Company Registration No. 2091272

IBC VEHICLES LIMITED

Report and Financial Statements

31 December 2010

IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS 2010

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IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS 2010

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J Fulcher
C Parfitt
P Millward
A Gilson
N Barrett
D N Aldred
M Stein

SECRETARY

R S Nagi

REGISTERED OFFICE

Kimpton Road
Luton
LU2 0TY

BANKERS

Barclays Bank PLC

ACTUARIES

Aon Hewitt
6 More London Place
London
SE1 2DA

AUDITOR

Deloitte LLP
London

DIRECTORS' REPORT

The Directors of IBC Vehicles Limited ("the Company") submit their annual report on the affairs of the Company together with the financial statements and independent auditor's report for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The principal activity of the Company continues to be the manufacture of motor vehicles, pressed parts and related spare parts and components

Within the UK, the Company's main products are marketed as the Vauxhall Vivaro, Renault Trafic and Nissan Primastar vans In all other European countries, the Vivaro product is sold under the Opel badge, Renault and Nissan market their product as Trafic and Primastar respectively

BUSINESS REVIEW

The Company produced 72,565 vehicles during 2010 (2009 54,207) Output was higher throughout the year as the UK & European markets started to recover from the economic downturn The plant continued to operate on a two shift production process and worked additional Saturday shifts to meet the extra demand

Turnover per vehicle was £10,369 during 2010 (2009 £11,088) and cost of sales per vehicle was £9,986 (2009 £10,758) giving gross profit per vehicle of £383 (2009 £330) The average number of vehicles manufactured per member of staff was 57 during 2010 (2009 37) The Company made a profit before tax in 2010 of £9 7 million (2009 £12 4 million)

Tangible fixed assets fell from £68 3 million at 31 December 2009 to £61 1 million at 31 December 2010, principally due to depreciation charged during the year of £8 1 million with new additions amounting to £0 9 million

Current assets increased from £142 0 million at 31 December 2009 to £170 5 million at 31 December 2010, reflecting increases in inter-company trade receivables due to an increase in the volume of vehicles manufactured and sold during the year This increase in trading volumes was also the principal driver for the increase in current liabilities from £150 7 million to £173 9 million

Net assets excluding pension liabilities fell by £1 9 million (2009 £0 5 million improvement), however the pension scheme deficit has fallen by £24 2 million (2009 £2 1 million reduction) as the fair value of plan assets increased and the present value of plan obligations decreased

FUTURE DEVELOPMENTS

Demand for the Company's vans across the whole of Europe is expected to remain flat during 2011 as the European economy recovers

GOING CONCERN

After review, the Directors consider they should continue to adopt the going concern basis in preparing the financial statements Please refer to Note 1 to the financial statements

SUBSEQUENT EVENTS

Events subsequent to 31 December 2010 have been set out in note 20 to the accounts

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risk through its financial assets and liabilities The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due The Directors' consideration of liquidity risk and the application of the going concern assumption in preparing these financial statements are set out in note 1

The most important components of financial risk are liquidity risk, cash flow risk, interest rate risk, currency risk and price risk During 2010, these financial risks were managed by the treasury function of Adam Opel AG which provides the Company's inter-company funding This funding is denominated in Euros, the functional currency of Adam Opel AG, which exposes the Company to foreign exchange risk A risk management control system is utilised to monitor the strategies, risks and any related hedge positions, in accordance with approved policies and procedures

DIRECTORS' REPORT (continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES CONTINUED

With respect to credit risk, the Company's exposure arises from the risk of default by the counterparty The Company faces a concentration of credit risk as its sales are made almost exclusively to two companies, one of which is Adam Opel AG The Company seeks to manage this risk through contractually agreed payment terms, and by agreeing production volumes with its customers in advance

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors believe the main risks and uncertainties to which the Company is exposed, which could adversely affect the business, results of operations, cash flow, financial condition, turnover, profits, assets, liquidity and capital resources of the Company are summarised as follows

