EARN-A-CAR, INC.

FINANCIAL STATEMENTS

FEBRUARY 28, 2015

EARN-A-CAR, INC.

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EARN-A-CAR, INC.
BALANCE SHEETS
FEBRUARY 28, 2015 AND FEBRUARY 28, 2014

ASSETS	February 28, 2015	February 28, 2014
Current Assets		
Cash and cash equivalents	$ 52,195	$ 318,218
Receivables, net	157,292	211,133
Total Current Assets	209,487	529,351
Property and equipment, net	17,555	18,199
Revenue-earning vehicles, net	3,756,980	4,758,385
Other Assets		
Loan receivable	21,796	31,380
Deferred Costs	80,726	111,409
Total Other Assets	102,522	142,789
TOTAL ASSETS	$ 4,086,544	$ 5,448,724
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	$ 457,192	$ 497,473
Accrued expenses	28,338	22,832
Deferred Income	527,686	505,171
Current portion of leases payable	752,406	797,481
Current portion of loans payable	388,702	579,272
Total Current Liabilities	2,154,324	2,402,229
Long-term Debt		
Loans from shareholders	0	0
Leases payable	1,337,837	1,633,577
Loans payable	224,095	748,065
Total Long-term Debt	1,561,932	2,381,642
Total Liabilities	3,716,256	4,783,871
Stockholders' Equity		
Common stock, $0.0000001 par value, 250,000,000 shares authorized, 112,250,000 shares issued and outstanding	11	11
Additional paid in capital	5,423	5,423
Accumulated other comprehensive (loss)	(463,817)	(415,724)
Retained earnings	828,671	1,075,143
Total Stockholders' Equity	370,288	664,853
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,086,544	$ 5,448,724

See accompanying notes to financial statements.

EARN-A-CAR, INC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED FEBRUARY 28, 2015 AND FEBRUARY 28, 2014

	For the year ended February 28, 2015	For the year ended February 28, 2014
Revenues		
Vehicle rentals	$ 2,904,662	$ 3,484,662
Other	317,342	58,574
Total Revenues	3,222,004	3,543,236
Expenses		
Direct vehicle and operating	931,681	981,829
Vehicle depreciation	775,380	841,591
Selling, general and administrative	1,019,967	1,114,361
Interest expense	652,414	475,653
Total Expenses	3,379,442	3,413,434
Operating Income	(157,438)	129,802
Other Income		
Interest income	2,617	5,941
Gain (Loss) from Asset disposal	(91,653)	(83,718)
Net Income Before Provision for Income Taxes	(246,474)	52,025
Provision for Income Taxes	0	0
Net Income	$ (246,474)	$ 52,025
Earnings per Share	$ (0.002)	$ 0.000
Weighted Average Common Shares Outstanding	112,250,000	112,250,000

See accompanying notes to financial statements.

EARN-A-CAR, INC.
STATEMENTS OF OTHER COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED FEBRUARY 28, 2015 AND FEBRUARY 28, 2014

	For the year ended February 28, 2015	For the year ended February 28, 2014
Net Income	$ (246,474)	$ 52,025
Foreign Currency Translation		
Change in cumulative translation adjustment	(48,090)	(201,029)
Total	$ (48,090)	$ (201,029)

See accompanying notes to financial statements.

EARN-A-CAR, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
AS OF FEBRUARY 28, 2015

	Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Retained	
	Shares	Amount	Capital	Loss	Earnings	Total
Balance, February 28, 2011	500	$ 60	$ -	$ (5,792)	$ 437,767	$ 432,035
Loss on currency translation	-	-	-	(23,750)	-	(23,750)
Reorganization adjustment	233,749,500	(35)	5,409	-	-	5,374
Cancellation of stock	(121,500,000)	(14)	14	-	-	-
Net income for the year ended February 29, 2012	-	-	-	-	60,792	60,792
Balance, February 29, 2012 (Restated)	112,250,000	11	5,423	(29,542)	498,559	474,451
Loss on currency translation	-	-	-	(185,153)	-	(185,153)
Net income for the year ended February 28, 2013	-	-	-	-	524,559	524,559
Balance, February 28, 2013	112,250,000	$ 11	$ 5,423	$ (214,695)	$ 1,023,118	$ 813,857
Gain (loss) on currency translation	-	-	-	(201,029)	-	(201,029)
Net earnings (loss)	-	-	-	-	52,025	52,025
Balance, February 28, 2014	112,250,000	$ 11	$ 5,423	$ (415,724)	$ 1,075,143	$ 664,853
Gain (loss) on currency translation	-	-	-	(48,090)	-	(48,090)
Net earnings (loss)	-	-	-	-	(246,474)	(246,474)
Balance, February 28, 2015	112,250,000	$ 11	$ 5,423	$ (463,814)	$ 828,669	$ 370,289

