80,964	7
8		30,333	60	30,273	145,998	8
9		8,000	974	7,026	34,027	9
10					429	10
11		202		202	8,310	11
12					469	12
13					52	13
14		45		45	2,102	14
15		108		108	21,552	15
16						16
17						17
18						18
19		201		201	2,395	19
20		151		151	2,723	20
21					14,298	21
22					2	22
23					355	23
24					185	24
25					604	25
26		123		123	2,727	26
27		142		142	2,747	27
28					145	28
29						29
30		48,745	1,040	47,705	362,495	30
31		13,860	258	13,602	63,788	31
32		36	2,688	(2,652)	96,671	32
33						33
34						34
35						35
36					836	36
37					18	37
38		50		50	544	38
39		13,946	2,946	11,000	161,857	39
40					1,672	40
41						41
42		(12,604)		(12,604)	33,526	42
43		50,087	3,986	46,101	559,550	43

SCHEDULE 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, 35-1-00, 35-23-00, 35-24-00, 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			Annual composite rate (percent) (d)	LEASED FROM OTHERS		Annual composite rate (percent) (g)	Line No.
		Depreciation base		Depreciation base					
		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	22,571	22,571	0.99					1
2	(4) Other, right-of-way expenditures	609	609	2.00					2
3	(5) Tunnels and subways								3
4	(6) Bridges, trestles, and culverts	14,807	14,829	0.92					4
5	(7) Elevated structures								5
6	(8) Ties	71,566	80,501	4.77					6
7	(9) Rail and other track material	115,725	139,524	3.91					7
8	(11) Ballast	27,001	34,027	8.44					8
9	(13) Fences, snow sheds, and signs	429	429	0.80					9
10	(16) Station and office buildings	8,107	8,309	2.21					10
11	(17) Roadway buildings	469	469	3.58					11
12	(18) Water stations	52	52						12
13	(19) Fuel stations	2,057	2,102	2.92					13
14	(20) Shops and enginehouses	21,444	21,552	2.37					14
15	(22) Storage warehouses								15
16	(23) Wharves and docks								16
17	(24) Coal and ore wharves								17
18	(25) TOFC/COFC terminals	2,194	2,256	1.96					18
19	(26) Communication systems	2,572	2,703	5.25					19
20	(27) Signals and interlockers	14,298	14,298	2.15					20
21	(29) Power plants	2	2						21
22	(31) Power-transmission systems	355	355	0.09					22
23	(35) Miscellaneous structures	185	185	1.29					23
24	(37) Roadway machines	604	604	3.17					24
25	(39) Public improvements—Construction	2,604	2,727	2.09					25
26	(44) Shop machinery	2,605	2,747	3.60					26
27	(45) Power-plant machinery	145	145	3.99					27
28	All other road accounts								28
29	Amortization (Adjustments)								29
30	TOTAL ROAD	310,401	350,996	3.99					30
	EQUIPMENT								
31	(52) Locomotives	50,186	49,928	2.32					31
32	(53) Freight-train cars	99,228	97,215	2.98					32
33	(54) Passenger-train cars								33
34	(55) Highway revenue equipment								34
35	(56) Floating equipment								35
36	(57) Work equipment	804	804						36
37	(58) Miscellaneous equipment	16	16						37
38	(59) Computer systems and word processing equipment	477	527	20.00					38
39	TOTAL EQUIPMENT	150,711	148,490	2.80					39
40	GRAND TOTAL	461,112	499,486	N/A				N/A	40