- The Company operates in a competitive market If the Company does not continue to compete effectively by developing its products and responding to the activities of its competitors it could lose customers and its results of operations, cash flow and financial condition could be adversely affected
- The Company's revenues are dependent on the continued operation of its manufacturing facilities The occurrence of major operational problems at these facilities could have an adverse effect on the Company's results of operations, cash flow and financial condition Operational risks include equipment and system failures, supply disruptions, work stoppages, events impeding or increasing the cost of transporting products, natural disasters and terrorist attacks Whilst the Company maintains insurance at appropriate levels, some of the operational risks could result in losses in excess of the insurance cover or in uninsured losses
- The loss of a significant number of key personnel could adversely affect the Company's results of operations, cash flow and financial condition
- The Company manufactures its vehicles under a long-term contract arrangement with a fellow subsidiary of GM and another customer In the event that the contract is not renewed or there are material amendments thereto, the results of operations, cash flow and financial condition of the Company could be materially affected
- The failure of either of the two main customers would materially affect the Company's operations, cash flow and financial condition
- The Company's reliance on key suppliers could result in an adverse effect on the results of operations, cash flow and financial condition if the suppliers are unable to meet their obligations and if the Company were unable to mitigate the effect by securing satisfactory alternative suppliers
- Breaches of environmental, health and safety and other laws and regulations could restrict the Company's operations, expose it to liability, increase its costs and have an adverse effect on its results of operations, cash flow and financial condition
- The IBC Vehicles Pension Plan is currently in deficit Increases in funding from the Company required to make good the deficit could adversely affect cash flow and the financial condition of the Company
- The Company is reliant on funding from the European treasury operations of Adam Opel AG ("Adam Opel") Adam Opel has obtained funding commitments from General Motors Company in respect of the liquidity that is forecast to be required to execute the viability plan described in note 1 to the accounts, of which the Company is a part The commitment has been provided for a period of more than 12 months from the date of approval of these financial statements The long-term future of the Company is however dependent on the successful execution of the viability plan

EMPLOYEE CONSULTATION

The Board regards employee involvement and effective communication as essential to maintain productive relationships, achieve improved performance and ensure commitment to the Company's business objectives

Discussions take place regularly with the trade unions and other employee representatives on a wide range of issues through the forum of the Joint Leadership Committee Additionally, all employees are briefed throughout the year on the current business status and the immediate outlook through a range of communication forums

DIRECTORS' REPORT (continued)

EMPLOYMENT OF DISABLED PERSONS

The Company gives full consideration to employing disabled persons and making reasonable adjustments where necessary Employees who become disabled are given every opportunity and assistance to continue in their employment or to be trained for other suitable positions

DIVIDENDS

No dividends were paid in the years ended 31 December 2010 or 31 December 2009 No final dividend is proposed for the year ended 31 December 2010 (2009 £nil)

CHARITABLE AND POLITICAL CONTRIBUTIONS

No donations for political purposes were made during the year (2009 £nil) The Company has made donations of £2,560 during the year for charitable purposes (2009 £2,836)

DIRECTORS' INDEMNITIES

The Company maintains insurance in respect of the Directors and officers against any such liabilities as are referred to in Section 232 of the Companies Act 2006

DIRECTORS AND THEIR INTERESTS

The present members of the Board of Directors are shown on page 1 There were the following changes in Directors during the year and since the year end

G W Branston	resigned 18 January 2010
D N Aldred	appointed 18 January 2010
P Staes	resigned 1 April 2010
M Stein	appointed 1 April 2010
R Molyneux	resigned 30 April 2011
J Fulcher	appointed 1 April 2011
R S Nagi	resigned 26 April 2011
A Gilson	appointed 26 April 2011

The Directors had no disclosable interests at any time during the year in the shares of IBC Vehicles Limited, or any other company within the United Kingdom group

AUDITOR

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who is a director at the date of approval of this report confirms that

(1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution proposing their reappointment will be put to the Annual General Meeting In addition, a further resolution will be put to the Meeting authorising the Directors to determine the auditor's remuneration

Approved by the Board of Directors
and signed on behalf of the Board

NPBarrett

N P Barrett
Director
19 September 2011

IBC VEHICLES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 statement,, 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 are sufficient of 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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBC VEHICLES LIMITED

We have audited the financial statements (the "financial statements") of IBC Vehicles Limited for the year ended 31 December 2010 which comprise the profit and loss account, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds/(deficit), the balance sheet and the related notes 1 to 20 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibility Statement, the directors are responsible for preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of, whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 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

H Shekle

Hadleigh Shekle (Senior statutory auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

