

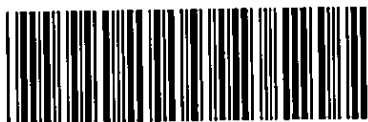
Company Registration Number: 5164884

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

FINANCIAL STATEMENTS

31 DECEMBER 2006

FRIDAY



AITE1PG5

A18

11/05/2007

466

COMPANIES HOUSE

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 to 11

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

OFFICERS AND PROFESSIONAL ADVISERS

Directors

Mr J P J Fairrie
Mr R G Baker
Mrs R L Samson
Wilmington Trust SP Services (London) Limited

Company secretary

Wilmington Trust SP Services (London) Limited

Registered office

c/o Wilmington Trust SP Services (London) Limited
Tower 42 (Level 11),
25 Old Broad Street,
London
EC2N 1HQ

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2006

The directors present their report and the financial statements of the company for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company, which remained unchanged during the year, was that of a special purpose vehicle, which raises or borrows money and grants security over its assets for such purposes, to lend money, to invest in and acquire loan notes issued by Tenby Castle Funding Group

On 17 August 2004 the company issued floating rate notes in order to purchase limited recourse loan notes issued by Tenby Castle Funding Group Limited at a nominal value of €298 million. The floating rate notes are due to mature in September 2009

RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements. The profit on ordinary activities after taxation for the year was £14,603 (2005 £13,731). The directors have not recommended a dividend (2005 £nil)

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the period together with their beneficial interests in the shares of the parent company were as follows

Mr J P J Fairrie
Mr R G Baker
Mrs R L Samson
Wilmington Trust SP Services (London) Limited

Ordinary shares of £1 in the company

	No. of shares 2006	2005
Wilmington Trust SP Services (London) Limited	<u>1</u>	<u>1</u>

The shares held by Wilmington Trust SP Services (London) Limited in the company are held under a Declaration of Trust for charitable purposes

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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. The directors 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 each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

THE DIRECTORS' REPORT (continued)

YEAR ENDED 31 DECEMBER 2006

CREDITOR PAYMENT POLICY

The Company's policy concerning the payment of its trade creditors is to pay in accordance with its contractual and other legal obligations

Due to the nature of the business, the main creditors are the noteholders. Principal and interest is repaid quarterly in accordance with the agreements in place.

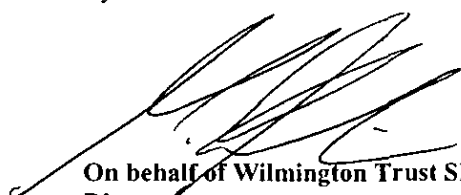
FINANCIAL INSTRUMENTS

The company is a subsidiary of the Capital One Holdings Limited group. The company's interest rate, foreign exchange rate and liquidity risks are managed on a group basis. The group's procedures are detailed in the consolidated financial statements of Capital One Holdings Limited, which are available from the registered office.

AUDITORS

A resolution to re-appoint Ernst & Young LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

By order of the Board



On behalf of Wilmington Trust SP Services (London) Limited
Director

Date 1 May 2007

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHERWOOD CASTLE FUNDING 2004-3 PLC

We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 12. 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 Annual Report and the financial statements in accordance with applicable United Kingdom law and 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).

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.

Ernst & Young LLP
Ernst & Young LLP
Registered auditor
London
Date 8th May 2007

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2006

		2006 £	2005 £
Continuing activities	Note		
Interest receivable	1	6,449,538	4,901,415
Interest payable	1	<u>(6,431,048)</u>	<u>(4,880,364)</u>
Gross profit		18,490	21,051
Other operating income		30,103	30,334
Administrative expenses		<u>(30,674)</u>	<u>(31,415)</u>
Operating profit	2	17,919	19,970
Bank interest receivable		1	1
Bank interest payable	3	<u>(440)</u>	<u>(110)</u>
Profit on ordinary activities before taxation		17,480	19,861
Tax on profit on ordinary activities	4	<u>(2,877)</u>	<u>(6,130)</u>
Retained profit for the financial period	10	<u>14,603</u>	<u>13,731</u>

The company has no recognised gains or losses other than the results for the period as set out above

The notes on pages 7 to 11 form part of these financial statements

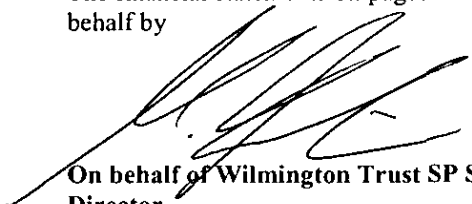
SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