SCHEDULE 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		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	9,377	161				9,538	1
2		(4) Other, right-of-way expenditures	186	12				198	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	5,085	120				5,205	4
5		(7) Elevated structures							5
6		(8) Ties	30,686	3,515		314		33,887	6
7		(9) Rail and other track material	32,633	4,806		(3,844)		41,283	7
8		(11) Ballast	15,838	2,586		973		17,451	8
9		(13) Fences, snow sheds, and signs	269	8				277	9
10		(16) Station and office buildings	2,986	96		15		3,087	10
11		(17) Roadway buildings	259	14				273	11
12		(18) Water stations	58	(5)				53	12
13		(19) Fuel stations	736	59				795	13
14		(20) Shops and enginehouses	5,995	476		7		6,464	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	1,490	42				1,532	18
19		(26) Communication systems	1,364	114				1,478	19
20		(27) Signals and interlockers	4,122	341				4,463	20
21		(29) Power plants	3					3	21
22		(31) Power-transmission systems	201	7				208	22
23		(35) Miscellaneous structures	112	5				117	23
24		(37) Roadway machines	472	19				491	24
25		(39) Public improvements—Construction	1,525	24				1,549	25
26		(44) Shop machinery*	1,382	74				1,456	26
27		(45) Power-plant machinery	137	4				141	27
28		All other road accounts							28
29		Amortization (Adjustments)	(470)	36				(434)	29
30		TOTAL ROAD	114,446	12,514		(2,535)		129,495	30
		EQUIPMENT							
31		(52) Locomotives	25,627	1,513		190		26,950	31
32		(53) Freight-train cars	72,629	2,471		1,877		73,223	32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment	805					805	36
37		(58) Miscellaneous equipment	15					15	37
38		(59) Computer systems and word processing equipment	126	97				223	38
39		Amortization Adjustments	600	(120)				480	39
40		TOTAL EQUIPMENT	99,802	3,961		2,067		101,696	40
41		GRAND TOTAL	214,248	16,475		(468)		231,191	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 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	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				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	95	93		32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment	32	32		36
37	(58) Miscellaneous equipment	2	2		37
38	(59) Computer systems and word processing equipment	17	17		38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	146	144		40
41	GRAND TOTAL	147	145		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							5
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	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							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	95			2		93	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	17					17	37
38		TOTAL EQUIPMENT	112			2		110	38
39		GRAND TOTAL	113			2		111	39

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

SCHEDULE 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	(4)	(329)	1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
4		704	Accounts Receivable - Loan and Notes	49	116	
5		705	- Interline and Other Balances	193	463	5
6		706	- Customers	10,547	8,166	6
7		707	- Other	614	705	7
8		709, 708	- Accrued Accounts Receivables	(1,240)	4,554	8
9		708.5	- Receivables from Affiliated Companies	3,023	2,628	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(500)	(460)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	484	1,998	11
12		712	Materials and Supplies			12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	13,166	17,841	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310A)	879	322	16
17		722, 723	Other Investments and Advances	2	2	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) \$852	803	951	19
20		739, 741	Other Assets	46	108	20
21		743	Other Deferred Debits	851	645	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	2,581	2,028	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	149,625	127,854	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	66,488	68,212	25
26		731, 732	Unallocated Items	9,952	18,607	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(116,834)	(110,478)	27
28			Net Road and Equipment	109,231	104,195	28
29			TOTAL ASSETS	124,978	124,064	29

NOTES AND REMARKS

SCHEDULE 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	237	281	31
32		753	Audited Accounts and Wages	28,750	16,291	32
33		754	Other Accounts Payable	(8)	(7)	33
34		755, 756	Interest and Dividends Payable	533	611	34
35		757	Payables to Affiliated Companies	75	75	35
36		759	Accrued Accounts Payable	22,938	21,348	36
37		760, 761, 761.5, 762	Taxes Accrued	(1,394)	581	37
38		763	Other Current Liabilities	5	4	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	4,206	4,027	39
40			TOTAL CURRENT LIABILITIES	55,342	43,211	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured			41
42		766	Equipment Obligations	13,368	17,089	42
43		766.5	Capitalized Lease Obligations	784	1,269	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	21,148	16,279	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	13,349	10,743	50
51			TOTAL NONCURRENT LIABILITIES	48,649	45,380	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	9,000	9,000	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)	66,288	66,288	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	(54,301)	(39,815)	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	20,987	35,473	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	124,978	124,064	62

NOTES AND REMARKS

SCHEDULE 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 here under should be indicated in parentheses.