29 September 2011

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2010

	Notes	2010 £'000	2009 £'000
TURNOVER	2	752,451	601,047
Cost of sales		(724,668)	(583,183)
GROSS PROFIT		27,783	17,864
Administrative expenses		(15,252)	(201)
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES AND INTEREST		12,531	17,663
Interest payable and similar charges	4	(2,257)	(2,171)
Other finance charges	14	(600)	(3,100)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,674	12,392
Tax charge on profit on ordinary activities	5	(37)	(333)
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	9,637	12,059

All amounts in both the current and preceding financial year derive from continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 31 December 2010

	2010 £'000	2009 £'000
Profit for the financial year	9,637	12,059
Actuarial gain/(loss) recognised in the pension scheme (note 14)	12,600	(13,600)
TOTAL RECOGNISED GAINS AND LOSSES SINCE THE LAST ANNUAL REPORT	22,237	(1,541)

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/(DEFICIT)
Year ended 31 December 2010

	2010 £'000	2009 £'000
Profit for the financial year	9,637	12,059
Other gains and losses relating to the year	12,600	(13,600)
Movement in share-based payments reserve (note 16)	24	-
NET INCREASE IN SHAREHOLDERS' FUNDS/(DEFICIT)	22,261	(1,541)
Opening shareholders' funds	(5,573)	(4,032)
CLOSING SHAREHOLDERS' FUNDS/(DEFICIT)	16,688	(5,573)

BALANCE SHEET
31 December 2010

	Notes	2010 £'000	2009 £'000
FIXED ASSETS			
Tangible assets	9	61,083	68,265
CURRENT ASSETS			
Stocks	10	13,170	14,174
Debtors	11	154,091	119,609
Cash at bank and in hand		3,212	8,236
		170,473	142,019
CREDITORS:			
Amounts falling due within one year	12	(173,868)	(150,657)
NET CURRENT LIABILITIES		(3,395)	(8,638)
TOTAL ASSETS LESS CURRENT LIABILITIES EXCLUDING PENSION LIABILITIES		57,688	59,627
NET PENSION SCHEME LIABILITIES	14	(41,000)	(65,200)
NET ASSETS/(LIABILITIES) INCLUDING PENSION LIABILITIES		16,688	(5,573)
CAPITAL AND RESERVES			
Called up share capital	15	239,000	239,000
Share-based payments reserve	16	24	-
Profit and loss account	16	(222,336)	(244,573)
SHAREHOLDERS' FUNDS/(DEFICIT)		16,688	(5,573)

These financial statements were approved by the Board of Directors and are signed on 19 September 2011 on its behalf by

N P Barrett

N P Barrett
Director

19 September 2011

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards The principal accounting policies adopted, which are consistent with those applied in the prior year, are described below

Accounting basis
The financial statements are prepared on the historical cost basis in conformity with United Kingdom applicable accounting standards

Going concern
The Company has generated profits in the year of £9 6 million The balance sheet at 31 December 2010 shows that the Company has net current liabilities of £3 4 million and net assets of £16 7 million

General Motors Company's European operations ("GME"), which include the Company, had been seeking sources of financing to fund operations in order to meet the liquidity requirements forecast in its viability plan announced on 9 February 2010 The plan encompassed growth initiatives and cost reductions required to lead the Adam Opel group back to sustainable growth and profitability An €11 billion investment was announced, aimed at ensuring that 80% of carlines are less than three years old by 2012, with expansion into economically viable growth markets, and the development of a leading range of alternative propulsions in Europe Capacity reductions of 20% in manufacturing were also announced, equal to European workforce reduction of around 8,300 jobs

In June 2010, General Motors Company ("GMC") signalled its ongoing support for the Adam Opel group and announced that the funding requirements of the GME viability plan will be met by GMC and hence that applications for government guarantees on borrowings would no longer be sought A revolving credit facility has been provided by a subsidiary of General Motors Company for a period of more than 12 months from the date of approval of these financial statements The revolving credit facility includes certain covenants to be met by the Adam Opel Group

On 1 March 2011 GMC announced audited net income for the year ended 31 December 2010 of $4 7 billion, net current assets of $5 9 billion and net assets of $37 2 billion at 31 December 2010 In addition, on 6 May 2011 GMC announced unaudited net income for the 3 months ended 31 March 2011 of $3 1 billion, net current assets of $11 2 billion and net assets of $39 1 billion at 31 March 2011

