

Registered Number 192238

Appleyard Group PLC  
Annual report  
for the year ended 31 December 2005



# **Appleyard Group PLC**

## **Annual report for the year ended 31 December 2005**

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# **Appleyard Group PLC**

## **Directors' report for the year ended 31 December 2005**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

### **Principal activity**

The company's principal activity is as a holding company for non-trading subsidiaries.

### **Review of the business and future developments**

The results of the company for the year are set out in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend (2004: £nil).

### **Directors and their interests**

The directors who held office during the year and to the date of this report are given below:

E Bradley  
S G Houston

According to the register of directors' interests kept by the company under Section 325 of the Companies Act 1985 none of the directors had interests in disclosable shares in, or debentures of, the company 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 same group during the financial year.

### **Charitable donations**

During the year, the company made no charitable contributions (2004: £nil).

### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently with the exception of changes arising on the adoption of new accounting standards in the year as explained in the statement of accounting policies. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2005, and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. They 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.

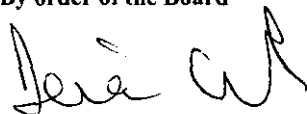
# Appleyard Group PLC

## Directors' report for the year ended 31 December 2005 (continued)

### Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

### By order of the Board



D Watson  
Company Secretary

23 May<sup>2006</sup>

# **Appleyard Group PLC**

## **Independent auditors' report to the members of Appleyard Group PLC**

We have audited the financial statements of Appleyard Group PLC for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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, if 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.

## Appleyard Group PLC

### Independent auditors' report to the members of Appleyard Group PLC (continued)

#### 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 2005 and of the loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Leeds

23 MAY 2006

## Appleyard Group PLC

### Profit and loss account for the year ended 31 December 2005

	Note	2005 £'000	2004 £'000
Administrative expenses		(1)	(1)
<b>Operating loss</b>	1	<b>(1)</b>	(1)
Net interest payable	4	(3)	(1,798)
<b>Loss on ordinary activities before taxation</b>		<b>(4)</b>	(1,799)
Tax (charge)/credit on loss on ordinary activities	5	(530)	530
<b>Sustained loss for the financial year</b>	10, 11	<b>(534)</b>	(1,269)

All amounts relate to continuing operations.

The only recognised gains and losses for the year are those dealt with in the profit and loss account.

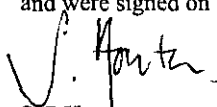
There is no difference between the loss on ordinary activities before taxation and the sustained loss for the year stated above and their historical cost equivalents.

# Appleyard Group PLC

## Balance sheet at 31 December 2005

	Note	2005 £'000	2005 £'000	2004 £'000	2004 £'000
<b>Fixed assets</b>					
Investments	6		7,247		7,247
			7,247		7,247
<b>Current assets</b>					
Debtors	7	803		1,289	
Cash at bank and in hand		10,264		9,779	
			11,067		11,068
<b>Creditors – amounts falling due within one year</b>	8		(12,019)		(11,486)
<b>Net current liabilities</b>			(952)		(418)
<b>Net assets</b>			6,295		6,829
<b>Capital and reserves</b>					
Called up share capital	9		6,676		6,676
Share premium account	10		26,607		26,607
Merger reserve	10		30,165		30,165
Capital redemption reserve	10		400		400
Profit and loss account – deficit	10		(57,553)		(57,019)
<b>Equity shareholders' funds</b>	11		6,295		6,829

The financial statements on pages 4 to 13 were approved by the board of directors on 23 May 2006 and were signed on its behalf by:

  
S G Houston  
Director



# **Appleyard Group PLC**

## **Statement of Accounting Policies**

### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards.

The principal accounting policies that are set out below.

### **Changes in accounting policies**

In 2005 the company has adopted FRS 17 'Retirement Benefits', FRS 21 'Events after the Balance Sheet date' and FRS 25 'Financial Instruments: Disclosure and presentation'. There has been no impact on the financial statements in relation to the current or prior year in relation to these adoptions.

### **Investments in subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost less provision for impairment. Provision against the underlying value of the investments in subsidiaries is made where, in the opinion of the directors, there is impairment to the value of the underlying business.

### **Impairment**

In accordance with FRS 11 "Impairment of Fixed Assets and Goodwill" the company performs impairment reviews using the forecast net future cash flows of the investment affected discounted to net present value using the company's cost of capital.

### **Deferred taxation**

Deferred tax is recognised in respect of all 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.

Deferred tax losses relating to carry forward of unused tax losses are recognised to the extent that it can be regarded as more likely than not that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

# Appleyard Group PLC

## Notes to the financial statements for the year ended 31 December 2005

### 1 Operating loss

	2005	2004
	£'000	£'000
<b>Operating loss is stated after charging:</b>		
Auditors' remuneration – audit services	-	-

Auditor's remuneration in 2005 has been borne by the parent undertaking, Jardine Motors Group plc.

### 2 Employees

The company has no employees (2004: none).

### 3 Directors

No emoluments or fees were paid to directors during the year (2004: £nil) in respect of their services to the company.

### 4 Net Interest payable

	2005	2004
	£'000	£'000
<b>Interest payable:</b>		
Bank loans and overdraft	-	1,770
Other	3	75
	3	1,845
Less: Bank interest receivable	-	(47)
	3	1,798

# Appleyard Group PLC

## 5 Tax on loss on ordinary activities

### (a) Analysis of charge/(credit) in the period

	2005 £'000	2004 £'000
<b>Current tax:</b>		
UK corporation tax on losses of the period	(1)	(530)
Adjustment in respect of previous periods	531	-
<b>Tax charge/(credit) on loss on ordinary activities</b>	<b>530</b>	<b>(530)</b>

The company had no liability for deferred taxation at 31 December 2005 (2004: £nil).