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	100,180	102,688	100,180		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	6,247	5,363	6,247		4
5		(105) Water Transfers					5
6		(106) Demurrage	998	869	998		6
7		(110) Incidental	151	195	151		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)	107,576	109,115	107,576		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)	107,576	109,115	107,576		13
14		(531) Railway operating expenses	102,434	96,908	102,434		14
15		Net revenue from railway operations	5,142	12,207	5,142		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	14	8			16
17		(510) Miscellaneous rent income	394	438			17
18		(512) Separately operated properties—Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income	7	201			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	644	1,251			24
25		Income from affiliated companies: 519					
		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	557	570			26
27		TOTAL OTHER INCOME (lines 16–26)	1,616	2,468			27
28		TOTAL INCOME (lines 15, 27)	6,758	14,675			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	2	3			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	10	4			34
35		(553) Uncollectible accounts	120	195			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29–35)	132	202			36
37		Income available for fixed charges (lines 28, 36)	6,626	14,473			37

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

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Line No.
		(a)	(b)	(c)	
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	3,300	2,287	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	289	2,229	40
41		(548) Amortization of discount on funded debt	18	18	41
42		TOTAL FIXED CHARGES (lines 38-41)	3,607	4,534	42
43		Income after fixed charges (lines 37, 42)	3,019	9,939	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		(24,600)	45
46		Income (Loss) from continuing operations (before income taxes)	3,019	(14,661)	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	(4,404)	949	47
48		(b) State income taxes	(637)	408	48
49		(c) Other income taxes			49
50		(557) Provision for deferred taxes	6,246	(8,055)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	1,205	(6,698)	51
52		Income from continuing operations (lines 46-51)	1,814	(7,963)	52
		DISCONTINUED OPERATIONS			
		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			
53					53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	1,814	(7,963)	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 \$)		3,330	60
61		Net income (Loss) (lines 55 + 59 + 60)	1,814	(11,293)	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 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

SCHEDULE 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	(\$39,841)	\$26	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	1,257	557	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	1,257	557	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	16,000		11
12		Preferred stock*	300		12
13		TOTAL	16,300		13
14		Net increase (decrease) during Year (Line 6 minus line 13)	(15,043)	557	14
15		Balances at close of year (lines 1, 2, and 14)	(54,884)	583	15
16		Balances from line 15 (c)	583	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(54,301)		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

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

***THIS PAGE
LEFT BLANK
INTENTIONALLY***

316. 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 evidence 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						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						15
16						16
17						17
18				Total Capital Stock		18
19						19
20						20
21				Investment Advances		21
22						22
23						23
24		E-1	VII	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

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								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								16
17								17
18	30			30				18
19								19
20								20
21								21
22								22
23								23
24	266			266				24
25								25
26	266			266				26
27								27
28	296			296				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

SCHEDULE 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, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	1,619			1
2		(3) Grading	9,317			2
3		(4) Other right-of-way expenditures	124			3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles, and culverts	7,098			5
6		(7) Elevated structures				6
7		(8) Ties	41,002			7
8		(9) Rail and other track material	41,783			8
9		(11) Ballast	11,357			9
10		(13) Fences, snowsheds, and signs	226			10
11		(16) Station and office buildings	3,474			11
12		(17) Roadway buildings	19			12
13		(18) Water stations	19			13
14		(19) Fuel stations	393			14
15		(20) Shops and enginehouses	1,718			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	760			20
21		(27) Signals and interlockers	4,747			21
22		(29) Power plants	23			22
23		(31) Power-transmission systems	340			23
24		(35) Miscellaneous structures	72			24
25		(37) Roadway machines	264			25
26		(39) Public improvements - Construction	850			26
27		(44) Shop machinery	115			27
28		(45) Power-plant machinery	34			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	127,854			30
31		(52) Locomotives	18,669			31
32		(53) Freight-train cars	49,290			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	251			36
37		(58) Miscellaneous equipment	2			37
38		(59) Computer systems and word processing equipment				38
39		TOTAL EXPENDITURES FOR EQUIPMENT	68,212			39
40		(76) Interest during construction	609			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	17,998			42
43		GRAND TOTAL	214,673			43