On 24 March 2011, GMC announced that the next generation Vivaro will be built at the Company's site in Luton, with production scheduled to start in 2013

In light of the commitment made by GMC and the ability of the Company to access funds should the Company require them to meet its liabilities, the Directors continue to adopt the going concern basis in preparing the financial statements

Cash flow statement
The Company has taken advantage of the exemption in Financial Reporting Standard 1 "Cash Flow Statements" from the requirement to produce a cash flow statement because IBC Vehicles Limited is a wholly owned subsidiary of General Motors Company, a company registered in the State of Delaware, USA, which prepares consolidated financial statements that include a cash flow statement, including those of the Company, and which are publicly available

Fixed assets
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment Freehold land and assets in the course of construction are not depreciated The cost, less estimated residual value, of other fixed assets is depreciated by equal monthly instalments over the expected useful lives of the assets as follows

Freehold buildings	40 years
Plant, machinery and equipment	5 to 27 years
Special tools, jigs and dies	The costs of special tools, jigs and dies are written off over the estimated production run of the models to which they relate

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

1 **ACCOUNTING POLICIES (continued)**

Residual value is calculated on prices prevailing at the date of acquisition Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the periods of the leases where these are shorter

Leased assets
Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the Company are capitalised at their fair value

The capital element of the related rental obligations is included in creditors The interest element of the rental obligation is charged to the profit and loss account so as to produce a constant rate of charge on the remaining balance of the obligations

Rentals in respect of operating leases are charged to the profit and loss account in equal annual instalments over the lease term

Taxation
The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred taxation is provided in full using the liability method for all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

Stocks and work in progress
Stocks and work in progress are valued at the lower of cost and net realisable value

Costs used in the valuation are based either on the 'first in - first out' basis, or on a weighted average basis, and include material, labour and appropriate overheads Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal Provision is made for any anticipated obsolescence of stocks

Foreign currencies
Foreign currency transactions during the year are recorded using the rates of exchange ruling at the dates of the transactions Monetary assets and liabilities denominated in foreign currencies are translated using the rates of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Restructuring costs
The Company recognises the cost of employee separation programmes when the Company has announced the terms of the separation and the individuals affected are identified Contributions to such separation costs from the Company's customers are recognised once such amounts have been agreed with the customer and invoiced

Pension costs
The Company makes contributions to two pension plans, each of which is of the "defined benefit" type where pensions are determined by an employee's earnings level and length of service The two plans are the Vauxhall Motors Limited Pension Plan ('VMLPP') and the IBC Vehicles Pension Plan ("IBCVPP")

The VMLPP into which the Company contributes is a multi-employer scheme In the opinion of the Directors, it is not possible to separate out on a reasonable and consistent basis the assets and liabilities of the scheme between the different group companies that contribute to it Accordingly, the VMLPP is accounted for on a defined contribution basis in the financial statements of IBC Vehicles Limited The pension cost charged in the financial statements in respect of the VMLPP represents the contributions payable by the Company during the year

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

1. ACCOUNTING POLICIES (continued)

Pension costs (continued)

The IBCVPP into which the Company contributes is a single-employer scheme

In accordance with FRS17 the fair value of the IBCVPP pension scheme is reported in the balance sheet of the Company The movements in the fair value of the scheme are reflected in the performance statements The current service cost, being the costs of benefits accrued in the reporting period and variations to past service benefits, being the cost or gain of any benefit improvements or reductions that affect past service are recognised within operating costs

Net interest accrued on pension liabilities and the expected return on the assets held by the scheme are charged or credited as other finance charges or income in the profit and loss account

Actuarial gains and losses arising from differences between actual and expected returns on the scheme assets, experience changes affecting scheme liabilities and the effects of any changes to actuarial assumptions are charged or credited to the statement of total recognised gains and losses

Turnover
Turnover represents the sales of motor vehicles, components, parts and accessories net of trade discounts, VAT and other sales related taxes

Share-based payment
General Motors Company group, of which IBC Vehicles Limited is part, issued equity-settled share-based payments to certain employees

Equity-settled share-based payments were measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant The fair value determined at the grant date of the equity-settled share-based payments was expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that would eventually vest At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non market-based vesting conditions, including option lapses The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve within shareholders' funds

