

APD Industries Plc

**Directors' report and financial
statements**

Registered number 03532544

For the year ended 31 December 2008

FRIDAY



A15

AOMWEBTY

24/07/2009

184

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 APD Industries Plc	3
Profit and loss account	5
Balance sheet	6
Notes	7

Directors' report

The directors present their Annual Report of the Company and the audited financial statements for the year ended 31 December 2008.

Business review

The Company acts as a holding company for Rolls-Royce Motor Cars Limited in which it holds an investment of £81,500,002. The Company has not traded during the current or preceding financial years. Accordingly, the company has made neither a trading profit nor a loss.

The key risk facing the Company is the carrying value of the investment in Rolls-Royce Motor Cars Limited. The directors continue to monitor the performance of Rolls-Royce Motor Cars Limited and have determined that there is no indication of impairment at 31 December 2008. The Company holds the investment in GBP, being the currency in which the investment was made which mitigates any foreign currency exposure.

Directors

The directors who held office throughout the year were as follows:

Dr J Reul

Dr H Grebenc

The directors had no beneficial interest in the shares of the company.


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.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will, therefore, continue in office.

On behalf of the Board


GM Woolley
Secretary

19 June 2009

Ellesfield Avenue
Bracknell
Berkshire
RG12 8TA

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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 LLP
2 Cornwall Street
Birmingham
B3 2DL

Independent auditors' report to the members of APD Industries Plc

We have audited the financial statements of APD Industries Plc for the year ended 31 December 2008 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 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.

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 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.

Independent auditors' report to the members of APD Industries Plc (*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 2008 and of its result for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- the information in the directors' report is consistent with the financial statements

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

19 June 2009

Profit and loss account
for the year ended 31 December 2008

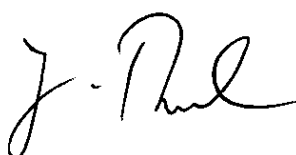
	<i>Note</i>	2008 £	2007 £
Operating exceptional income: write back of intercompany creditor		-	4
Operating profit		-	4
Loss on disposal of investments	3	-	(4)
Profit before interest and tax being retained profit for the year		-	-

There were no other gains and losses during the current or preceding period. All activities are derived from continuing operations. As a result of these transactions there has been no movement in shareholders' funds during the period.

Balance sheet
at 31 December 2008

	<i>Note</i>	2008 £	2007 £
Fixed assets			
Investments	3	81,500,002	81,500,002
Current assets			
Debtors	4	50,000	50,000
Creditors: amounts falling due within one year	5	(2)	(2)
Net current assets		<u>49,998</u>	<u>49,998</u>
Net assets		<u>81,550,000</u>	<u>81,550,000</u>
Capital and reserves			
Called up share capital	6	41,550,001	41,550,001
Share premium	7	39,999,999	39,999,999
Shareholders' funds		<u>81,550,000</u>	<u>81,550,000</u>

These financial statements were approved by the Board of directors on 19 June 2009 and were signed on its behalf by:


Dr J Reul
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 Company's financial statement:

Basis of preparation

The financial statements have been prepared in accordance with applicable UK Accounting Standards and under the historical cost convention.

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on grounds that it is a wholly owned subsidiary undertaking of a parent undertaking which includes the company in its own published consolidated financial statements.

The company is exempt under section 228 of the Companies Act 1985 from the obligation to prepare group financial statements and to deliver them to the Registrar of Companies as the results and balance sheet of the Company and its subsidiaries are consolidated in its parent company, Beyerische Motoren Werke Aktiengesellschaft, a company incorporated in Germany. These financial statements present information about the Company as an individual undertaking and not as a group.

Investments in subsidiary undertakings

The investments in subsidiary undertakings are valued at original cost and are reviewed on an annual basis by directors to determine whether there has been any impairment.

2 Notes to the profit and loss account

Auditors' remuneration is borne by a subsidiary undertaking.

The directors receive no remuneration for their services to this Company.

3 Fixed asset investments

	2008 £	2007 £
<i>Cost and carrying value</i>		
At 1 January 2008	81,500,002	81,500,006
Disposals	-	(4)
	<hr/>	<hr/>
At 31 December 2008	81,500,002	81,500,002
	<hr/>	<hr/>

Rolls-Royce Motor Cars Limited was the only trading subsidiary company of APD Industries Plc at 31 December 2008 and 31 December 2007. APD Industries Plc owns 100% of the ordinary shares of Rolls-Royce Motor Cars Limited which is incorporated in the UK.

On 22 March 2007, the directors of Metalake Limited and Excelport Limited made an application to the UK registrar of companies to be struck off from the register of companies. On 25 September 2008 both companies were dissolved. Metalake Limited and Excelport Limited were two non trading subsidiaries at 31 December 2007.

Notes (continued)

4 Debtors: amounts falling due within one year

	2008 £	2007 £
Amount owed by group undertakings	50,000	50,000

5 Creditors: amounts falling due within one year

	2008 £	2007 £
Amounts owed to group undertakings	2	2

6 Called up share capital

	2008 £	2007 £
<i>Authorised</i> 1,000,000,000 (2007: 1,000,000,000) ordinary shares of £1 each	1,000,000,000	1,000,000,000
<i>Allotted, called up and fully paid</i> 41,550,001 (2007: 41,550,001) ordinary shares of £1 each	41,550,001	41,550,001

7 Share premium

	2008 £	2007 £
At beginning and end of period	39,999,999	39,999,999

8 Ultimate parent company and parent undertaking of a larger group of which the company is a member

The Company is a subsidiary undertaking of Bayerische Motoren Werke Aktiengesellschaft which is the ultimate parent company incorporated in Germany.

The largest group in which the results of the Company are consolidated is that of the ultimate parent company. No other group financial statements include the results of the Company. The consolidated financial statements of this group are available to the public and may be obtained from Petuelring 130, D-80809, Munich, Germany.