BALANCE SHEET

AS AT 31 DECEMBER 2006

	Note	2006 £	2005 £
Current assets			
Debtors falling due within one year	5	367,834	251,690
Debtors falling due after more than one year	5	200,571,302	204,050,949
Cash at bank		<u>54,699</u>	<u>39,179</u>
		200,993,835	204,341,818
 Creditors amounts falling due within one year	6	<u>(375,098)</u>	<u>(258,037)</u>
 Total assets less current liabilities		200,618,737	204,083,781
 Creditors amounts falling due after more than one year	7	<u>(200,571,302)</u>	<u>(204,050,949)</u>
		<u>47,435</u>	<u>32,832</u>
 Capital and reserves			
Called up equity share capital	9	12,502	12,502
Profit and loss account	10	<u>34,933</u>	<u>20,330</u>
Equity shareholders' funds	11	<u>47,435</u>	<u>32,832</u>

The financial statements on pages 5 to 11 were approved by the directors on 1 May 2007 and are signed on their behalf by



On behalf of Wilmington Trust SP Services (London) Limited
Director

The notes on pages 7 to 11 form part of these financial statements

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. As the company's functional currency and reporting currency are primarily Sterling, the financial statements have been prepared using Sterling.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Interest receivable and interest payable

Interest receivable represents interest received from securitised credit card receivables and is derived from the company's principal activity which is carried out in the United Kingdom. Interest payable represents interest payable on the loan notes issued by the company. Interest receivable and interest payable are calculated using the effective interest rate method.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Deferred taxation

Deferred taxation is recognised in respect of timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are the differences between the company's taxable profits and its result as stated in the financial statements, which are capable of reversal in one or more subsequent periods. There are no unrecognised deferred tax assets.

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

2 OPERATING PROFIT

Operating profit is stated after charging

	2006	2005
	£	£
Auditors' remuneration - audit services	9,257	4,451
Auditors' remuneration - tax services	<u>3,867</u>	<u>2,604</u>

The company has no employees (2005 nil) and, other than the fees paid to Wilmington Trust SP Services (London) Limited as set out in note 8, the directors received no remuneration during the period

3 BANK INTEREST PAYABLE

	2006	2005
	£	£
Interest payable on bank borrowing	<u>440</u>	<u>110</u>

4. TAXATION

(a) Analysis of charge in the period

	2006	2005
	£	£
Current tax		
UK Corporation tax	5,271	6,130
Over provision in prior years	<u>(2,394)</u>	<u>-</u>
Total current tax	<u>2,877</u>	<u>6,130</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 30% (2005 30%)

	2006	2005
	£	£
Profit on ordinary activities before taxation	<u>17,480</u>	<u>19,861</u>
Profit on ordinary activities at standard rate of corporation tax of 30% (2005 30%)	5,244	5,958
Expenses not allowable	27	-
Overprovision in prior year	<u>(2,394)</u>	<u>-</u>
Exchange rate differences	-	172
Total current tax (note 4(a))	<u>2,877</u>	<u>6,130</u>

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

5 DEBTORS

	2006	2005
	£	£
Amounts falling due within one year		
Prepayments and accrued income	367,784	251,641
Other debtors	<u>50</u>	<u>49</u>
	<u>367,834</u>	<u>251,690</u>
Amounts falling due after more than one year		
Other debtors	<u>200,571,302</u>	<u>204,050,949</u>
Total	<u>200,939,136</u>	<u>204,302,639</u>

Other debtors due after more than one year consist of limited recourse loan notes issued by Tenby Castle Funding Group to the company in order to purchase beneficial interests in the receivables trust, Castle Receivables Trust Limited

6 CREDITORS Amounts falling due within one year

	2006	2005
	£	£
Bank overdraft	2,043	694
Corporation tax	5,271	7,441
Accrued interest payable	347,360	227,809
Accruals and deferred income	<u>20,424</u>	<u>22,093</u>
	<u>375,098</u>	<u>258,037</u>

7 CREDITORS: Amounts falling due after more than one year

	2006	2005
	£	£
Loan notes	200,795,095	204,361,542
Discount	(406,896)	(414,124)
Amortisation of discount at end of year	<u>183,103</u>	<u>103,531</u>
Floating rate loan notes issued	<u>200,571,302</u>	<u>204,050,949</u>

The repayment of the loan notes is dependent on the receipt in full of the payments from the securities purchased

Interest on the floating rate loan notes is payable on a quarterly basis at the three month EURIBOR plus the following margins 0 14% per annum for the Class A notes, 0 42% per annum for the Class B notes, 0 78% per annum for the Class C notes