See accompanying notes to financial statements.

EARN-A-CAR, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 28, 2015 AND FEBRUARY 28, 2014

	For the year ended February 28, 2015	For the year ended February 28, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	$ (246,474)	$ 52,025
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	775,380	841,591
Net (Gain) losses from disposition of revenue-earning vehicles	91,653	83,718
Change in Assets and Liabilities:		
(Increase) decrease in receivables	53,841	207,574
(Increase) decrease in deferred costs	30,683	(44,126)
Increase (decrease) in accounts payables	(40,281)	(13,521)
Increase (decrease) in accrued expenses	5,506	(28,322)
Increase in deferred income	22,514	(64,706)
Net Cash Provided by Operating Activities	692,822	1,034,233
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of revenue-earning vehicles	151,193	(818,390)
Proceeds from sale of revenue-earning vehicles	(16,178)	0
Collections of loans extended	9,584	(24,343)
Net Cash Used by Investing Activities	144,599	(842,733)
CASH FLOWS FROM FINANCING ACTIVITIES		
Additional paid in capital, due to merger	0	0
Proceeds from (Payments on) leases payable (net)	(340,814)	1,081,225
Proceeds from (Payments on) loans payable (net)	(714,540)	(1,435,574)
Proceeds from (Payments on) shareholder loans (net)	0	0
Net Cash Provided by Financing Activities	(1,055,354)	(354,349)
Exchange rate effect on cash and cash equivalents	(48,090)	(201,029)
Net Increase in Cash and Cash Equivalents	(266,023)	(363,878)
Cash, beginning of period	318,218	682,096
Cash, end of period	$ 52,195	$ 318,218
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 652,414	$ 475,653
Cash paid for income taxes	$ 0	$ 0

See accompanying notes to financial statements.

EARN-A-CAR, INC.
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business – Earn-A-Car, Inc. (formerly Victoria Internet Services, Inc.) was incorporated in the State of Nevada on October 9, 2009. The company was organized to operate as an online tax preparation service in the North American market. On December 7, 2011, prior to commencing those operations, the company has opted to change its business focus to the daily rental of vehicles in the South African market.

On December 7, 2011, a simultaneous execution and closing was held under an Agreement and Plan of Reorganization (the Plan"), by and among Victoria Internet Services, Inc. (the "Company" "us" "we"), Leon Golden (our then principal shareholder) ("Golden") and Earn-A-Car (PTY), LTD., a corporation organized under the laws of the Republic of South Africa ("EAC") and Depassez Investments Ltd, a Seychelles corporation ("DPL"), owned by Graeme Hardie (our new principal shareholder) ("Hardie").

Under the Plan DPL acquired 78,500,000 shares of our common stock from Golden for $150,000 and the balance of Golden's 205,000,000 shares were submitted to the transfer agent for cancellation and DPI contributed all of the shares of EAC to the Company so that EAC became a wholly owned subsidiary of the Company and the business of the Company is now the business of EAC. Mr. Golden also resigned as an officer and director of the Company and John Storey ("Storey") and Hardie were elected as directors and Storey was appointed CEO and President with Hardie being appointed Chairman of the board.

On February 10, 2012 the Company filed an amendment with the Secretary of State for Nevada to gain permission to change its name from Victoria Internet Services, Inc. to Earn-A-Car, Inc. In conjunction with the name change the Company also filed to have a new symbol on the Over The Counter Bulletin Board (OTCBB). As of March 8, 2012 the Company was no longer listed with the symbol VRIS, and was listed on the OTCBB as EACR. In February 2014 the Company changed its listing to the OTC Pink.

