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SOL CAR RENTALS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997



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FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

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SOL CAR RENTALS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

DIRECTORS:

J S SHERWOOD
S BINCH

SECRETARY:

S WOOLLEY

REGISTERED OFFICE:

NEVILLE RUSSELL HOUSE
1 TELFORD WAY
LUTON
BEDFORDSHIRE
LU1 1HT

REGISTERED NUMBER:

2974983

AUDITORS:

NEVILLE RUSSELL
NEVILLE RUSSELL HOUSE
1 TELFORD WAY
LUTON
BEDFORDSHIRE
LU1 1HT

SOL CAR RENTALS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 1997.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year, which 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 those financial statements, the directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgements and estimates that are reasonable and prudent;
- o comply with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- o 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REVIEW OF THE BUSINESS

The principal activity of the company was the provision of car hire.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

RESULTS

The profit for the year after taxation was £149,100. The directors do not recommend the payment of any dividend. Retained profits of £149,100 have been transferred to reserves.

SOL CAR RENTALS LIMITED

DIRECTORS' REPORT

DIRECTORS

The directors set out in the table below have held office during the whole of the year from 1 January 1997 to the date of this report unless otherwise stated.

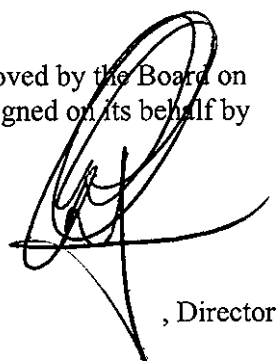
No director holding office in the period had any interest in the shares of this company or of fellow subsidiary companies. The interests of the directors holding office on 31 December 1997, in the shares of the holding company, according to the Register of Directors' Interests, were as shown below:

Director's Name	DRIVE ASSIST UK PLC	
	Ordinary Shares of £1 Each	
	31 December 1997	1 January 1997
	Beneficial Interests	Beneficial Interests
J S Sherwood	19,840	19,840
S Binch	19,840	27,280

AUDITORS

Neville Russell have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming annual general meeting.

Approved by the Board on 21 July 1998
and signed on its behalf by



, Director

NEVILLE RUSSELL

Chartered Accountants



AUDITORS' REPORT TO THE SHAREHOLDERS OF SOL CAR RENTALS LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared following the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 judgements 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 of the state of the company's affairs as at 31 December 1997 and of the profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

A handwritten signature in dark ink, appearing to read "Neville Russell", written over a light blue horizontal line.

NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors

Date 21 July 1998

SOL CAR RENTALS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 1997**

	Notes	Year Ended 31 December 1997 £	Year Ended 31 December 1996 £
TURNOVER		1,487,487	591,198
Cost of sales		(1,135,262)	(410,435)
		<hr/>	<hr/>
GROSS PROFIT		352,225	180,763
Administrative expenses		(203,125)	(101,026)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	149,100	79,737
Taxation on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	149,100	79,737
		<hr/>	<hr/>

The company's turnover and expenses all relate to continuing operations.

The company has no recognised gains or losses other than the profit for the year.

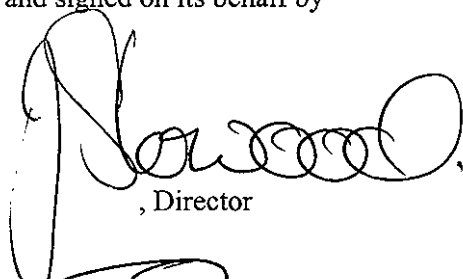
The profit for the year has been calculated on the historical cost basis.

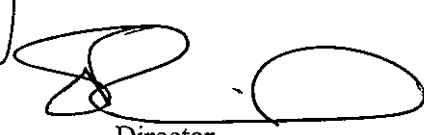
SOL CAR RENTALS LIMITED

BALANCE SHEET AT 31 DECEMBER 1997

	Notes	31 December 1997 £	31 December 1996 £
CURRENT ASSETS			
Debtors	7	416,720	185,735
Cash at bank and in hand		-	196,498
		<hr/>	<hr/>
		416,720	382,233
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	8	(187,882)	(302,495)
		<hr/>	<hr/>
NET ASSETS		228,838	79,738
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Profit and loss account	10	228,837	79,737
		<hr/>	<hr/>
EQUITY SHAREHOLDER'S FUNDS	10	228,838	79,738
		<hr/>	<hr/>

Approved by the board on 21 July 1998
and signed on its behalf by


, Director


, Director

SOL CAR RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

a) Accounting convention

The financial statements are prepared under the historical cost convention.

b) Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods to customers.

c) Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that is probable that a liability will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

2. SEGMENTAL INFORMATION

The company operates in the UK and the whole of its turnover is to the UK market.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	Year Ended 31 December 1997 £	Year Ended 31 December 1996 £
Auditors' remuneration - Audit	750	500
	<hr/>	<hr/>

4. STAFF COSTS

	Year Ended 31 December 1997 £	Year Ended 31 December 1996 £
Wages and salaries	-	-
Social Security costs	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

SOL CAR RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

4. STAFF COSTS (CONTINUED)

Average number of persons, including executive directors,
employed by the company during the period:

	1997 Number	1996 Number
Management	-	-
Distribution	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

5. DIRECTORS

No director received emoluments for services in either the current or the comparative period.

6. TAXATION

There was no liability for taxation in either the current or the comparative period.

7. DEBTORS

	31 December 1997 £	31 December 1996 £
DUE WITHIN ONE YEAR:		
Trade debtors	244,260	145,020
Amounts owed by Group Undertakings	172,460	35,422
Other debtors	-	5,293
	<hr/>	<hr/>
	416,720	185,735
	<hr/>	<hr/>

SOL CAR RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 1997 £	31 December 1996 £
Bank loans and overdraft	718	
Amounts owed to group undertakings	-	213,165
Trade creditors	29,332	-
Other taxation	108,088	88,308
Accruals	49,744	1,022
	<hr/>	<hr/>
	187,882	302,495
	<hr/>	<hr/>

9. SHARE CAPITAL

	Authorised 31 December		Allotted Issued & Fully Paid 31 December	
	1997 £	1996 £	1997 £	1996 £
Ordinary shares of £1 each	100	100	1	1
	<hr/>	<hr/>	<hr/>	<hr/>

10. RECONCILIATION OF MOVEMENTS ON EQUITY SHAREHOLDER'S FUNDS

	Share Capital £	Profit & Loss Account £	Total Shareholder's Funds £
Balance at 1 January 1997	1	79,737	79,738
Profit for the period	-	149,100	149,100
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1997	1	228,837	228,838
	<hr/>	<hr/>	<hr/>

11. PARENT UNDERTAKING

Drive Assist UK Plc is both the immediate and ultimate parent company.