All of the floating rate loan notes are due to mature in September 2009 and are secured by means of a fixed and floating charge over the company's assets

Creditors include finance capital, which is due for repayment as follows

	2006	2005
	£	£
Between two and five years	<u>200,795,095</u>	<u>204,361,542</u>

Interest rate risk

The company has an exposure to interest rate risk as the loan notes from which the company's activities are funded are at a floating rate The interest rate risk is effectively managed by Tenby Castle Funding Group Limited as the company has purchased its limited recourse loan notes Tenby Castle Funding Group Limited passes sufficient net income to the company in order for it to meet the obligations of the floating rate notes

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

7. CREDITORS: Amounts falling due after more than one year (Continued)

Foreign currency risk

All of the company's assets and liabilities are denominated in Euros and therefore there is no foreign currency risk. Consequently no currency risk profile disclosure has been presented.

Interest rate risk profile of financial liabilities

All of the company's financial liabilities are floating rate and carry interest rates based on the three-month EURIBOR rate. At the year end, the three month EURIBOR was 3.723% (2005: 2.487%).

Fair value of financial assets and liabilities

The following table provides a comparison by category of the carrying amount and the fair values of the company's financial assets and liabilities at 31 December and excludes short term debtors and creditors. Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than a forced or liquidation sale and excludes accrued interest. Where available, market values have been used to determine their values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest rates.

Primary financial instruments held or issued to finance the company's operations

	Book Value 2006 £	Fair Value 2006 £	Book Value 2005 £	Fair Value 2005 £
Class A Asset Backed Floating Rate Notes	168,290,125	168,157,402	171,219,226	171,167,503
Class B Asset Backed Floating Rate Notes	13,792,193	13,774,384	14,029,433	14,020,961
Class C Asset Backed Floating Rate Notes	<u>18,488,984</u>	<u>18,446,259</u>	<u>18,802,290</u>	<u>18,783,682</u>
	<u>200,571,302</u>	<u>200,378,045</u>	<u>204,050,949</u>	<u>203,972,146</u>

The company adopted FRS 25 'Financial instruments' Disclosure in the prior year.

Other debtors falling due after more than one year as stated in note 5, which represent limited recourse loan notes issued by Tenby Castle Funding Group, are subject to the same interest rates as the loan notes issued by the company. The fair value of these receivables is therefore £200,378,045 (2005: £203,972,146) being the same value as the floating rate loan notes stated above.

Financial instruments held for trading purposes

The company does not trade in financial instruments.

8. RELATED PARTY TRANSACTIONS

The company has identified the following transactions which are required to be disclosed under the terms of Financial Reporting Standard No 8, "Related Party Transactions". The company has taken advantage of the exemption provided within this standard from disclosing group related party transactions as the consolidated financial statements of the ultimate parent company, Capital One Holdings Limited, in which these results are included, are publicly available.

During the period administration and accounting services were provided by Wilmington Trust SP Services (London) Limited amounting to £16,978 (2005: £17,850) to the company. The directors of the company are also directors of Wilmington Trust SP Services (London) Limited and Sherwood Castle Holdings Limited.

SHERWOOD CASTLE FUNDING SERIES 2004-3 PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

9 SHARE CAPITAL

Authorised share capital

	2006	2005
	£	£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted and called up:

	2006	2005
	£	£
2 ordinary shares - £1 each	2	2
49,998 ordinary shares £0.25 each	<u>12,500</u>	<u>12,500</u>
	<u>12,502</u>	<u>12,502</u>

10 PROFIT AND LOSS ACCOUNT

	2006	2005
	£	£
At the start of the year	20,330	6,599
Retained profit for the financial year	<u>14,603</u>	<u>13,731</u>
At the end of the year	<u>34,933</u>	<u>20,330</u>

11. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2006	2005
	£	£
Retained profit for the financial year	<u>14,603</u>	<u>13,731</u>
Net addition to equity shareholders' funds	14,603	13,731
Opening equity shareholders' funds	<u>32,832</u>	<u>19,101</u>
Closing equity shareholders' funds	<u>47,435</u>	<u>32,832</u>

12. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Sherwood Castle Holdings Limited. The smallest group into which the company is consolidated is that of Sherwood Castle Holdings Limited.

The shares in Sherwood Castle Holdings Limited are held by Wilmington Trust SP Services (London) Limited under a Declaration of Trust for the Sherwood Castle Charitable Trust for charitable purposes.

The directors regard Capital One Holdings Limited as the ultimate parent undertaking. Copies of the consolidated financial statements of Capital One Holdings Limited can be obtained by writing to the Company Secretary, Capital One Holdings Limited, 350 Euston Road, London NW1 3JJ.