

Bristol Street Limited

**Directors' report and financial
statements**

Registered number 196467

For the year ended 31 December 2005



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Directors' report

The directors present their annual report and the financial statements for the year ended 31 December 2005.

Principal activities

The Company has not traded during the year and will remain dormant for the foreseeable future.

Dividends

The directors do not recommend the payment of a dividend (2004: £Nil).

Directors and directors' interests

The directors who served during the year were as follows:

JB Tustain
PR Williams
PJ Smiley

None of the directors had a beneficial interest in the share capital of the Company during the years ending 31 December 2005 and 2004.

Messrs JB Tustain, PR Williams and PJ Smiley are also directors of the ultimate parent undertaking, Bristol Street Group Limited 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 requirement to have its financial statements for the financial year ended 31 December 2005 audited.

Approved by the Board and signed on its behalf by:



PJ Smiley
Secretary

Alpha House
Hampton Park
Hampton Lovett
Droitwich
Worcestershire
WR9 0NX

26 October 2006

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 or 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 year ended 31 December 2005

During the financial year under review and the previous financial year 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.

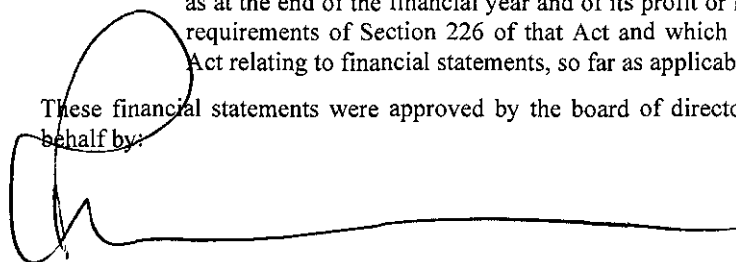
Balance sheet
at 31 December 2005

	Note	2005 £	2004 £
Current assets			
Debtors	3	5,204,737	5,204,737
Net assets		<u>5,204,737</u>	<u>5,204,737</u>
Capital and reserves			
Called up share capital	4	550,000	550,000
Share premium account	5	19,186	19,186
Profit and loss account	5	4,635,551	4,635,551
Total shareholders' funds	6	<u>5,204,737</u>	<u>5,204,737</u>
Attributable to:			
Equity shareholders		5,104,737	5,104,737
Non-equity shareholders	4	100,000	100,000
		<u>5,204,737</u>	<u>5,204,737</u>

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 year ended 31 December 2005 audited.
- (b) confirm that 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 249B(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 26 October 2006 and were signed on its behalf by:



PR Williams
Director

Notes

(forming part of 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 group's financial statements, except as noted below:

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- the presentation requirements of FRS 25 'Financial instruments presentation and disclosure'; and
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below, together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985. Furthermore, there has been no material impact from the adoption of FRS 21 and 25.

The corresponding amounts in these financial statements are restated in accordance with the new policies.

Basis of preparation

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

Classification of financial instruments issued by the company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (ie forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of the shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

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 Bristol Street Group Limited who have produced consolidated financial statements.

Cash flow statement

A cash flow statement has not been prepared because the Company is a wholly owned subsidiary of Bristol Street Group Limited within whose consolidated cash flow statement the cash flows of the company are included.

Notes (continued)

2 Directors' emoluments

No directors received remuneration from the Company in respect of the years ended 31 December 2005 and 2004.

3 Debtors

	2005 £	2004 £
Amounts owed by ultimate parent undertaking	4,970,811	4,970,811
Amounts owed by fellow subsidiary undertakings	233,926	233,926
	<u>5,204,737</u>	<u>5,204,737</u>

4 Called up share capital

	2005 £	2004 £
<i>Authorised:</i>		
2,000,000 ordinary shares of 25p each (equity)	500,000	500,000
100,000 7.5% cumulative preference shares of £1 each (non equity)	100,000	100,000
	<u>600,000</u>	<u>600,000</u>
<i>Allotted, called up and fully paid:</i>		
1,800,000 ordinary shares of 25p each (equity)	450,000	450,000
100,000 7.5% cumulative preference shares of £1 each (non equity)	100,000	100,000
	<u>550,000</u>	<u>550,000</u>

The cumulative preference shares carry no voting rights and are not redeemable. They are entitled to a fixed cumulative preferential dividend at the rate of 7.5% per annum on the paid up amount of nominal capital. In the event of a winding up the holders of preference shares are entitled only to repayment of the amount paid up on each share and to all arrears and accruals of dividends up to the date of winding up.

5 Reserves

	Share premium account £	Profit and loss account £
At 31 December 2005 and 31 December 2004	19,186	4,635,551

6 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Opening and closing shareholders' funds	<u>5,204,737</u>	<u>5,204,737</u>

Notes *(continued)*

7 Contingent liabilities

The Company has granted to the group's bankers cross-guarantees in favour of Bristol Street Group Limited and subsidiary undertakings. The potential liability at 31 December 2005 was £9,220,000 (2004: £8,596,000).

8 Ultimate holding company

The Company's immediate holding company is Bristol Street Fifth Investments Limited, a company incorporated in Great Britain.

The company's ultimate parent company and ultimate controlling party is Bristol Street Group Limited, a company incorporated in Great Britain.

Copies of the financial statements for Bristol Street Group Limited are available from the Secretary, Alpha House, Hampton Park, Hampton Lovett, Droitwich, Worcestershire, WR9 0NX.