

Company Number: 2974983

SOL CAR RENTALS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2008

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**SOL CAR RENTALS LIMITED**

**COMPANY INFORMATION**

**DIRECTORS:**

N BARDSLEY  
S BINCH  
C WRIGHT

**SECRETARY:**

C WRIGHT

**REGISTERED OFFICE:**

TAMWORTH HOUSE  
VENTURA PARK ROAD  
BITTERSCOTE  
TAMWORTH  
STAFFORDSHIRE  
B78 3HL

**REGISTERED NUMBER:**

2974983

# **SOL CAR RENTALS LIMITED**

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## **SOL CAR RENTALS LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 May 2008.

### **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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards, 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 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.

### **PRINCIPAL ACTIVITY**

The principal activity of the Company is the provision of car hire.

### **DIRECTORS**

The directors set out on page 1 have held office during the whole of the period from 1 June 2007 to the date of this report, unless otherwise stated. No directors had any interest in the shares of the Company during the year.

The interests of the directors holding office on 31 May 2008 in the shares of the parent undertakings are disclosed in the accounts of those undertakings.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors have each taken all the necessary steps to make us aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

**SOL CAR RENTALS LIMITED**

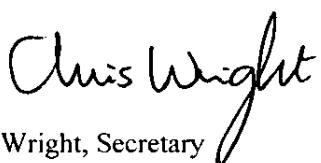
**DIRECTORS' REPORT (continued)**

**AUDITORS**

A resolution to re-appoint KPMG LLP as auditors to the Company and to authorise the directors to fix their remuneration will be proposed at the annual general meeting.

The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 30/7/08  
and signed on its behalf by

  
C Wright, Secretary

**SOL CAR RENTALS LIMITED**



**KPMG LLP**

2 Cornwall Street  
Birmingham  
B3 2DL  
United Kingdom

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOL CAR RENTALS LIMITED**

We have audited the financial statements of SOL Car Rentals Limited for the year ended 31 May 2008 which comprise the Profit and Loss Account, the Balance Sheet and 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 auditors' 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 5.

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 transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement.

**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 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.

**SOL CAR RENTALS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOL CAR RENTALS LIMITED**  
(continued)

**Basis of audit opinion (continued)**

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 United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 May 2008 and of its profit 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**  
**CHARTERED ACCOUNTANTS**  
**REGISTERED AUDITORS**

Date: 30 July 2008

**SOL CAR RENTALS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MAY 2008**

	Notes	2008 £	2007 £
<b>TURNOVER</b>	2	3,253,022	3,346,374
Cost of sales		<u>(2,912,202)</u>	<u>(2,932,585)</u>
<b>GROSS PROFIT</b>		340,820	413,789
Administrative expenses		<u>(430,026)</u>	<u>(538,452)</u>
<b>OPERATING LOSS</b>		(89,206)	(124,663)
Interest receivable and similar income		<u>583</u>	<u>21,625</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(88,623)	(103,038)
Taxation on loss on ordinary activities	5	<u>(557)</u>	<u>30,955</u>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	12	<u><u>(89,180)</u></u>	<u><u>(72,083)</u></u>

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

The Company has no recognised gains or losses other than as disclosed above.



**SOL CAR RENTALS LIMITED****BALANCE SHEET AT 31 MAY 2008**

	Notes	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible assets	6	2,448	2,773
<b>CURRENT ASSETS</b>			
Debtors	7	436,980	803,125
Cash at bank and in hand		551,117	115,194
		988,097	918,319
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	8	(499,333)	(340,700)
<b>NET CURRENT ASSETS</b>		488,764	577,619
<b>NET ASSETS</b>		491,212	580,392
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	1	1
Profit and loss account	11	491,211	580,391
<b>SHAREHOLDERS' FUNDS</b>	12	491,212	580,392

These accounts have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on  
and signed on its behalf by



S Binch, Director

# **SOL CAR RENTALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2008**

### **1 ACCOUNTING POLICIES**

#### **a) Basis of Preparation**

The financial statements have been prepared in accordance with the applicable accounting standards and law (UK Generally Accepted Accounting Practice) and under the historical cost accounting rules.

#### **b) Depreciation**

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements – 20 % per annum

Machinery, fixtures and fittings – 20% per annum.

#### **c) Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 FRS 19.

#### **d) Operating leases**

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

### **2 TURNOVER**

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

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

### **3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

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

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Total contributions payable to defined contribution pension schemes	6,012	6,012
Auditors' remuneration - audit	4,200	4,200
Depreciation	1,005	4,327
Operating leases - property rent	27,004	23,596



# SOL CAR RENTALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2008

### 3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION (continued)

Amounts receivable by the Company's auditors and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Drive Assist Holdings Limited.

