AMENDING DOCUMENT

Virgin Car Leasing Limited

Directors' report and financial statements

Registered number 03086856

31 March 2009

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2009.

Principal activities
The principal activity of the company is that of an investment holding company.

On 31 March 2009, the Company's top UK parent undertaking changed from Barfair Limited to Virgin Wings Limited.

Business review
The results for the year are set out on page 4 of the financial statements and the loss for the year of £331,637 (2008: £nil) has been transferred to the reserves.

Post balance sheet events
On 12 June 2009, the company sold its 65% shareholding in Virgin Limousines (California) Limited Liability Company to David Lipschultz, the co-shareholder, for US$150,000 payable by a promissory note, made up of US$100,000 up front and US$50,000 contingent upon future performance of the business.

Proposed dividend
The directors do not recommend the payment of a dividend (2008: £nil).

Directors
The directors of the company during the year were as follows:

B A R Gerrard
J E M Phillips
G D McCallum (Alternate to J E M Phillips)

Disclosure of information to auditors
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors
Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

C A Drake
Company Secretary

The School House
50 Brook Green
London
W6 7RR
8 October 2009

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 and applicable law (UK Generally Accepted Accounting Practice).

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;
- 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 a 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.

Independent auditors' report to the members of Virgin Car Leasing Limited

We have audited the financial statements of Virgin Car Leasing Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

8 Salisbury Square
London
EC4Y 8BB
21 October 2009

Profit and loss account
for the year ended 31 March 2009

	Note	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Administrative expenses		(303,908)	-
Operating loss		(303,908)	-
Interest payable and other charges	4	(27,729)	-
Loss on ordinary activities before taxation	2	(331,637)	-
Tax on loss on ordinary activities	5	-	-
Loss for the year		(331,637)	-

There were no recognised gains or losses in the current or preceding years other than those shown above, which were derived from continuing operations, consequently a statement of total gains and losses has not been prepared.

The notes on pages 6 to 11 form part of these financial statements.

Balance sheet
at 31 March 2009

	Note	2009 £	2008 £
Fixed assets			
Investments	*6*	69,764	-
Current assets			
Debtors	*7*	2	2
Creditors: amounts falling due within one year	*8*	(401,401)	-
Net current (liabilities)/ assets		(401,399)	2
Net (liabilities)/ assets		(331,635)	2
Capital and reserves			
Called up share capital	*9*	2	2
Profit and loss account	*10*	(331,637)	-
Shareholders' (deficit)/ funds	*11*	(331,635)	2

The notes on pages 6 to 11 form part of these financial statements.

These financial statements were approved by the board of directors on 8 October 2009 and were signed on its behalf by:

JPhillips

J E M Phillips
Director

Notes

1 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.

Basis of preparation

The financial statements have been prepared under the historical cost accounting rules in accordance with applicable accounting standards and on a going concern basis.

The financial statements have been prepared on a going concern basis in view of the fact that Virgin Holdings Limited, an intermediate parent undertaking, has formally indicated that it is its present intention to provide sufficient funding to the Company to enable it to meet its liabilities as they fall due, for at least the next twelve months.

The directors have no reason to believe that the parent company will not be in a position to provide the support referred to above and, accordingly, they have prepared the financial statements on the going concern basis.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 (revised 1996), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments

Investments in subsidiaries are shown at cost less amounts written off.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling as the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

Notes *(continued)*

2 Loss on ordinary activities before taxation

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Loss on ordinary activities before taxation is stated after charging:		
Provision against investment in subsidiaries	**300,171**	-

Audit fees have been borne by a related group company for the current year.

3 Remuneration of directors

The directors did not receive any remuneration during the year for services to the Company (2008: £nil).

4 Interest payable and other charges

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Payable to group undertakings	**27,729**	-

Notes *(continued)*

5 Taxation

Analysis of charge in year

There was no charge in the current or prior year.

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2008: £nil) than the standard rate of corporation tax in the UK at 28% (2008: 30%). The differences are explained below.

