

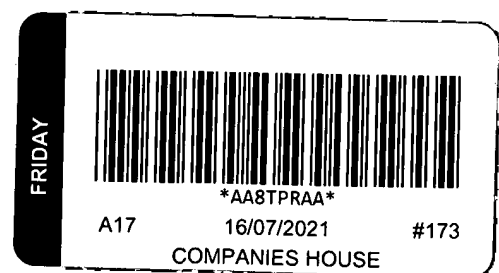
ING Intermediate Holdings Limited

Annual Report and Financial Statements

Year Ended

31 December 2020

Company Number 3002705



ING Intermediate Holdings Limited

Company Information
For the year ended 31 December 2020

Directors

A. N. Marsh
G. Richardson

Registered office

8-10 Moorgate
London
England
EC2R 6DA

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

ING Intermediate Holdings Limited

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ING Intermediate Holdings Limited

Strategic Report For the year ended 31 December 2020

The directors present their Strategic Report together with the audited financial statements for ING Intermediate Holdings Limited (the "company") for the year ended 31 December 2020.

Principal activity

The principal activities of the company are to act as a holding company and the representative member for the UK's VAT group of ING Bank N.V. and its subsidiary companies (together, "ING"). ING Intermediate Holdings Limited is the parent company of a group of companies carrying out activities related to the business of wholesale banking.

Review of business and future developments

The company has performed in line with the directors' expectations. Based on the limited operations of the company, the directors have concluded that KPI monitoring is not necessary. The Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flows are set out respectively on pages 11 to 15.

The directors have assessed the company's ability to continue as a going concern and confirm that they are satisfied that the company currently has adequate resources to continue in business for the twelve months from the date of approval of financial statements. For this reason, they believe it is appropriate to prepare the financial statements of the company on a going concern basis.

The United Kingdom formally left the European Union on 31 January 2020 with the transition period ending on 31 December 2020. A trade and cooperation agreement was agreed by UK and EU negotiators on 24 December 2020 and ratified by the UK Parliament on 30 December 2020. Ratification by the European Parliament was authorised on 27 April 2021. The directors have assessed no material impact on the company given United Kingdom leaving the European Union.

In December 2019, a novel coronavirus strain (COVID-19) emerged globally and in March 2020 the World Health Organisation declared COVID-19 a global pandemic and recommended containment measures worldwide. This has led to significant restrictions on the movement and gathering of individuals, travel of all forms and has had an unprecedented impact on the levels of economic activity in most countries globally over the last year, with significant implications for most UK based business activity and the overall UK economy. As of the date of signing these financial statements there has been a significant easing of these restrictions across the UK, and there now a high level of vaccination within the general population. There is ongoing increases in economic activity and strong growth forecasts going forward, but there remains significant weaknesses in the economy and the withdrawal of government support from business that have been protected through the pandemic, and the risk of new coronavirus variants and future restrictions, means there are still significant risks to the wider economy.

The limited activities of this company however, mean that there is no material impact expected on this company itself as a result of the crisis.

ING Intermediate Holdings Limited

Strategic Report For the year ended 31 December 2020 (continued)

Principal risks and uncertainties

The company is mainly exposed to credit, market and operational risks.

Credit risk

Credit risk is the risk that the company's debtors will cause a financial loss by failing to discharge an obligation. This risk is mitigated as the debtor balances are with group companies and not material.

Market risk

Market risk is the risk that the value of the company's investments may change due to changes in interest rates, economic or market conditions. The company manages this risk through the ING Groep N.V. market risk management framework.

Operational risk

Operational risk is the risk of direct or indirect loss returning from inadequate or failed internal processes, people and systems or from external events. The company manages this risk through the ING Groep N.V. non-financial risk management framework.

Risk management

The company monitors principal risks and uncertainties through the ING Groep N.V. risk and financial management framework the primary objective of which is to protect the company from events that hinder the achievement of the company's performance objectives. The framework aims to limit undue counter-party exposure, ensure sufficient working capital exists and monitor the management of risks faced by the company.

Statement by the directors in accordance with s172(1) Companies Act 2006

In accordance with Section 172 of the Companies Act 2006, the directors of the company have acted in a way they consider to be in good faith and would be most likely to promote the success of the company for the benefit of its members as a whole. In doing so have regard to factors noted below:

- (a) The likely consequences of any decision in the long term,
- (b) The interests of the company's employees,
- (c) The need to foster the company's business relationships with suppliers, customers and others,
- (d) The impact of the company's operations on the community and the environment,
- (e) The desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) The need to act fairly as between members of the company.