### 4 DIRECTORS

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

### 5 TAXATION ON LOSS ON ORDINARY ACTIVITIES

	2008 £	2007 £
<b>(a) Analysis of charge in year</b>		
Current tax:		
UK corporate tax on loss of the year	-	-
Total current tax (see (b) below)	-	-
Deferred tax:		
Origination and reversal of timing differences	(30,398)	(30,955)
Total deferred tax (see note 9)	(30,398)	(30,955)
Tax on loss on ordinary activities	(30,398)	(30,955)

#### b) Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2008 £	2007 £
Loss on ordinary activities before tax	(88,623)	(103,038)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007: 30%)	(26,294)	(30,911)
<i>Effects of:</i>		
Group relief surrendered	26,196	140
Group relief claimed	-	-
Non-qualifying depreciation	-	320
Depreciation in excess of capital allowances for year	(134)	496
Expenses not deductible for tax purposes	-	-
Unrelieved tax losses	232	29,955
<b>Current tax charge for year (see (a) above)</b>	-	-

**SOL CAR RENTALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2008**

**6 FIXED ASSETS**

	<b>Leasehold improvements</b>	<b>Machinery fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 June 2007	19,946	21,655	41,601
Additions	680	-	680
At 31 May 2008	<u>20,626</u>	<u>21,655</u>	<u>42,281</u>
<b>Accumulated depreciation</b>			
At 1 June 2007	17,425	21,403	38,828
Charge for the year	781	224	1,005
At 31 May 2008	<u>18,206</u>	<u>21,627</u>	<u>39,833</u>
<b>Net book value</b>			
At 31 May 2008	<u>2,420</u>	<u>28</u>	<u>2,448</u>
At 31 May 2007	<u>2,521</u>	<u>252</u>	<u>2,773</u>

**7 DEBTORS**

**DUE WITHIN ONE YEAR:**

	<b>2008 £</b>	<b>2007 £</b>
Trade debtors	402,316	321,483
Amounts owed by group undertakings	2,528	433,043
Amounts owed by related companies	1,072	1,344
Deferred tax	30,398	30,955
Prepayments and accrued income	666	16,300
	<u>436,980</u>	<u>803,125</u>

**SOL CAR RENTALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2008**

<b>8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade creditors	16,117	14,160
Amounts owed to group undertakings	186,832	-
Other taxation and social security	43,559	-
Other creditors	-	54,139
Accruals and deferred income	252,825	272,401
	<u>499,333</u>	<u>340,700</u>

**9 PROVISIONS FOR LIABILITIES AND CHARGES**

<b>DEFERRED TAXATION (ASSET)/LIABILITY</b>	<b>2008</b>		<b>2007</b>	
	<b>Amount provided £</b>	<b>Amount not provided £</b>	<b>Amount provided £</b>	<b>Amount not provided £</b>
Tax effect of timing differences arising on:	(30,223)	-	(29,955)	-
Excess of tax allowances over depreciation	(134)	-	(1,000)	-
Effect of Corporation tax rate change	(41)	-	-	-
	<u>(30,398)</u>	<u>-</u>	<u>(30,955)</u>	<u>-</u>

**10 SHARE CAPITAL**

	<b>Authorised</b>		<b>Allotted, issued &amp; fully paid</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>1</u>	<u>1</u>

**11 RESERVES**

	<b>Profit &amp; loss account £</b>
Loss for the financial year	(89,180)
Balance at 1 June 2007	<u>580,391</u>
Balance at 31 May 2008	<u>491,211</u>

# **SOL CAR RENTALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2008**

### **12 RECONCILIATION OF MOVEMENTS ON EQUITY SHAREHOLDERS' FUNDS**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(89,180)	(72,083)
Net depletion to shareholders' funds	(89,180)	(72,083)
Opening shareholders' funds	580,392	652,475
Closing shareholders' funds	491,212	580,392

### **13 CONTINGENT LIABILITIES**

A cross guarantee and debenture exists between the Company and all other members of the group. These are Drive Assist Holdings Limited, DA 200 Limited, DA 300 Limited, DA 400 Limited and Drive Assist UK Limited, Millennium Motor Group Limited, Castle Car and Van Hire Limited, Tamworth Car Hire & Leasing Limited, Sol Car Rentals Limited, Auto Assist (UK) Limited, Bike Assist Limited and Trade IT 2000 Limited.

### **14 RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemptions conferred by Financial Reporting Standard 8 from the requirement to make disclosures concerning transactions with related parties within the group, since these transactions are included in the consolidated financial statements of Drive Assist Holdings Limited, which can be obtained from the head office at Tamworth House, Ventura Park Road, Bitterscote, Tamworth, Staffordshire.

During the year, the Company invoiced amounts in the normal course of business on an arms' length basis to Coventry Motor Company Limited (formerly Spindoc Limited), a Company with common shareholders and directors. At 31 May 2008 £1,072 (2007: £1,344) was due from Coventry Motor Group Limited.

### **15 PARENT UNDERTAKINGS AND ULTIMATE CONTROLLING PARTY**

The immediate parent Company is Drive Assist UK Limited and the ultimate parent Company is Drive Assist Holdings Limited, both companies registered in England and Wales.