2. TURNOVER - GEOGRAPHICAL ANALYSIS BY DESTINATION

	2010 £'000	2009 £'000
United Kingdom	209,537	108,009
Other European countries	542,914	493,038
	752,451	601,047

The Company is engaged in one principal activity, the manufacture and distribution of motor vehicles and related spare parts and components

A geographical analysis of the profit before tax has not been given, as in the opinion of the Directors, this would be prejudicial to the interests of the Company

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

3 OPERATING PROFIT

	2010 £'000	2009 £'000
Operating profit on ordinary activities before taxation is after charging/(crediting):		
Depreciation and amortisation of tangible fixed assets		
Owned assets	8,071	8,441
Restructuring costs, net of contributions received	14,937	17
Loss on disposal of fixed assets	52	488
Foreign exchange loss/(gain)	742	(7,752)
Rentals under operating leases		
Hire of plant and machinery	222	208
Auditor's remuneration		
Payable to the Company's auditor for audit of the Company's annual accounts	89	90

Restructuring costs were due to voluntary staff reductions net of amounts received from customers for agreed contributions to the cost of such programmes

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
Loans from group undertakings	(2,205)	(2,084)
Finance leases	(52)	(87)
Interest payable and similar charges	(2,257)	(2,171)

5. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2010 £'000	2009 £'000
Current tax		
Adjustment in respect of prior years	37	333

The tax assessed for the period differs to that resulting from applying the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before tax	9,674	12,392
Tax at UK rate of 28% (2009 28%) thereon	2,709	3,470
Effects of		
Permanent differences	19	(116)
Capital allowances in excess of depreciation	2,105	2,194
Short-term timing differences	(3,283)	(3,352)
Utilisation of losses brought forward	(1,550)	(2,196)
Prior year adjustment	37	333
Current tax charge for the year	37	333

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

6. DIRECTORS' EMOLUMENTS

	2010 £'000	2009 £'000
Emoluments (excluding pension contributions and awards under share option schemes and other long-term incentive schemes)	264	202
Contributions paid to a money purchase pension scheme	4	-
	No	**No.**
Number of Directors who received, or became eligible to receive, shares during the year	2	-
	No.	**No.**
Number of Directors (* includes the highest paid director) who		
- are members of a defined benefit pension scheme	7*	7*
- exercised share options	-	-
- have received awards during the year in the form of shares under long-term incentive schemes	2	-
	£'000	**£'000**
Highest paid director's remuneration		
Aggregate of emoluments and awards under long-term incentive schemes (excluding pension contributions, share options gains and awards in the form of shares)	150	132

The amount of the accrued pension of the highest-paid director at 31 December 2010 is £15,000 p a (2009 £16,000 p a)

Certain directors of the Company are also Directors of other companies within the GM Automotive Group of companies It is not practicable to allocate the remuneration of these Directors between the group companies to which they provide services

7. EMPLOYEES

Average weekly number of employees	2010 No	2009 No.
Administration	110	116
Production	1,162	1,340
	1,272	1,456

Costs	2010 £'000	2009 £'000
Wages and salaries	39,254	40,306
Social security costs	2,980	2,905
Pension costs (note 14)	3,001	3,536
	45,235	46,747

8. SHARE-BASED PAYMENTS – EQUITY-SETTLED SHARE OPTION SCHEME

IBC Vehicles Limited's incentive scheme which awards Restricted Stock Units ("RSU"s) is The 2009 Long-Term Incentive Plan ("2009 GMLTIP") It is administered by the Executive Compensation Committee of the board of directors of General Motors Company ("GM")

Awards granted under the 2009 GMLTIP become non-forfeitable following a three year service period from the date of grant New shares are issued one for one upon settlement of RSUs The cost of new grants of RSUs will be based on the fair value of GM common stock on the date of grant

Details of the RSUs outstanding during the year are as follows

	2010		2009	
	Number	Weighted average price	Number	Weighted average price
	('000)	(£)	('000)	(£)
Outstanding at beginning of year	-	-	-	-
Granted during the year	5 7	11 96	-	-
Outstanding at the end of the year	5 7	11 96	-	-
Exercisable at the end of the year	-	-	-	-