### (b) Factors affecting tax charge/(credit) for the period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005 £'000	2004 £'000
<b>Loss on ordinary activities before tax</b>	<b>(4)</b>	<b>(1,799)</b>
<b>Loss on ordinary activities multiplied by standard rate in the UK</b>		
Corporation tax at 30% (2004: 30%)	(1)	(540)
Effects of:		
Expenses not deductible for tax purposes	-	10
Corporation tax movements relating to prior years	531	-
<b>Current tax charge/(credit) for the period</b>	<b>530</b>	<b>(530)</b>

### (c) Factors affecting tax charge in the future

There are no factors which are expected to affect the tax charge in the future.

# Appleyard Group PLC

## 6 Investments in subsidiaries

	2005 £'000
<i>Net book value</i>	
<b>At 1 January and at 31 December 2005</b>	<b>7,247</b>

All subsidiary undertakings of the company are non-trading. All subsidiary undertakings, other than Appleyard Properties (Scotland) Limited, are registered in England and Wales. Appleyard Properties (Scotland) Limited is registered in Scotland. In all subsidiary undertakings the equity share capital is wholly owned.

Appleyard Commercial Vehicles Limited  
Appleyard Properties (Scotland) Limited  
Clover Leaf Cars (Holdings) Limited  
Clover Leaf Cars Limited  
Appleyard Midlands Limited  
Appleyard Pension (Nominees) Limited  
Appleyard Properties Limited  
Shoreline Cars Limited  
Appleyard Volume Cars Limited  
Fast Fix Super Service Centre Limited  
Appleyard Specialist Cars Limited

Consolidated financial statements have not been prepared because the company is a wholly owned subsidiary of Jardine Motors Group plc, a company registered in England and Wales, for which consolidated financial statements have been prepared.

## 7 Debtors

	2005 £'000	2004 £'000
Amounts owed by parent undertaking (trading)	803	926
Amounts owed by fellow group undertakings (trading)	-	48
Group relief recoverable	-	315
	<b>803</b>	<b>1,289</b>

# Appleyard Group PLC

## 8 Creditors – amounts falling due within one year

	2005	2004
	£'000	£'000
Amounts owed to fellow group undertakings (trading)	11,804	11,411
Corporation tax	215	-
Other creditors	-	75
	12,019	11,486

The amounts owed to fellow group and parent undertakings are unsecured, interest free and have no fixed repayment terms.

## 9 Called up share capital

	2005	2004
	£'000	£'000
<b>Authorised</b>		
84,000,000 (2004: 84,000,000) ordinary shares of 10p each	8,400	8,400
<b>Allotted and fully paid</b>		
66,760,820 (2004: 66,760,820) ordinary shares of 10p each	6,676	6,676

## 10 Reserves

	Share premium account £'000	Merger reserve £'000	Capital redemption reserve £'000	Revenue reserves £'000	Total 2005 £'000	Total 2004 £'000
At 1 January	26,607	30,165	400	(57,019)	153	1,422
Sustained loss for the financial year	-	-	-	(534)	(534)	(1,269)
<b>At 31 December</b>	<b>26,607</b>	<b>30,165</b>	<b>400</b>	<b>(57,553)</b>	<b>(381)</b>	<b>153</b>

Included in revenue reserves is an unrealised profit of £38,289,000 arising from the disposal of a joint venture to Lancaster Ventures Limited in 2001 and the disposal of three subsidiary undertakings in 2003 to fellow group undertakings, which are not distributable.

# Appleyard Group PLC

## 11 Reconciliation of movements in equity shareholders' funds

	2005	2004
	£'000	£'000
Sustained loss for the financial year	(534)	(1,269)
Net reduction in shareholders' funds	(534)	(1,269)
Opening shareholders' funds	6,829	8,098
Closing shareholders' funds	6,295	6,829

## 12 Cash flow statement

The company is a wholly owned subsidiary of Jardine Motors Group plc, which prepares a consolidated cash flow statement. The company has therefore elected to make use of the exemption provided in FRS 1 "Cash Flow Statements" not to produce a cash flow statement.

## 13 Related party transactions

No disclosure has been made of transactions with other group companies in accordance with Paragraph 3 (c) of FRS 8 as the company is a wholly owned subsidiary of Jardine Motors Group plc.

## 14 Contingent liabilities

There were contingent liabilities at 31 December 2005 in respect of cross guarantees covering bank loans and overdrafts in the holding company and fellow subsidiaries. These loans and overdrafts amounted to £34,449,000 at 31 December 2005 (2004: £42,010,000).

# Appleyard Group PLC

## 15 Ultimate parent company

The largest and smallest groups for which group financial statements are prepared and of which the company is a member are as follows:

	<b>Largest</b>	<b>Smallest</b>
Name	Jardine Matheson Holdings Limited	Jardine Motors Group plc
Country of incorporation	Bermuda	England and Wales

There is no ultimate controlling interest.

Copies of the consolidated financial statements for both can be obtained from:

Company Secretary  
Jardine Motors Group plc  
South Suite, Skyway House  
Parsonage Rd  
Takeley  
Bishops Stortford  
Hertfordshire  
CM22 6PU