

CELLRENT LIMITED
REGISTERED NUMBER 1931021

DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

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CELLRENT LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited Financial Statements of the Company for the year ended 31 December 2006

Principal Activities

The Company has no trading operations. The income received during the year was from a loan to a fellow group undertaking.

Review of the Business

The Company has continued to perform as expected throughout the year.

Results and Dividends

The Company made a profit after taxation for the year of £63,813 (2005 £2,844). No interim dividend has been paid during the year (2005 nil). The Directors do not recommend the payment of a final dividend (2005 nil). The profit for the year retained by the Company has been transferred to reserves.

Payments to Creditors

It is the Company's practice to agree terms of payment at the start of business with each supplier, to ensure that suppliers are aware of the terms of payment, and to pay in accordance with contractual and other legal obligations. The Company had no trade creditors at 31 December 2006 (2005 nil).

Financial Risk Management Objectives and Policies

The Directors consider that there is limited exposure to financial risk, as the majority of the Company's financial exposure is to other companies in the Avis Europe plc group. As such the Directors have not implemented a policy for the Company. Instead, the Company's financial risk management objectives and policies are aligned to those of the Avis Europe plc group of companies, which are as disclosed in the consolidated financial statements of Avis Europe plc.

Directors

The Directors of the Company during the year are set out below:

N A Bell (resigned 21 June 2007)

S B D Fillingham

E P Gates (appointed 21 June 2007)

CELLRENT LIMITED

DIRECTORS' REPORT (continued)

Statement of Directors' Responsibilities

The Directors are responsible for preparing 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 the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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,
- 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, in which case there should be supporting assumptions or qualifications as necessary

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements

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 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.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that ought to have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP continue in office as Auditor since the Company has elected to dispense with the annual reappointment of auditors as permitted by Section 386 of the Companies Act 1985.

By Order of the Board



J A Nicholson
Company Secretary
19 October 2007

CELLRENT LIMITED

Independent auditors' report to the members of Cellrent Limited

We have audited the Financial Statements of Cellrent Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet, and the related notes. These Financial Statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2006 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
19 October 2007

CELLRENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	<u>Notes</u>	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Interest receivable on loans to group undertakings		63,813	2,844
		<hr/>	<hr/>
Profit on ordinary activities before taxation		63,813	2,844
Tax on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
Profit for the financial year being amount transferred to reserves	8	<u>63,813</u>	<u>2,844</u>

The profit and loss account for the Company is entirely in respect of continuing operations. There is no difference between the profit on ordinary activities before taxation and the retained profit transferred to reserves for the year stated above and their historical equivalents.

In both the current and the prior year, all recognised gains and losses are included in the profit and loss account and therefore a statement of recognised gains and losses has not been presented.

The accompanying Notes on pages 6 to 8 form an integral part of these Financial Statements.


CELLRENT LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2006

	<u>Notes</u>	31 December 2006 £	31 December 2005 £
Current assets			
Debtors amounts owed by group undertakings	5	1,448,221	1,384,408
Creditors: amounts falling due within one year			
Amounts owed to group undertakings	6	(1,381,564)	(1,381,564)
Total assets less current liabilities		66,657	2,844
Net assets		<u>66,657</u>	<u>2,844</u>
Capital and reserves			
Called-up share capital	7	1,676,564	1,676,564
Profit and loss account	8	(1,609,907)	(1,673,720)
Shareholders' funds	9	<u>66,657</u>	<u>2,844</u>

The accompanying Notes on pages 6 to 8 form an integral part of these Financial Statements

Approved by the Board on 19 October 2007


S B D Fillingham
Director

CELLRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Accounting Policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below

(a) Basis of Accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards and the Companies Act 1985

The Company has adopted FRS 26 (amendment), Financial Guarantee Contracts (effective from 1 January 2006), in these Financial Statements. The adoption of this standard represents a change in accounting policy. However, there has been no impact on the current or comparative figures so no restatement has been made in respect of this change in accounting policy.

(b) Cash Flow Statement

The Company is included in the consolidated financial statements of Avis Europe plc, which are publicly available, and therefore has elected to utilise the exemption provided in Financial Reporting Standard 1 (Revised) and not produce a cash flow statement.

(c) Foreign Currency

Foreign currency assets and liabilities are translated at the rates of exchange ruling at the year end. Transactions during the year are recorded at rates of exchange in effect when the transaction occurs. Profits and losses on exchange are dealt with in the profit and loss account.

(d) Deferred Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred. 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. Deferred tax.

(e) Dividends

Final dividends to the Company's shareholders are recognised as a liability in the Financial Statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

2. Directors' emoluments and employees

The Directors received no emoluments in respect of their services to the Company during the year (2005 nil).

The average number of Directors during the year was 2 (2005 2). There were no other employees during the year (2005 nil).

3. Auditors' remuneration

The Auditors' remuneration is borne by Avis Management Services Limited, a fellow subsidiary undertaking.

CELLRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Taxation

	31 December 2006 £	31 December 2005 £
(i) Analysis of charge in year		
Current tax		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>
(ii) Factors affecting the tax charge for the year		
The tax charge for the year is different from the rate of UK corporation tax (30%) and is explained as follows		
Profit on ordinary activities before taxation	<u>63,813</u>	<u>2,844</u>
Tax at 30%	19,144	853
Group relief surrendered for nil consideration	(19,144)	(853)
Current tax	<u>-</u>	<u>-</u>

5. Debtors: amounts owed by group undertakings

Within amounts owed by group undertakings, £1,198,221 (2005 £1,134,408) is unsecured, carrying an interest rate of 5.99% and is payable on demand. The remaining balance of £250,000 (2005 £250,000) with other group undertakings is unsecured, interest free and payable on demand.

6. Creditors: amounts falling due within one year

Amounts due to group undertakings are unsecured, interest free and payable on demand.

7. Called-up share capital

	31 December 2006 £	31 December 2005 £
Authorised share capital		
1,676,564 (2005 1,676,564) Ordinary Shares of £1 each	<u>1,676,564</u>	<u>1,676,564</u>
Allotted, issued and fully paid share capital		
1,676,564 (2005 1,676,564) Ordinary Shares of £1 each	<u>1,676,564</u>	<u>1,676,564</u>

8. Statement of reserves

	Profit and loss reserve £
At 1 January 2006	(1,673,720)
Profit transferred to reserves	63,813
At 31 December 2006	<u>(1,609,907)</u>

CELLRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Reconciliation of movement in shareholder's funds

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Profit for the financial year	63,813	2,844
New shares issued	-	1,131,564
Net increase in shareholder's funds	63,813	1,134,408
Opening shareholder's funds	2,844	(1,131,564)
Closing shareholder's funds	<u>66,657</u>	<u>2,844</u>

10. Ultimate parent undertaking

The Company is a subsidiary undertaking of Avis Europe Holdings Limited which is part of the Group of companies owned by Avis Europe plc. Both these parent undertakings are registered in England and Wales. Avis Europe plc is the smallest parent undertaking to consolidate the Financial Statements of the Company. The largest parent undertaking to consolidate the Financial Statements of the Company is s a D'Ieteren n v, which is incorporated in Belgium. The financial statements of both companies can be obtained from Avis House, Park Road, Bracknell, Berkshire. The ultimate controlling party of s a D'Ieteren n v is the D'Ieteren family.

11. Related party transactions

The Company has taken advantage of the exemption within FRS 8 Related Party Transactions, for wholly owned subsidiary undertakings not to disclose transactions with other entities within the same Group. The consolidated financial statements for Avis Europe plc in which the Company is included are publicly available at the address given above.