Earn-A-Car (Pty) Ltd **-** The wholly owned subsidiary was incorporated in South Africa on July 2, 2005, and is primarily engaged in the business of the daily rental of vehicles to business and leisure customers through company-owned stores in the country of South Africa. On July 18, 2011, its name was changed from “EasyCars Rental and Sales (PTY) Ltd.” to “Earn-A-Car (PTY) Ltd.”.

Earn-A-Car Assets 1 Pty. Ltd. **–** the wholly owned subsidiary Earn-A-Car (Pty) Ltd. purchased a wholly owned subsidiary in June 2012, the name of this purchased entity is Earn-A-Car Assets 1 Pty. Ltd. The function of this entity is to hold title to vehicles that are purchased through financing which requires specific assets to be held as collateral for those loans. All of the assets and liabilities of this entity are consolidated and included in the presented financial statements according to generally accepted accounting principles of the United States.

Earn-A-Car Assets 2 Pty. Ltd. **–** the wholly owned subsidiary Earn-A-Car (Pty) Ltd. purchased a wholly owned subsidiary in March 2013, the name of this purchased entity is Earn-A-Car Assets 2 Pty. Ltd. The function of this entity is to hold title to vehicles that are purchased through financing which requires specific assets to be held as collateral for those loans. All of the assets and liabilities of this entity are consolidated and included in the presented financial statements according to generally accepted accounting principles of the United States.

EARN-A-CAR, INC.
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2015

Basis of Presentation– The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and are presented in U.S. Dollars. In the opinion of management, all adjustments necessary in order for the financial statements to be not misleading have been reflected herein. The Company has selected a February 28 year end.

Estimates – The preparation of the Company's consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. Actual results could differ materially from those estimates.

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand and on deposit, including highly liquid investments with initial maturities of three months or less. At February 28, 2015 and February 28, 2014 the Company had $52,195 and $318,218 in cash and cash equivalents, respectively.

Allowance for Doubtful Accounts – An allowance for doubtful accounts is generally established during the period in which receivables are recorded. The allowance is maintained at a level deemed appropriate based on loss experience and other factors affecting collectability. As of February 28, 2015 and February 28, 2014 the Company had $468,704 and $379,393 in impaired receivables, respectively. The allowance for these impaired receivables was $10,965 and $12,034 the years ended February 2015 and February 2014 respectively.

Financing Issue Costs – Financing issue costs related to vehicle debt are deferred and amortized to interest expense over the term of the related debt using the effective interest method.

Receivables and Payables– Trade receivables and payables are measured at initial recognition at fair value, and are subsequently measured using the effective interest rate method of valuation. Appropriate allowances for estimated uncollectible receivable balances are recognized in profit or loss when there is evidence of impairment. Payables includes all accrued cash back liability to clients as adjusted as required for the Company to meet its cash back obligation to its clients. The amount is determined at contract inception and is the approximate amount required to generate a lump sum at end of cash back period sufficient to match the future carrying value of the car at the end of this period. Cash back is accrued for monthly and the accrual is adjusted for regularly as required to ensure no shortfall occurs at the end of the period.

Revenue-Earning Vehicles and Related Vehicle Depreciation Expense – Revenue-earning vehicles are stated at cost, net of related discounts.

The Company must estimate what the residual values of these vehicles will be at the expected time of disposal to determine monthly depreciation rates. The estimation of residual values requires the Company to make assumptions regarding the age and mileage of the car at the time of disposal, as well as the general used vehicle auction market. The Company evaluates estimated residual values periodically, and adjusts depreciation rates accordingly, on a prospective basis.

Differences between actual residual values and those estimated by the Company result in a gain or loss on disposal and are recorded as an adjustment to depreciation expense. Actual timing of disposal either shorter or longer than the life used for depreciation purposes could result in a loss or gain on sale. Generally, the average holding term for vehicles is approximately 7 years.