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
Current tax reconciliation		
Loss on ordinary activities before tax	**(331,637)**	-
Current tax at 28% (2008: 30%)	**(92,858)**	-
Effects of:		
Expenses not deductible	**91,812**	-
UK tax losses not utilised or not recognised	**1,046**	-
Total current tax charge	-	-

Details of the Company's total recognised and unrecognised deferred tax at the year end (and prior year end) are shown in the table below.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

	2009 Recognised	**2009 Unrecognised**	2008 Recognised	2008 Unrecognised
	£	**£**	£	£
The deferred tax figures comprise:				
UK tax losses	-	**(1,046)**	-	-
	-	**(1,046)**	-	-

Notes *(continued)*

6 Fixed asset investments

	Investment in subsidiaries £
Cost	
At beginning of year	-
Additions	369,935
At end of year	369,935
Provision	
At beginning of year	-
Charged in the year	(300,171)
At end of the year	(300,171)
Net book value	
At 31 March 2009	**69,764**
At 31 March 2008	-

On 23 April 2008, the company provided a capital contribution to Virgin Limousines (California) Limited Liability Company of US$732,768, at the prevailing exchange rate of £1: US$1.9808.

The company in which the Company's interest at 31 March 2009 is more than 20% are as follows:

Subsidiary undertakings	Country of Registration	Principal Activity	Holding %	No. of Shares	Type of share
Virgin Limousines (California) Limited Liability Company	USA	Transport	65	65	Ordinary US $1.00 shares

On 12 June 2009, the company sold its 65% shareholding in Virgin Limousines (California) Limited Liability Company to David Lipschultz, the co-shareholder, for US$150,000 payable by a promissory note, made up of US$100,000 up front and US$50,000 contingent upon future performance of the business.

7 Debtors

	2009 £	2008 £
Amounts owed by related undertakings	2	2

Notes *(continued)*

8 Creditors

	2009 £	2008 £
Amounts due to related undertakings	**401,401**	-

9 Called up share capital

	2009 £	2008 £
Authorised		
1,000 Ordinary shares of £1	1000	1000
Allotted, called up and fully paid		
1,000 Ordinary shares of £1	**2**	2

10 Reserves

	Profit and loss account £
At beginning of year	-
Loss for the year	**(331,637)**
At end of year	**(331,637)**

Notes *(continued)*

11 Reconciliation of shareholders' (deficit)/ funds

	2009 £	2008 £
Opening shareholders' funds	2	2
Loss for the financial year	(331,637)	-
Closing shareholders' (deficit)/ funds	(331,635)	2

12 Post balance sheet events

On 12 June 2009, the company sold its 65% shareholding in Virgin Limousines (California) Limited Liability Company to David Lipschultz, the co-shareholder, for US$150,000 payable by a promissory note, made up of US$100,000 up front and US$50,000 contingent upon future performance of the business.

13 Related party disclosures

At 31 March 2009 the Company's ultimate parent undertaking was Virgin Group Holdings Limited, whose principal shareholders are certain trusts, none of which individually has a controlling interest in Virgin Group Holdings Limited. The principal beneficiaries of those trusts are Sir Richard Branson and/or his immediate family. The shareholders of Virgin Group Holdings Limited have interests directly or indirectly in certain other companies which are considered to give rise to related party disclosures under Financial Reporting Standard No. 8.

During the year, the Company was a 100% owned subsidiary of Barfair Limited. On 31 March 2009, Barfair Limited was sold to another group undertaking and as a result, the Company became a 100% owned subsidiary of Virgin Wings Limited. In the current year, the Company has taken advantage of the exemption under Financial Reporting Standard 8: Related Party Disclosures, which enables it to exclude disclosure of transactions with Virgin Wings Limited and its subsidiaries. In the prior year, the Company took advantage of the exemption under Financial Reporting Standard 8: Related Party Disclosures, which enabled it to exclude disclosure of transactions with Barfair Limited and its subsidiaries.

14 Ultimate parent company

As at 31 March 2009 the Company is a subsidiary undertaking of Virgin Group Holdings Limited, a company incorporated in the British Virgin Islands.

The largest and smallest group in which the Company's results are consolidated are those for Virgin Wings Limited and Virgin Holdings Limited, companies which are registered in England and Wales. Copies of the group accounts of Virgin Wings Limited and Virgin Holdings Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.