Given the company's only activity relates to being a non-trading holding company and it does not have any employees, no decisions were made by the Directors during the reporting period which required them to have regard to (b) and (d) set out in Section 172 of the Companies Act 2006.

ING Intermediate Holdings Limited

Strategic Report For the year ended 31 December 2020 (continued)

Long-term decisions

As a member of ING Groep N.V., a leading international bank, the directors are committed to the long-term success of the company. All strategic decisions consider the interests of the company's key stakeholders including shareholders and the general public.

Engagement with other stakeholders.

The company works closely with all its stakeholders and engages with them when it matters, always with a clear and distinct point of view.

High standards of business conduct and the need to act fairly between members

Directors and management operate the business in a responsible manner by maintaining high standards of business conduct and considering all members equally and fairly.

This report was approved by the Board and signed on its behalf by:



.....
G. Richardson
Director

Date: 8 July 2021

ING Intermediate Holdings Limited

Directors' Report For the year ended 31 December 2020

The directors present their annual report together with the audited financial statements for ING Intermediate Holdings Limited (the "company") for the year ended 31 December 2020.

Dividends and transfers to reserves

The profit for the financial year 2020 of £Nil (2019: loss of £6) has been transferred to reserves.

A dividend of £Nil was paid during the year (2019: £2,908,122) to the sole shareholder, ING Bank N.V.

Directors' of the company and their interests

The directors, who held office during the year and up to the date of signing the financial statements, were as follows:

A. N. Marsh

G. Richardson

None of the directors had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

The directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. ING Bank N.V. provided qualifying third party indemnity provisions to the directors of the company during the financial year and at the date of this report.

Disclosure of items within the Strategic Report

The principal activity of the company, review of business, its future developments and the financial risk management are included within the Strategic Report.

Political donations

The company made no political donations or incurred any political expenditure during the year.

Streamlined Energy and Carbon Reporting

As a holding company whose carbon emissions are below the reporting threshold of 40,000 kWh per year, the company has not produced non-financial information in relation to SECR reporting requirements.

ING Intermediate Holdings Limited

Directors' Report For the year ended 31 December 2020 (continued)

Going concern

In preparation of this report we have paid due consideration to the guidelines for best practice contained in the "Guidance for Directors of UK Companies 2009" published by the Financial Reporting Council.

From our assessment of the company's business, there are in our opinion two considerations which are the principal indicators of the company's ability to continue as a going concern, being:

- Adequate capital resources to sustain the company's existing and planned business activities.
- Adequate liquidity to fund the company's activities.

An assessment of each of the two key issues is addressed below.

The company was historically a holding company for ING Bank NV's London based subsidiaries and had no active trading role. The principal activities of the company are to act as a holding company and the representative member for the UK's VAT group of ING Bank N.V. and its subsidiary companies (together, "ING").

As of 31 December 2020, the company has investment in the following subsidiaries: ING Services Limited and ING UK Pension Trustee Limited.

Other than its role as a holding company for the remaining subsidiaries, the company performs no further activities. The company is not required to provide any liquidity to the subsidiaries and has adequate liquidity for its own requirements.

The company's response to the impact of COVID-19 is set out in the Strategic report. The directors, to the best of their current knowledge, consider that COVID-19 will not have a material adverse impact on the company and that there is no material uncertainty over the company's ability to continue as a going concern.

Based on the above assessment of the key risks to the company's business, we believe that it is correct to state in the director's report that, as at the date of the auditor's report, the company has the ability to continue as a going concern for at least the next twelve months.

Post balance sheet events

There have been no post balance sheet events that would require adjustment to or disclosure in the financial statements for the year ended 31 December 2020.

The Company is monitoring the potential downside risk associated with both the direct and indirect impact of the COVID-19 outbreak. The Company continues to operate in line with the Board's expectations.

ING Intermediate Holdings Limited

Directors' Report For the year ended 31 December 2020 (continued)

Disclosure of information to the auditor

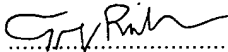
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware:

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP (15 Canada Square, Canary Wharf, London, E14 5GL) will therefore continue in office.

This report has been approved by the Board and signed on its behalf by:



G. Richardson
Director

Date: 8 July 2021

ING Intermediate Holdings Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

ING Intermediate Holdings Limited

Independent Auditor's Report to the Members of ING Intermediate Holdings Limited

Opinion

We have audited the financial statements of ING Intermediate Holdings Limited ("the company") for the year ended 31 December 2020 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its result for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the ING Bank N.V.'s policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

ING Intermediate Holdings Limited

Independent Auditor's Report to the Members of ING Intermediate Holdings Limited (continued)

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

ING Intermediate Holdings Limited

Independent Auditor's Report to the Members of ING Intermediate Holdings Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

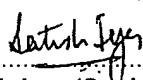
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.