Property and Equipment – Property and equipment are recorded at cost and are depreciated using principally the straight-line method over the estimated useful lives of the related assets. Estimated useful lives generally range from ten to thirty years for buildings and improvements and two to seven

years for furniture and equipment. Leasehold improvements are amortized over the estimated useful lives of the related assets or leases, whichever is shorter. The average useful lives of fixed assets are as follows:

Motor vehicles	6 years
Computer equipment	3 years
Computer software	2 years
Leased assets – motor vehicles	6 years

Long–Lived Assets – The Company reviews the value of long-lived assets, including software, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable based upon estimated future cash flows and records an impairment charge, equaling the excess of the carrying value over the estimated fair value, if the carrying value exceeds estimated future cash flows.

Foreign Currency Translation – The Company's functional currency is the South African Rand, however the translation into US dollars is the presentation bases of these financial statements. Foreign assets and liabilities are translated into US$ using the exchange rate in effect at the balance sheet date, and results of operations are translated using an average rate for the period. Translation adjustments are accumulated and reported as a component of accumulated other comprehensive income or loss.

Revenue Recognition – Revenues from vehicle rentals are recognized as earned on a daily basis under the related rental contracts with customers. The upfront administration fee is non refundable. However the company defers its upfront administration fee income received at the inception of the rental contract over the average rental period. Simultaneously the company defers direct, incremental selling costs related to the rental of the vehicle over the same average rental period. This is a change in accounting policy and the new basis has been used to calculate revenue from 2014.

Advertising Costs – Advertising costs are primarily expensed as incurred. During the years ended February 28, 2015 and February 28, 2014, the Company incurred advertising expense of $74,790 and $77,302, respectively.

Income Taxes – The Company has provided for income taxes on its separate taxable income or loss and other tax attributes. Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The Company has no tax liability in the United States.

Earnings Per Share – Basic earnings per share ("EPS") is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted EPS is based on the combined weighted average number of common shares and common share equivalents outstanding which include, where appropriate, the assumed exercise of options. There were no such common stock equivalents outstanding at February 28, 2015.

Other Comprehensive Income (Loss) – Comprehensive income (loss) consists of net income (loss) and other gains and losses affecting stockholder's equity that, under GAAP, are excluded from net income (loss), including foreign currency translation adjustments, gains and losses related to certain derivative contracts, and gains or losses, prior service costs or credits, and transition assets or obligations associated with pension or other postretirement benefits that have not been recognized as components of net periodic benefit cost.

Stock-Based Compensation– Stock-based compensation is accounted for at fair value in accordance with SFAS No. 123 and 123 ® (ASC 718). To date, the Company has not adopted a stock option plan and has not granted any stock options.

New Accounting Standards **–** The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flow.

2. REVENUE–EARNING VEHICLES

Revenue-earning vehicles consist of the following:

	February 28, 2015	February 28, 2014
Revenue-earning vehicles	$ 5,226,534	$ 6,173,641
Less accumulated depreciation	(1,469,554)	(1,415,256)
Revenue-earning vehicles, net	$ 3,756,980	$ 4,758,385

3. PROPERTY AND EQUIPMENT

Major classes of property and equipment consist of the following:

	February 28, 2015	February 28, 2014
Computer equipment	$ 22,716	$ 29,114
Computer software	4,488	6,382
Other fixed assets including signage	7,548	11,920
Subtotal	34,752	47,416
Less accumulated depreciation	(17,197)	(29,217)
Property and equipment, net	$ 17,555	$ 18,199

For the years ended 2015 and 2014, the Company recorded depreciation of $775,380 and $841,591 respectively.

4. LOANS RECEIVABLE

At February 28, 2015 and February 28, 2014, the Company has a receivable due under a settlement agreement with a former employee with a balance of $5,645 and $5,766, respectively. This loan is to be repaid with interest of 10% in 48 equal installments of approximately $425; the payments began in March, 2011.

