

Bristol Street (No.2) Limited

Directors' report and financial statements

Registered number 622158

For the period ended 29 February 2008



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Directors' report

The directors present their annual report and the financial statements for the period ended 29 February 2008

Principal activities

The Company has not traded during the 14 month period and will remain dormant for the foreseeable future

On 27 March 2007 the entire issued share capital of the parent company, Bristol Street Group Limited, was acquired by Vertu Motors (Property) Limited. As a result, the financial year end of the Company has been aligned with that of Vertu Motors (Property) Limited to 29 February

Dividends

The directors do not recommend the payment of a dividend (2007 £Nil)

Directors and directors' interests

The directors of the Company during the 14 month period are listed below

J B Tustain (resigned 26 March 2007)
P R Williams (resigned 26 March 2007)
P J Smiley (resigned 26 March 2007)
R T Forrester (appointed 26 March 2007)
K Anderson (appointed 26 March 2007)

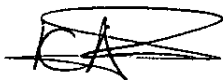
None of the directors had a beneficial interest in the share capital of the Company during the period ended 29 February 2008

R Forrester and K Anderson are also directors of the ultimate parent undertaking, Vertu Motors plc, and their interests in the share capital of group undertakings are disclosed in the financial statements of that Company

Auditors

In accordance with Section 249AA of the Companies Act 1985, the Company was entitled to exemption from the requirements to have its financial statements for the financial period ended 29 February 2008 audited

Approved by the Board and signed on its behalf by



K Anderson
Director
21 November 2008

Rotterdam House
116 Quayside
Newcastle upon Tyne
NE1 3DY

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Profit and loss account

For the period from 1 January 2007 to 29 February 2008

During the financial period under review the Company did not trade and received no income and incurred no expenses. Consequently, during these periods the Company made neither a profit nor a loss.

Balance Sheet

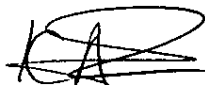
As at 29 February 2008

	Note	29 February 2008 £	31 December 2006 £
Current assets			
Debtors	3	7,088,823	6,940,571
Cash at bank and in hand		-	148,252
Net assets		7,088,823	7,088,823
Capital and reserves			
Called up share capital	4	5,118,816	5,118,816
Share premium account	5	3,179,156	3,179,156
Profit and loss account	5	(1,209,149)	(1,209,149)
Total equity shareholders' funds		7,088,823	7,088,823

The directors

- a) confirm that the Company was entitled to exemption under sub-section (1) of Section 249AA of the Companies Act 1985 from the requirement to have its financial statements for the financial period ended 29 February 2008 audited
- b) confirm that the members have not required the Company to obtain an audit of its financial statements for that financial year in accordance with sub-section (2) of Section 248B(2) of that Act
- c) acknowledge their responsibilities for
 - i) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of that Act and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the Company

These financial statements were approved by the board of directors on 21 November 2008 and were signed on its behalf by



K Anderson
Director

Notes to the Financial Statements

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements, except as noted below

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been consistently applied throughout the year, are set out below

No profit and loss is presented by the Company, as permitted under section 230 of the Companies Act 1985

The Company is not required to prepare a cash flow statement under FRS1 (revised)

Related parties

The Company is exempt from the requirement of FRS 8 "related party disclosures" to disclose transactions between group companies as all subsidiaries have 90% or more of their voting rights controlled by Vertu Motors plc who have produced consolidated financial statements

2. Directors' emoluments

No director received remuneration from the Company in respect of the period ended 29 February 2008. There are no other employees.

3 Debtors

	29 February 2008 £	31 December 2006 £
Amounts due by group undertakings	7,088,823	6,940,571

4. Called up share capital

	29 February 2008 £	31 December 2006 £
Authorised:		
14,000,000 ordinary shares of 25p each (equity)	3,500,000	3,500,000
5,273,672 7 3% cumulative preference shares of 50p each (non-equity)	2,636,836	2,636,836
	<u>6,136,836</u>	<u>6,136,836</u>
Allotted, called up and fully paid:		
9,927,920 ordinary shares of 25p each (equity)	2,481,980	2,481,980
5,273,672 7 3% cumulative preference shares of 50p each (non-equity)	2,636,836	2,636,836
	<u>5,118,816</u>	<u>5,118,816</u>

The 7 3p convertible cumulative redeemable preference shares are ordinarily convertible at the option of the holder on the last day in May in each of the years 1995 to 2002 (inclusive) on the basis of 51 948 ordinary shares for every 100 convertible preference shares. After conversion of 75% of the convertible preference shares, the Company has the right to require the conversion of the outstanding balance.

The convertible preference shares are redeemable at the Company's option after the last date for conversion in 2003. Any convertible preference shares not previously converted, purchased or redeemed will be redeemed on 1 January 2005. Convertible preference shares will be redeemed at £1 per share, together with any arrears and accruals of dividends to the date of redemption.

Notes to the Financial Statements (continued)

4. Called up share capital (continued)

The holders of preference shares are not entitled to dividends or any other distribution, they have no voting rights except where a resolution affecting their rights is tabled at the general meeting, and they are only entitled to a return of the nominal amount of capital paid up on the shares in the event of a winding up

5. Reserves

	Share premium account £	Profit and loss account £
As at 29 February 2008 and 31 December 2006	3,179,156	(1,209,149)

6. Ultimate holding company

The Company's immediate holding company is Bristol Street Fifth Investments Limited, a company incorporated in England and Wales

The Company's ultimate controlling company is Vertu Motors plc, a company incorporated in England and Wales

Copies of the financial statements for Vertu Motors plc are available from the Secretary, Vertu Motors plc, Rotterdam House, 116 Quayside, Newcastle upon Tyne, NE1 3DY