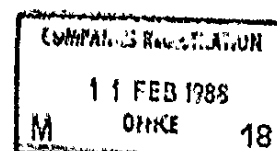


DIRECT LINE ASSISTANCE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION TO 30 SEPTEMBER 1987



DIRECT LINE ASSISTANCE LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD FROM INCORPORATION
TO 30 SEPTEMBER 1987

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DIRECT LINE ASSISTANCE LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting the company's Report and Financial Statements for the period from incorporation to 30 September 1987.

INCORPORATION

The company was incorporated on 14 April 1986. The company has not traded since incorporation and there are no current plans to commence trading.

DIRECTORS

The present members of the board of directors are:

Peter John Wood appointed 14 April 1986

Janet Dickson appointed 30 September 1987

Mr. David Stewart Hodgson served as first director of the company, resigning on 14 April 1986; Mr. Gerald Peter Webster served as a director from 14 April 1986 until his resignation on 23 January 1987; Mr Kenneth Grant Moss served as a director from 23 January 1987 until his resignation on 30 September 1987.

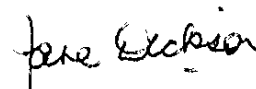
DIRECTORS' INTERESTS

None of the relevant directors beneficially held shares in the company for the period under review.

AUDITORS

Messrs. Deloitte, Haskins & Sells were appointed auditors of the company on 21 August 1986. They have indicated their willingness to continue in office and resolutions to re-appoint them and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board


J. Dickson
Secretary

London
1 December 1987

DIRECT LINE ASSISTANCE LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF
DIRECT LINE ASSISTANCE LIMITED

We have audited the financial statements on pages 4 to 5 in accordance with approved Auditing Standards.

In our opinion, the financial statements give a true and fair view of the company's affairs as at 30 September 1987 and comply with the Companies Act 1985.

Debitte Haskins Sells

DELOITTE, HASKINS & SELLS
Chartered Accountants

London
1 December 1987

BALANCE SHEET AT 30 SEPTEMBER 1987

The company was dormant throughout the period from incorporation to 30 September 1987. The financial statements on pages 4 and 5 were approved by the board of directors on 1 December 1987 and are signed on its behalf by:

Directors

DIRECT LINE ASSISTANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from incorporation to 30 September 1987

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the historical cost basis of accounting.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the period and consequently made neither a profit nor a loss.

3. AUDITORS' EMOLUMENTS

No auditor's remuneration has been charged during the period.

4. DIRECTORS' EMOLUMENTS

The directors received no emoluments from the company during the period.

5. CALLED-UP SHARE CAPITAL

	<u>1987</u>
Authorised	
100 ordinary shares of £1 each	£100
	—
Allotted and called-up	
2 ordinary shares of £1 each	£ 2
	—

6. ULTIMATE HOLDING COMPANY

The Company's ultimate holding company is The Royal Bank of Scotland Group plc which is incorporated in Great Britain.

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