5. DEBT AND OTHER OBLIGATIONS

Debt and other obligations consist of the following:

	February 28, 2015	February 28, 2014
Loan payable - individual - unsecured, interest bearing, no fixed repayment terms	$ 17,275	$ 18,537
Loan payable - individual - unsecured, interest bearing, no fixed repayment terms	8,637	9,268
Loan payable - individual - unsecured, interest bearing, no fixed repayment terms	43,186	38,335
Loan payable - individual - unsecured, interest bearing, no fixed repayment terms	1,943	13,207
Loan payable - other - unsecured, interest bearing, no fixed repayment terms	20,846	39,052
Loan payable – bank – secured by assets of the company, bearing interest of JIBAR plus 5% per annum, repayable in quarterly installments beginning 30 September 2012	471,452	1,158,544
Loan payable - other - unsecured, interest bearing, no fixed repayment terms	624	0
Loan payable - other - unsecured, interest bearing, no fixed repayment terms	21,334	22,894
Loan payable - other - unsecured, interest bearing, no fixed repayment terms	27,500	27,500
Total	$ 612,797	$ 1,327,337
Current portion of loans payable	388,702	579,272
Long-term portion of loans payable	$ 224,095	$ 748,065

5. DEBT AND OTHER OBLIGATIONS (CONTINUED)

Expected maturities of debt and other obligations outstanding at February 28, 2015 are as follows:

	Loan Amounts	Lease Amounts	Total
Year ending February 29, 2016	$ 388,702	$ 752,406	$ 1,141,108
Year ending February 28, 2017	$ 110,250	$ 606,207	$ 716,457
Year ending February 28, 2018	$ 0	$ 459,881	$ 459,881
Year ending February 28, 2019	$ 0	$ 271,749	$ 271,749
Year ending February 29, 2020	$ 0	$ 0	$ 0
Thereafter	$ 113,845	0	$ 113,845
Total	$ 612,797	$ 2,090,243	$ 2,703,040

Installment sales and lease contracts are secured by installment sales and finance lease agreements over revenue generating vehicles, having carrying values at 28 February 2015 of $2,325,329 and carrying values at 28 February 2014 of $2,856,685. These installment sales and lease contracts are repayable in monthly installments for 2015 of $128,452 and 2014 monthly installments of $67,605 respectively.

6. PROVISION FOR INCOME TAXES

The Company has no obligation for any federal or state income taxes in the United States. Further, no provision has been made for taxes in South Africa, which has a corporate income tax rate of 28%, for the years ended February 28, 2015 and February 28, 2014 because our taxable losses and loss carryovers exceed the income in those years. At February 28, 2015 and February 28, 2014, respectively, the Company had net losses of approximately $754,335 and $463,148 available in South Africa that can be carried forward to offset future taxable income. Due to the uncertainty of future taxable income, the Company has recorded a valuation allowance of 100% of the deferred tax asset, so that our deferred tax asset at both February 28, 2015 and February 28, 2014 was $0.

7. EQUITY

On November 14, 2011 the Company filed a certificate of amendment to the articles of incorporation which caused a 50 for 1 forward common stock split and an increase in authorized common shares to 250,000,000.

On January 19, 2012 the Company cancelled 121,500,000 shares of common stock that were held by Leon Golden, the former owner of Victoria Internet Services, Inc.

As of February 28, 2014 and February 28, 2013 there were 112,250,000 and 112,250,000 common shares outstanding, respectively.

The Company is authorized to issue 20,000,000 preferred shares of stock. As of February 28, 2014 and February 28, 2013 there were no (0) shares outstanding.

8. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company operates from various leased premises under operating leases with terms up to 5 years. Some of the leases contain renewal options. No contingent rent is payable.

Expenses incurred under operating leases for the period were as follows:

	February 28, 2015	February 28, 2014
Operating leases:		
Premises	$ 0	$ 44,082
	$ 0	$ 44,082

Future minimum rentals and fees under non-cancelable operating leases for the 12 month periods are presented in the following table:

February 29, 2016	$ 35,873
February 28, 2017	$ 35,873
February 28, 2018	$ 35,873
February 28, 2019	$ 35,873
February 29, 2020	$ 35,873

At February 28, 2015, the Company had no outstanding vehicle purchase commitments over the next twelve months.

9. RELATED PARTY TRANSACTIONS

The Company engages in activities with parties who hold ownership in the Company. The Company borrows funds from related parties and pays consulting fees to related parties. The related party transactions are as follows:

	February 28, 2015	February 28, 2014
Compensation paid to directors		
G. Hardie	$ 4,000	$ 4,000
Total compensation paid to directors	$ 4,000	$ 4,000

10. SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to February 28, 2015 through the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose.