

Appleyard Finance Holdings Limited

**Directors' report and financial
statements**

**Registered number 1105312
31 December 2007**

WEDNESDAY



AD2SH198

A08

09/07/2008

357

COMPANIES HOUSE

Contents

| | |
|---|---|
| Directors' report | 1 |
| Statement of directors' responsibilities in respect of the Directors' Report and the financial statements | 2 |
| Independent auditors' report to the members of Appleyard Finance Holdings Limited | 3 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes | 7 |

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2007

Principal activities

The principal activity of the company is that of an investment holding company

Results and Business review

The results for the year are shown on page 5. The directors consider the results and financial position at 31 December 2007 to be satisfactory

As part of a group reorganisation, on 6 December 2007 the trade, assets and liabilities of a subsidiary company, Appleyard Contracts Limited, were sold to a fellow group company, ING Car Lease UK Limited, at carrying value

Dividend

Dividends paid during the year comprise a final dividend of £32,410,000 (2006 £nil)

Directors and directors' interests

The directors who held office during the year were as follows

K Bergstein
A S Maude (resigned 1st November 2007)
I Tilbrook
H Topper

According to the register of directors' interests kept by the company under Section 325 of the Companies Act 1985, none of the directors were interested in shares in, or debentures of, the company or any company in the group at the end of the financial year. None of the directors (or relevant connected persons) were granted or exercised any rights to subscribe for shares in, or debentures of, the company or another company in the group during the financial year

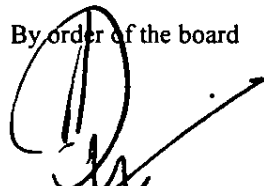
Charitable donations

Donations to UK charities amounted to £nil (2006 £nil)

Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board



R Pridmore
Secretary

10 Manor Street
Leeds
LS7 1PZ

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the directors report and 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these 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 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

Arlington Business Park

Theale

Reading

RG7 4SD

United Kingdom

Independent auditors' report to the members of Appleyard Finance Holdings Limited

We have audited the financial statements of Appleyard Finance Holdings Limited for the year ended 31 December 2007 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.

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 2.

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 if, in our opinion, the Directors' Report is not 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.

Independent auditors' report to the members of Appleyard Finance Holdings Limited *(continued)*

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 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 Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

27/6

2008

Profit and loss account
for the year ended 31 December 2007

| | <i>Note</i> | 2007 £'000 | 2006 £'000 |
|--|-------------|-----------------------------|-----------------------------|
| Turnover | | - | - |
| Cost of sales | | - | - |
| | | <hr/> | <hr/> |
| Gross profit | | - | - |
| Administrative expenses | | (3) | - |
| | | <hr/> | <hr/> |
| Operating loss | | (3) | |
| Dividends received from group undertakings | 4 | 27,836 | - |
| | | <hr/> | <hr/> |
| Profit on ordinary activities before taxation | | 27,833 | - |
| Tax on profit on ordinary activities | | | |
| | | <hr/> | <hr/> |
| Profit on ordinary activities after taxation | | <u>27,833</u> | <u>-</u> |

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented

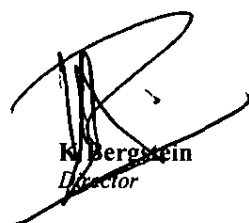
All activities are continuing

A statement of movements on reserves is given in note 11

Balance sheet
as at 31 December 2007

| | Note | 2007 £'000 | 2006 £'000 |
|---|------|---------------|---------------|
| Fixed assets | | | |
| Investments | 6 | 3,800 | 3,902 |
| | | <hr/> | <hr/> |
| Current assets | | | |
| Debtors amounts falling due after more than one year | 7 | - | 4,839 |
| Creditors amounts falling due within one year | | | |
| Other creditors | 8 | (100) | (19) |
| | | <hr/> | <hr/> |
| Net current (liabilities)/assets | | (100) | 4,820 |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 3,700 | 8,722 |
| | | <hr/> | <hr/> |
| Creditors (amounts falling due after more than one year) | 9 | - | (445) |
| | | <hr/> | <hr/> |
| Net assets | | 3,700 | 8,277 |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 10 | 3,700 | 3,700 |
| Profit and loss account | 11 | - | 4,577 |
| | | <hr/> | <hr/> |
| Shareholders' funds | 12 | 3,700 | 8,277 |
| | | <hr/> | <hr/> |

These financial statements were approved by the board of directors 26 June 2008 and were signed on its behalf by


K. Bergstein
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. The financial statements present information about the undertaking as an individual undertaking and not about its group

Investments

Investments in subsidiary undertakings are stated at cost, except to the extent that it is considered they have become impaired

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, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

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

Cash flow statement

A cash flow statement in accordance with the requirements of Financial Reporting Standard 1 (Revised) has not been prepared on the grounds that the Company is a wholly owned subsidiary of ING Groep NV, whose consolidated financial statements are publicly available (note 13)