SCHEDULE 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					1,619	1
2					9,317	2
3					124	3
4						4
5		14		14	7,112	5
6						6
7		6,296		6,296	47,298	7
8		10,615		10,615	52,398	8
9		5,125	294	4,831	16,188	9
10					226	10
11					3,474	11
12					19	12
13					19	13
14					393	14
15					1,718	15
16						16
17						17
18						18
19					2,500	19
20		15		15	775	20
21					4,747	21
22					23	22
23					340	23
24					72	24
25					264	25
26					850	26
27					115	27
28					34	28
29						29
30		22,065	294	21,771	149,625	30
31		1	701	(700)	17,969	31
32			1,024	(1,024)	48,266	32
33						33
34						34
35						35
36					251	36
37					2	37
38						38
39		1	1,725	(1,724)	66,438	39
40					609	40
41						41
42		(8,655)		(8,655)	9,343	42
43		13,411	2,019	11,392	226,065	43

SCHEDULE 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		Annual composite rate (percent) (d)	LEASED FROM OTHERS		Annual composite rate (percent) (g)	Line No.
		Depreciation base			Depreciation base			
		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	9,317	9,317	1.11				1
2	(4) Other, right-of-way expenditures	124	124	1.88				2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	7,098	7,112	2.04				4
5	(7) Elevated structures							5
6	(8) Ties	41,002	46,968	3.58				6
7	(9) Rail and other track material	41,783	51,662	2.58				7
8	(11) Ballast	11,357	16,415	5.36				8
9	(13) Fences, snow sheds, and signs	226	226	0.04				9
10	(16) Station and office buildings	3,474	3,474	3.36				10
11	(17) Roadway buildings	19	19					11
12	(18) Water stations	19	19					12
13	(19) Fuel stations	393	393	3.49				13
14	(20) Shops and enginehouses	1,718	1,718	3.46				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	760	774	4.68				19
20	(27) Signals and interlockers	4,747	4,747	2.62				20
21	(29) Power plants	23	23	2.87				21
22	(31) Power-transmission systems	340	340	3.93				22
23	(35) Miscellaneous structures	72	72	3.63				23
24	(37) Roadway machines	264	264	0.20				24
25	(39) Public improvements—Construction	850	850	3.27				25
26	(44) Shop machinery	115	115	1.72				26
27	(45) Power-plant machinery	34	34	1.34				27
28	All other road accounts							28
29	Amortization (Adjustments)							29
30	TOTAL ROAD	126,235	147,166	3.16				30
	EQUIPMENT							
31	(52) Locomotives	18,357	17,657	4.28				31
32	(53) Freight-train cars	49,290	48,325	2.88				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	251	251					36
37	(58) Miscellaneous equipment	2	2					37
38	(59) Computer systems and word processing equipment							38
39	TOTAL EQUIPMENT	67,900	66,235	3.24				39
40	GRAND TOTAL	194,135	213,401	N/A			N/A	40

SCHEDULE 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 (e)	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	3,466	103				3,569	1
2		(4) Other, right-of-way expenditures	64	2				66	2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	4,451	132				4,583	4
5		(7) Elevated structures							5
6		(8) Ties	23,289	1,492		207		24,574	6
7		(9) Rail and other track material	19,519	1,111		(1,863)		22,493	7
8		(11) Ballast	8,423	692		294		8,821	8
9		(13) Fences, snow sheds, and signs	159	3				162	9
10		(16) Station and office buildings	2,056	84				2,140	10
11		(17) Roadway buildings	27	(8)				19	11
12		(18) Water stations	50	(31)				19	12
13		(19) Fuel stations	161	13				174	13
14		(20) Shops and enginehouses	972	46				1,018	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals	726	99				825	18
19		(26) Communication systems	750	7				757	19
20		(27) Signals and interlockers	956	130				1,086	20
21		(29) Power plants	21					21	21
22		(31) Power-transmission systems	256	12				268	22
23		(35) Miscellaneous structures	32	3				35	23
24		(37) Roadway machines	264	(3)				261	24
25		(39) Public improvements—Construction	696	28				724	25
26		(44) Shop machinery*	100	1				101	26
27		(45) Power-plant machinery	26					26	27
28		All other road accounts							28
29		Amortization (Adjustments)	(894)	69				(825)	29
30		TOTAL ROAD	65,570	3,985		(1,362)		70,917	30
		EQUIPMENT							
31		(52) Locomotives	9,549	728		515		9,762	31
32		(53) Freight-train cars	34,934	1,477		715		35,696	32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment	251					251	36
37		(58) Miscellaneous equipment	2					2	37
38		(59) Computer systems and word processing equipment							38
39		Amortization Adjustments							39
40		TOTAL EQUIPMENT	44,736	2,205		1,230		45,711	40
41		GRAND TOTAL	110,306	6,190		(132)		116,828	41