No RSUs were eligible for settlement in the year The awards outstanding at 31 December 2010 had a weighted average remaining contractual life of 2 25 years (2009 not applicable) RSUs were granted on 15 March 2010 (2009 no grants) and the aggregate of the estimated fair values of the RSUs granted is £0 07m (2009 not applicable) all of which (2009 not applicable) relates to the Directors The Company recognises these amounts as total expenses related to equity-settled share-based payment transactions

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Plant, machinery and equipment £'000	Special tools, jigs and dies £'000	Total £'000
Cost				
At 1 January 2010	37,636	129,816	3,501	170,953
Additions	61	880	-	941
Disposals	-	(120)	-	(120)
At 31 December 2010	37,697	130,576	3,501	171,774
Depreciation				
At 1 January 2010	13,808	86,471	2,409	102,688
Charge for the year	606	7,167	298	8,071
Disposals	-	(68)	-	(68)
At 31 December 2010	14,414	93,570	2,707	110,691
Net book value				
At 31 December 2010	23,283	37,006	794	61,083
At 31 December 2009	23,828	43,345	1,092	68,265

10. STOCKS

	2010 £'000	2009 £'000
Raw materials	12,739	13,557
Work in progress	431	617
	13,170	14,174

11. DEBTORS

	2010 £'000	2009 £'000
Trade debtors	42,043	48,117
Amounts owed by group undertakings		
Fellow subsidiary undertakings	108,306	58,095
Group relief receivable	917	805
Other debtors	1,778	1,393
Prepaid expenses and accrued income	1,047	11,199
	154,091	119,609

12 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Trade creditors	97,655	78,492
Amounts owed to group undertakings		
Fellow subsidiary undertakings	60,587	59,751
Taxation and social security	8,658	7,018
Other creditors	5,733	3,475
Accruals and deferred income	1,235	1,921
	173,868	150,657

13. DEFERRED TAXATION

The amounts of unrecognised deferred tax assets are as follows

	2010 £'000	2009 £'000
Accelerated capital allowances	18,398	16,982
Tax losses	32,058	35,169
Pension scheme deficit	11,070	18,256
Total unrecognised deferred tax balance	61,526	70,407

No deferred tax has been recognised due to uncertainties that suitable taxable profits will be generated in the future

The Finance Act (No 2) 2010 which provides for a reduction in the main rate of UK corporation tax from 28% to 27% effective from 1 April 2011, was substantively enacted on 21 July 2010 This reduced rate has been reflected in the calculation of deferred tax

The Finance Act (No 3) 2011 provides for a further reduction of 1% to the UK corporation tax rate, causing the rate to fall to 26% effective from 1 April 2011 The Government has also indicated that it intends to introduce further reductions in the main tax rate, with the rate falling by 1% each year down to 23% by 1 April 2014 The reduction in the deferred tax rate to 26% would reduce the valuation of the Group's net deferred tax asset held at 31 December 2010 by £2 3 million These further reductions to the tax rates have not been substantively enacted at the balance sheet date and are therefore not reflected in these financial statements

14. PENSIONS

The Company makes contributions to two pension plans, each of which is of the "defined benefit" type where pensions are determined by an employee's earnings level and length of service The two plans are the Vauxhall Motors Limited Pension Plan ('VMLPP') and the IBC Vehicles Pension Plan ("IBCVPP') The assets of the plans are held in trustee-administered funds, and are completely separate from the assets of the Company

Funding
Funding is provided at a level determined after taking independent professional actuarial advice, with the Company meeting the balance of the costs not covered by members' contributions

Pension cost
The Company's total pension cost for 2010 was £3 0 million (2009 £3 5 million)

14. PENSIONS (continued)

Contributions to the Pension Plans

During 2010 the Company made contributions to the plans of £15 2 million (2009 £18 1 million) This included special contributions of £0 4 million (2009 £4 7 million) Company contributions to the IBCVPP re 27 4% of pensionable pay and to the VMLPP are 25 6% of pensionable pay After consultation with members starting on 25 February 2009, the benefits for members of the IBC Vehicles Pension Plan and the Vauxhall Motors Limited Pension Plan were changed as of 1 June 2009 in order significantly to reduce the ongoing service cost to the Company In addition, a number of these benefit changes reduced the deficit in the funding of the Plans

Financial Reporting Standard 17 "Retirement Benefits"