Related party disclosures

The Company is exempt from the requirements of Financial Reporting Standard 8, Related Party Disclosures, insofar as they apply to transactions with group undertakings, as it is a wholly owned subsidiary of ING Groep NV whose consolidated financial statements are publicly available (note 13)

2 Profit on ordinary activities before taxation

In the year ended 31 December 2007, an amount of £2,000 (2006 £2,000) was payable to the auditor and their associates in respect of audit services, which were borne by another group company

Notes (continued)

3 Staff numbers and costs

No persons were employed by the company during the year (2006 Nil)

4 Dividends Received

| | 2007 £'000 | 2006 £'000 |
|--|---------------|---------------|
| Dividends received from subsidiary during the year | 27,836 | - |

5 Dividends Paid

| | 2007 £'000 | 2006 £'000 |
|---|---------------|---------------|
| Dividends declared and paid during the year | 32,410 | - |

6 Fixed asset investments

| | Subsidiary Undertakings £'000 |
|---|-------------------------------------|
| Cost: | |
| At 1 January 2007 | 4,043 |
| Waiver of amounts due from group undertakings | 4,474 |
| | <hr/> |
| At 31 December 2007 | 8,517 |
| | <hr/> |
| Amounts written off: | |
| At 1 January 2007 | (141) |
| Impairment | (4,576) |
| | <hr/> |
| At 31 December 2007 | (4,717) |
| | <hr/> |
| Net book value: | |
| At 31 December 2007 | 3,800 |
| | <hr/> |
| At 31 December 2006 | 3,902 |
| | <hr/> |

The company owns 100% of the ordinary share capital of the following subsidiary undertakings

| Name of company | Description of shares held |
|-----------------------------|----------------------------|
| Appleyard Contracts Limited | Ordinary shares of £1 each |

Appleyard Contracts Limited is incorporated in England and Wales. The principal activity of Appleyard Contracts Limited is the contract hire and maintenance of motor vehicles.

Following a group reorganisation, on 6 December 2007, amounts due from the subsidiary were waived after agreement between the participating companies. A subsequent adjustment of £4,474,000 (2006 £nil) has been

recorded to the cost of investment. Furthermore, the investment in Appleyard Contracts Limited has been impaired to its recoverable value.

Notes (continued)

7 Debtors

| | 2007 | 2006 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Amounts owed by group undertakings | - | 4,839 |
| | <hr/> | <hr/> |
| | - | 4,839 |
| | <hr/> | <hr/> |

8 Creditors: amounts falling due within one year

Other creditors payable within one year are as follows

| | 2007 | 2006 |
|-----------------|--------------|--------------|
| | £'000 | £'000 |
| Other creditors | 100 | 19 |
| | <hr/> | <hr/> |
| | 100 | 19 |
| | <hr/> | <hr/> |

9 Creditors: amounts falling due after more than one year

| | 2007 | 2006 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Amounts owed to group undertakings | - | 445 |
| | <hr/> | <hr/> |
| | - | 445 |
| | <hr/> | <hr/> |

10 Called up share capital

| | 2007 | 2006 |
|---|--------------|--------------|
| | £'000 | £'000 |
| <i>Authorised</i> | | |
| Ordinary shares of £1 each | 3,700 | 3,700 |
| | <hr/> | <hr/> |
| <i>Allotted, called up and fully paid</i> | | |
| Ordinary shares of £1 each | 3,700 | 3,700 |
| | <hr/> | <hr/> |

Notes (continued)

11 Profit and Loss account

| | 2007 £'000 | 2006 £'000 |
|--|---------------|---------------|
| Opening profit and loss account | 4,577 | 4,577 |
| Retained profit for the financial year | 27,833 | - |
| Dividends paid | (32,410) | - |
| | <hr/> | <hr/> |
| At end of year | - | 4,577 |
| | <hr/> | <hr/> |

During the year, amounts owed to a subsidiary undertaking, Appleyard Contracts Limited were waived after agreement between participating companies. As a result £344,000 (2006 £nil) has been recorded in the profit and loss reserves.

12 Reconciliation of movement in shareholders' funds

| | 2007 £'000 | 2006 £'000 |
|-------------------------------|---------------|---------------|
| At beginning of year | 8,277 | 8,277 |
| Profit for the financial year | 27,833 | - |
| Dividends paid | (32,410) | - |
| | <hr/> | <hr/> |
| | (4,577) | 8,277 |
| | <hr/> | <hr/> |
| Closing Shareholders' funds | 3,700 | 8,277 |
| | <hr/> | <hr/> |

13 Ultimate parent undertaking and parent undertaking of larger group of which the Company is a member

The company is a subsidiary undertaking of ING Groep NV, incorporated in the Netherlands.

The largest group in which the results of the Company are consolidated is that headed by ING Groep NV, incorporated and registered in the Netherlands. The smallest group in which they are consolidated is that headed by ING Lease Holding NV incorporated and registered in the Netherlands. The consolidated accounts of these groups are available to the public and may be obtained from Bijlmerplein 888, Amsterdam Zuid Oost, PO Box 1971, 1000 BZ Amsterdam.