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

* 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 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	312	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	312	312	23.06	40
41	GRAND TOTAL	312	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.

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							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	157	34				191	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	157	34				191	38
39		GRAND TOTAL	157	34				191	39

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

SCHEDULE 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)	1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
4		704	Accounts Receivable - Loan and Notes			4
5		705	- Interline and Other Balances	6	6	5
6		706	- Customers	21	28	6
7		707	- Other	3	1	7
8		709, 708	- Accrued Accounts Receivables	(177)	(1)	8
9		708.5	- Receivables from Affiliated Companies		1	9
10		709.5	- Less: Allowance for Uncollectible Accounts			10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	2	38	11
12		712	Materials and Supplies			12
13		713	Other Current Assets			13
14			TOTAL CURRENT ASSETS	(145)	70	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 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) \$1			19
20		739, 741	Other Assets			20
21		743	Other Deferred Debits	1	1	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	1	1	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	6,804	6,667	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b			25
26		731, 732	Unallocated Items	18	76	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(5,436)	(5,385)	27
28			Net Road and Equipment	1,386	1,358	28
29			TOTAL ASSETS	1,242	1,429	29

NOTES AND REMARKS

SCHEDULE 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	(743)	(268)	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	15	31	36
37		760, 761, 761.5, 762	Taxes Accrued	91	12	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	(637)	(225)	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	3,938	3,937	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	455	445	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	9	9	50
51			TOTAL NONCURRENT LIABILITIES	4,402	4,391	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	650	650	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)	(7,435)	(7,649)	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	(2,523)	(2,737)	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,242	1,429	62

NOTES AND REMARKS

SCHEDULE 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 parentheses.

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	631	637	631		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching					4
5		(105) Water Transfers					5
6		(106) Demurrage	4		4		6
7		(110) Incidental					7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	635	637	635		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)	635	637	635		13
14		(531) Railway operating expenses	291	358	291		14
15		Net revenue from railway operations	344	279	344		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income	4	5			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					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	5			27
28		TOTAL INCOME (lines 15, 27)	348	284			28
		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					34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)					36
37		Income available for fixed charges (lines 28, 36)	348	284			37

SCHEDULE 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)	348	284	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)	348	284	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	77	(31)	47
48		(b) State income taxes	11	(6)	48
49		(c) Other income taxes			49
50		(557) Provision for deferred taxes	46	150	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	134	113	51
52		Income from continuing operations (lines 46-51)	214	171	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	214	171	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 \$)		(944)	60
61		Net income (Loss) (lines 55 + 59 + 60)	214	1,115	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 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

SCHEDULE 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	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No.
		(a)	(b)	(c)	
1		Balances at beginning of year	(\$7,649)		1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	214		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	214		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*			12
13		TOTAL			13
14		Net increase (decrease) during Year (Line 6 minus line 13)	214		14
15		Balances at close of year (lines 1, 2, and 14)	(7,435)		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	(7,435)		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

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

**THIS PAGE
LEFT BLANK
INTENTIONALLY**

SCHEDULE 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, 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	214			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	947			9
10		(13) Fences, snowsheds, and signs	6			10
11		(16) Station and office buildings	3			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	2			26
27		(44) Shop machinery				27
28		(45) Power-plant machinery				28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	6,667			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	63			42
43		GRAND TOTAL	6,743			43

SCHEDULE 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					4	1
2					109	2
3						3
4						4
5					214	5
6						6
7		9		9	1,987	7
8		9		9	3,413	8
9		119		119	1,066	9
10					6	10
11					3	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					2	26
27						27
28						28
29						29
30		137		137	6,804	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		(58)		(58)	5	42
43		79		79	6,822	43

SCHEDULE 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		Annual composite rate (percent) (d)	LEASED FROM OTHERS		Annual composite rate (percent) (g)	Line No.
		Depreciation base			Depreciation base			
		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	0.25				1
2	(4) Other, right-of-way expenditures							2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	214	214	0.78				4
5	(7) Elevated structures							5
6	(8) Ties	1,978	1,986	1.13				6
7	(9) Rail and other track material	3,404	3,414	0.36				7
8	(11) Ballast	947	1,067	1.66				8
9	(13) Fences, snow sheds, and signs	6	6					9
10	(16) Station and office buildings	3	3					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	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	6,663	6,801	0.80				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	6,663	6,801	N/A			N/A	40

SCHEDULE 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 (i) 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		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	92					92	1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	183	2				185	4
5		(7) Elevated structures							5
6		(8) Ties	1,685	22				1,707	6
7		(9) Rail and other track material	2,625	12				2,637	7
8		(11) Ballast	788	16				804	8
9		(13) Fences, snow sheds, and signs	7					7	9
10		(16) Station and office buildings	2	(1)				1	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	5,385	50				5,435	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	5,385	50				5,435	41

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

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

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

(Dollars in Thousands)

Line No.	Cross No.	Account	Title (a)	Balance at close of year (b)	Balance at Begin- ning of year (c)	Line No.
Current Assets						
1	701	Cash			(4)	1
2	702	Temporary Cash Investments				2
3	703	Special Deposits				3
4	704	Accounts Receivable - Loan and Notes				4
5	705	- Interline and Other Balances				5
6	706	- Customers				6
7	707	- Other				7
8	709, 708	- Accrued Accounts Receivables				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			(4)	14
Other Assets						
15	715, 716, 717	Special Funds				15
16	721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 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) \$1		1	1	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		1	1	23
Road and Equipment						
24	731, 732	Road (Schedule 330) L-30 Col. h & b		2,361	2,361	24
25	731, 732	Equipment (Schedule 330) L-39 Col. h & b				25
26	731, 732	Unallocated Items		5	5	26
27	733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)		(2,101)	(2,102)	27
28		Net Road and Equipment		265	264	28
29		TOTAL ASSETS		266	261	29

NOTES AND REMARKS

SCHEDULE 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	28	6	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	6	4	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	34	10	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	1,039	1,039	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			49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits			50
51			TOTAL NONCURRENT LIABILITIES	1,039	1,039	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	12	12	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)	(1,105)	(1,086)	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	(807)	(788)	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	266	261	62

NOTES AND REMARKS

SCHEDULE 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 parentheses.

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					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	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	NONE		13
14		(531) Railway operating expenses	21	26	21		14
15		Net revenue from railway operations	(21)	(26)	(21)		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	2	2			24
25		Income from affiliated companies: 519 a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)					26
27		TOTAL OTHER INCOME (lines 16-26)	2	2			27
28		TOTAL INCOME (lines 15, 27)	(19)	(24)			28
		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					34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)					36
37		Income available for fixed charges (lines 28, 36)	(19)	(24)			37

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

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Line No.
		(a)	(b)	(c)	
		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)	(19)	(24)	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)	(19)	(24)	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes			47
48		(b) State income taxes		6	48
49		(c) Other income taxes			49
50		(557) Provision for deferred taxes			50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)		6	51
52		Income from continuing operations (lines 46-51)	(19)	(30)	52
		DISCONTINUED OPERATIONS			
		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			
53					53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	(19)	(30)	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 \$)		(343)	60
61		Net income (Loss) (lines 55 + 59 + 60)	(19)	313	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 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

SCHEDULE 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	Retained earnings- Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No.
		(a)	(b)	(c)	
1		Balances at beginning of year	(\$1,086)		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	19		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*			12
13		TOTAL	19		13
14		Net increase (decrease) during Year (Line 6 minus line 13)	(19)		14
15		Balances at close of year (lines 1, 2, and 14)	(1,105)		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	(1,105)		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

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

**THIS PAGE
LEFT BLANK
INTENTIONALLY**

RC-134500

KANSAS CITY SOUTHERN

1989

4 OF 4

SCHEDULE 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, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	7			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	311			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	2,361			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	2,366			43

SCHEDULE 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					7	1
2					524	2
3					1	3
4						4
5					311	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					2,361	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					2,366	43

SCHEDULE 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		Annual composite rate (percent) (d)	LEASED FROM OTHERS		Annual composite rate (percent) (g)	Line No.
		Depreciation base			Depreciation base			
		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	524	524					1
2	(4) Other, right-of-way expenditures	1	1					2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts	311	311					4
5	(7) Elevated structures							5
6	(8) Ties	928	928					6
7	(9) Rail and other track material	352	352					7
8	(11) Ballast	227	227					8
9	(13) Fences, snow sheds, and signs	3	3					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	8	8					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	2,354	2,354					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	2,354	2,354	N/A			N/A	40

SCHEDULE 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		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				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	(1)				302	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 (Adjustments)							29
30		TOTAL ROAD	2,102	(1)				2,101	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	(1)				2,101	41

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

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

SCHEDULE 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	270	121	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		707	- Other	861	199	8
9		709, 708	- Accrued Accounts Receivables			9
10		708.5	- Receivables from Affiliated Companies			10
11		709.5	- Less: Allowance for Uncollectible Accounts			11
12		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits			12
13		712	Materials and Supplies			13
14		713	Other Current Assets	206	14	14
15			TOTAL CURRENT ASSETS	1,337	334	15
Other Assets						
16		715, 716, 717	Special Funds			16
17		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310A)	11,859	11,236	17
18		722, 723	Other Investments and Advances			18
19		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.			19
20		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$2,045	395	564	20
21		739, 741	Other Assets	53	1	21
22		743	Other Deferred Debits			22
23		744	Accumulated Deferred Income Tax Debits	1,673	1,349	23
24			TOTAL OTHER ASSETS	13,980	13,150	24
Road and Equipment						
25		731, 732	Road (Schedule 330) L-30 Col. h & b	16,636	16,135	25
26		731, 732	Equipment (Schedule 330) L-39 Col. h & b	61,469	62,061	26
27		731, 732	Unallocated Items			27
28		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(61,995)	(63,185)	28
29			Net Road and Equipment	16,110	15,011	29
30			TOTAL ASSETS	31,427	28,495	30

NOTES AND REMARKS

SCHEDULE 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	277	141	32
33		754	Other Accounts Payable			33
34		755, 756	Interest and Dividends Payable	260	78	34
35		757	Payables to Affiliated Companies			35
36		759	Accrued Accounts Payable	13	5	36
37		760, 761, 761.5, 762	Taxes Accrued	130	1,535	37
38		763	Other Current Liabilities			38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	3,521	5,830	39
40			TOTAL CURRENT LIABILITIES	4,201	7,589	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured			41
42		766	Equipment Obligations	19,133	13,623	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			49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits			50
51			TOTAL NONCURRENT LIABILITIES	19,133	13,623	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	10	10	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	1,192	56
Retained Earnings:						
57		797	Appropriated			57
58		796	Unappropriated (Schedule 220)	6,891	6,081	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			Net Stockholders Equity	8,093	7,283	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	31,427	28,495	62

NOTES AND REMARKS

SCHEDULE 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 parentheses.

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	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		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	(2,346)	(2,627)	(2,346)		14
15		Net revenue from railway operations	2,346	2,627	2,346		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	200	187			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	1,297	104			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)	1,497	291			28
29		TOTAL INCOME (lines 15, 27)	3,843	2,918			29
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	246	255			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)	246	255			36
37		Income available for fixed charges (lines 28, 36)	3,597	2,663			37

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

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Line No.
		(a)	(b)	(c)	
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	2,165	1,009	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)	2,165	1,009	42
43		Income after fixed charges (lines 37, 42)	1,432	1,654	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)	1,432	1,654	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	610	763	47
48		(b) State income taxes	69	109	48
49		(c) Other income taxes			49
50		(557) Provision for deferred taxes	(119)	(129)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	560	743	51
52		Income from continuing operations (lines 46-51)	872	911	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income tax of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	872	911	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 \$)		445	60
61		Net income (Loss) (lines 55 + 59 + 60)	872	466	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 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

SCHEDULE 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	Retained earnings- Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No.
		(a)	(b)	(c)	
1		Balances at beginning of year	\$6,081		1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	872		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	872		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	62		11
12		Preferred stock*			12
13		TOTAL	62		13
14		Net increase (decrease) during Year (Line 6 minus line 13)	810		14
15		Balances at close of year (lines 1, 2, and 14)	6,891		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	6,891		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

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

***THIS PAGE
LEFT BLANK
INTENTIONALLY***

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						2
3						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
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

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								2
3								3
4								4
5	11,236	6,623	6,000	11,859				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								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

SCHEDULE 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, 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	865			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	13,363			25
26		(39) Public improvements - Construction				26
27		(44) Shop machinery	392			27
28		(45) Power-plant machinery				28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	16,134			30
31		(52) Locomotives	29,573			31
32		(53) Freight-train cars	4,783			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	13,550			36
37		(58) Miscellaneous equipment	7,577			37
38		(59) Computer systems and word processing equipment	6,577			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	62,060			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction in progress				42
43		GRAND TOTAL	78,194			43

SCHEDULE 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	Line No.
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11			7	(7)	858	11
12						12
13						13
14						14
15					19	15
16						16
17						17
18						18
19					763	19
20			88	(88)	644	20
21						21
22						22
23						23
24						24
25		1,425	828	597	13,960	25
26						26
27					392	27
28						28
29						29
30		1,425	923	502	16,636	30
31		3,602	3,085	517	30,090	31
32		160	549	(389)	4,394	32
33						33
34						34
35						35
36		3,157	1,304	1,853	15,403	36
37		568	876	(308)	7,269	37
38		38	2,302	(2,264)	4,313	38
39		7,525	8,116	(591)	61,469	39
40						40
41						41
42						42
43		8,950	9,039	(89)	78,105	43

SCHEDULE 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) affected.

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 Depreciation base		Annual composite rate (percent) (d)	LEASED FROM OTHERS Depreciation base		Annual composite rate (percent) (g)	Line No.
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
		(b)	(c)		(e)	(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	865	864					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	763	763					18
19	(26) Communication systems	732	733	0.21				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	13,363	14,571	12.80				24
25	(39) Public improvements--Construction							25
26	(44) Shop machinery	392	393	22.52				26
27	(46) Power-plant machinery							27
28	All other road accounts							28
29	Amortization (Adjustments)							29
30	TOTAL ROAD	16,154	17,343	11.28				30
	EQUIPMENT							
31	(52) Locomotives	29,573	31,104	6.34				31
32	(53) Freight-train cars	4,785	4,444	3.19				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment	13,550	15,199	15.92				36
37	(58) Miscellaneous equipment	7,577	7,468	9.05				37
38	(59) Computer systems and word processing equipment	6,577	6,617					38
39	TOTAL EQUIPMENT	62,080	64,832	8.03				39
40	GRAND TOTAL	78,194	82,175	N/A			N/A	40

SCHEDULE 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		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				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	768			8		760	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	485					485	18
19		(26) Communication systems	626	1		87		540	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	8,227	2,034		819		9,442	24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*	199	90				289	26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	10,324	2,125		914		11,535	30
		EQUIPMENT							
31		(52) Locomotives	27,225	2,117		2,992		26,350	31
32		(53) Freight-train cars	4,426	203		549		4,080	32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment	8,631	2,085		1,295		9,421	36
37		(58) Miscellaneous equipment	6,607	661		865		6,403	37
38		(59) Computer systems and word processing equipment	5,970	506	1	2,271		4,206	38
39		Amortization Adjustments							39
40		TOTAL EQUIPMENT	52,859	5,572	1	7,972		50,460	40
41		GRAND TOTAL	63,183	7,697	1	8,886		61,995	41

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