.....
Satish Iyer (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 8 July 2021

ING Intermediate Holdings Limited

Income Statement For the year ended 31 December 2020

	Note	2020 £	2019 £
Dividend income		-	-
Other losses		-	(6)
Operating loss		-	(6)
Interest income		-	-
Loss before taxation		-	(6)
Taxation	6	-	-
Loss for the year		-	(6)

The notes on pages 16 to 22 form an integral part of these financial statements.

ING Intermediate Holdings Limited

Statement of Comprehensive Income For the year ended 31 December 2020

	Note	2020 £	2019 £
Loss for the year		-	(6)
Other comprehensive income			
Realised gains transferred to the profit and loss account		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive loss for the year		<u>-</u>	<u>(6)</u>

The notes on pages 16 to 22 form an integral part of these financial statements.

ING Intermediate Holdings Limited


Registered number: 3002705
Balance Sheet

As at 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
Non-current assets			
Investments in group companies	7	100	100
Current assets			
Trade and other receivables	8	1	1
Net current assets		1	1
Net assets		101	101
Equity and liabilities			
Equity			
Share capital	9, 10	1	1
Retained earnings	10	100	100
Total equity		101	101

The notes on pages 16 to 22 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



G. Richardson
Director

Date: 8 July 2021

ING Intermediate Holdings Limited

Statement of Changes in Equity For the year ended 31 December 2020

	Share capital £	Retained earnings £	Total equity £
At 1 January 2019	1,000,000	1,908,229	2,908,229
Loss for the year	-	(6)	(6)
Other comprehensive income	-	-	-
Total comprehensive income	-	(6)	(6)
Share capital reduction	(999,999)	-	(999,999)
Final dividends	-	(1,908,123)	(1,908,123)
At 31 December 2019	<u>1</u>	<u>100</u>	<u>101</u>
	Share capital £	Retained earnings £	Total equity £
At 1 January 2020	1	100	101
Loss for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
At 31 December 2020	<u>1</u>	<u>100</u>	<u>101</u>

The notes on pages 16 to 22 form an integral part of these financial statements.

ING Intermediate Holdings Limited

Statement of Cash Flows For the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Loss for the year		-	(6)
Working capital adjustments			
Decrease in trade and other receivables	8	-	2,908,127
Net cash flow from operating activities		-	2,908,121
Cash flows from investing activities			
Disposals		-	1
Net cash flows from investing activities		-	1
Cash flows from financing activities			
Dividends paid		-	(1,908,123)
Share capital reduction		-	(999,999)
Net cash flows from financing activities		-	(2,908,122)
Net decrease in cash and cash equivalents		-	-
Cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at 31 December		-	-

The notes on pages 16 to 22 form an integral part of these financial statements.

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020

1 General information

ING Intermediate Holdings Limited ("the company") is a private company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office can be found on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

2 Accounting policies

Basis of preparation

These financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The company's financial statements are presented in Sterling and all values are rounded to the nearest pound except where otherwise indicated.

The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of ING Groep NV.

The financial statements have been prepared on a historical cost basis.

Going concern

In preparation of this report we have paid due consideration to the guidelines for best practice contained in the "Guidance for Directors of UK Companies 2009" published by the Financial Reporting Council.

From our assessment of the company's business, there are in our opinion two considerations which are the principal indicators of the company's ability to continue as a going concern, being:

- Adequate capital resources to sustain the company's existing and planned business activities.
- Adequate liquidity to fund the company's activities.

An assessment of each of the two key issues is addressed below.

The company was historically a holding company for ING Bank NV's London based subsidiaries and had no active trading role. The principal activities of the company are to act as a holding company and the representative member for the UK's VAT group of ING Bank N.V. and its subsidiary companies (together, "ING").

As of 31 December 2020, the company has investment in the following subsidiaries: ING Services Limited and ING UK Pension Trustee Limited.

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

Other than its role as a holding company for the remaining subsidiaries, the company performs no further activities. The company is not required to provide any liquidity to the subsidiaries and has adequate liquidity for its own requirements.

The company's response to the impact of COVID-19 is set out in the Strategic report. The directors, to the best of their current knowledge, consider that COVID-19 will not have a material adverse impact on the company and that there is no material uncertainty over the company's ability to continue as a going concern.

After reviewing the company's performance and taking into account the company's principal activities and its role in the group, the directors are satisfied that the company is able to meet its obligations and continue its operational existence for the twelve months from the date of approval of financial statements. For this reason, the directors have adopted the going concern basis in preparing these financial statements.

New and amended standards and interpretations effective from 1 January 2020

New standards that have been adopted in the annual financial statements for the year ended 31 December 2020, but have not had a significant effect on the Company are:

- Definition of a Business (Amendments to IFRS 3);
- Interest Rate Benchmark Reform - IBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7);
- COVID-19-Related Rent Concessions (Amendments to IFRS 16);
- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment - Disclosure Initiative - Definition of Material); and
- Revisions to the Conceptual Framework for Financial Reporting.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to adopt early.

The most significant of these which are all effective for the period beginning 1 January 2022 are:

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

The company has progressed its projects dealing with the implementation of these key new accounting standards and management are assessing the impact on the financial statements, however the impacts are not expected to be material.

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

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Investments in group companies

The investments in group companies are stated at cost less impairment. If the directors have reason to believe that there has been an impairment of an investment, the loss is reflected in the Income Statement. The directors assess the net realisable value at each Balance Sheet date by reference to the net asset value of the investments.

In the opinion of the directors, the aggregate value of the subsidiary undertakings is not less than the aggregate amount at which the assets are included in the company's Balance Sheet.

Financial instruments

The company classifies its financial instruments in the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. Management determines the classification of the company's financial assets and liabilities at initial recognition.

The company's instruments include trade and other receivables recognised at amortised cost.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

3 Key judgements and estimates

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or accounting estimate to be followed could materially affect the reported results or net position of the company, should it later be determined that a different choice be more appropriate.

Management are of the opinion that there are no judgements or estimates that have a significant risk of causing material adjustment to the carrying value of assets and liabilities for the Company within the next financial year.

4 Auditors' remuneration

Fees payable for the audit for the year were £3,000 (2019: £10,000). These fees were paid by ING Bank N.V., London branch.

5 Staff costs and directors emoluments

The directors received no emoluments in respect of their services to the company (2019: nil). No employees are employed by the company (2019: nil).

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

6 Taxation

There is no tax charge for either the current or prior year as explained below.

Factors affecting the tax charge for the current year

The current tax charge for the year is the same as (2019: same as) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £	2019 £
Tax reconciliation		
Profit on ordinary activities before taxation	-	(6)
Corporation tax at standard rate	-	-
Total tax charge	-	-

7 Investments in group companies

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of company	Nature of business	Country of incorporation or registration	Proportion of ownership interest and voting rights held
ING Services Limited	Employment Service Company	England & Wales	100%
ING UK Pension Trustee Limited	Nominee Company	England & Wales	100%

All of the company's subsidiaries were incorporated and registered in England & Wales.

Shares in group undertakings, all of which are unlisted, are measured at cost less impairment.

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

8 Trade and other receivables

	2020	2019
	£	£
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

The directors consider that the carrying amounts owed by group undertakings approximates their fair value.

The company do not expect any credit loss on those receivables.

9 Share capital

	2020	2019
	£	£
Authorised		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
	2020	2019
	£	£
Allotted, issued and fully paid		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

10 Reserves

Called up share capital

Called up share capital represents the nominal value of the shares subscribed for.

Retained earnings

The company's profit and loss account represents cumulative profits or losses net of transactions with owners (e.g. dividends) not recognised elsewhere.

11 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities as at 31 December 2020 (2019: £nil).

ING Intermediate Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2020 (continued)

12 Capital management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The company is not subject to any external capital requirements, except for the minimum requirement under the Companies Act 2006.

13 Related party transactions

ING Bank N.V., London Branch is deemed to be a related party. The amounts due from ING Bank N.V., London Branch at the Balance Sheet date are disclosed in note 8.

14 Post balance sheet events

There have been no post balance sheet events that would require adjustment to or disclosure in the financial statements for the year ended 31 December 2020. The Company is monitoring the potential downside risk associated with both the direct and indirect impact of the COVID-19 outbreak. The Company continues to operate in line with the Board's expectations.

15 Parent and ultimate parent undertaking

The company is a subsidiary undertaking of ING Groep N.V. which is the immediate and ultimate parent company incorporated in the Netherlands. ING Groep N.V. is the only undertaking preparing consolidated financial statements. Copies of the ultimate parent's consolidated financial statements may be obtained from:

The Secretary
ING Groep N.V.
Cedar
Bijlmerdreef 106
1102 CT Amsterdam
The Netherlands