The VMLPP into which the Company contributes is a multi-employer scheme In the opinion of the Directors, it is not possible to separate out on a reasonable and consistent basis the assets and liabilities of the scheme between the different group companies which contribute to it Accordingly, the VMLPP is accounted for on a defined contribution basis within IBC Vehicles Limited The charge recognised in the year in respect of this scheme was £5 3 million (2009 - £7 4 million) The IBCVPP into which the Company contributes is a single-employer scheme, and is accounted for on a defined benefit basis

Following the UK Government's announcement in 2010, the inflation index to be used to derive statutory pension increases has been changed from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) Due to a number of differences between the indices, including both constituents and construction, CPI is expected to be less than RPI over the long-term which means that the liabilities of the scheme have reduced The reduction has been recognised as a credit to past service costs - that is, as a change to the constructive obligation to provide certain benefits to Plan members The change has been recognised as at 31 December 2010 and resulted in a credit to past service costs of £2 2 million

Employee benefit obligations

The amounts recognised in the balance sheet are as follows

	IBCVPP Value at 31 December 2010 £m	Value at 31 December 2009 £m
Present value of scheme liabilities	(203 9)	(210 1)
Fair value of plan assets	162 9	144 9
Deficit in scheme	(41 0)	(65 2)

The amounts recognised in profit or loss are as follows

	IBCVPP 2010 £m	2009 £m
Current service cost	(3 0)	(1 0)
Past service cost	6 6	6 3
Interest on obligation	(11 4)	(10 3)
Expected return on plan assets	10 8	5 8
Curtailment cost	(1 3)	-
Total	1 7	0 8

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

14. **PENSIONS (continued)**

	IBCVPP 2010 £m	2009 £m
Expected return on assets	10 8	5 8
Actuarial gain on assets	6 5	13 4
Actual return on plan assets	17 3	19 2

Changes in the present value of the defined benefit obligation are as follows

	IBCVPP 2010 £m	2009 £m
Opening defined benefit obligation	210 1	186 0
Current service cost	3 0	1 0
Interest cost	11 4	10 3
Contributions by participants	-	0 3
Curtailments	1 3	-
Past service cost	(6 6)	(6 3)
Net benefits paid out	(9 2)	(8 2)
Actuarial (gain)/loss on plan liabilities	(6 1)	27 0
Closing defined benefit obligation	203 9	210 1

Changes in the fair value of plan assets are as follows

	IBCVPP 2010 £m	2009 £m
Opening fair value of plan assets	144 9	122 9
Expected return on assets	10 8	5 8
Contributions by the employer	9 9	10 7
Contributions by participants	-	0 3
Net benefits paid out	(9 2)	(8 2)
Actuarial gain on assets	6 5	13 4
Closing fair value of plan assets	162 9	144 9

The Company expects to contribute £12 9 million to its defined benefit pension plans in 2011

14. PENSIONS (continued)

The major categories of plan assets are as follows

	IBCVPP Value at 31 December 2010 £m	IBCVPP Value at 31 December 2009 £m
Equities	90 6	84 8
Property	19 1	10 7
Government bonds	31 6	29 2
Non-government bonds	21 4	19 3
Other	0 2	0 9
Total fair value of assets	162 9	144 9

The principal actuarial assumptions at the balance sheet date were

	IBCVPP 31 December 2010 % pa	IBCVPP 31 December 2009 % pa
RPI Inflation	3 70	3 70
CPI Inflation	3 20	n/a
Rate of general long-term increase in salaries	3 70	3 70
Rates of increase to pensions in payment		
- Guaranteed LPI (RPI to maximum of 2 5%)	2 30	2 30
- Guaranteed LPI (RPI to maximum of 5%)	3 50	3 50
- ½ RPI to maximum of 3%	1 85	1 85
- Post 88 GMP	2 70	2 70
- CPI Post 88 GMP	2 50	-
Discount rate for scheme liabilities	5 55	5 50
Expected return on plan assets	8 04	8 50

Life expectancies used in the mortality assumptions

	IBCVPP Life expectancy of a member currently aged 65	IBCVPP Life expectancy at age 65 of a member currently aged 45
Male	19 4	21 6
Female	21 3	22 7

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

14. PENSIONS (continued)

Amounts for the current and previous four years are as follow

	IBCVPP				
	2010	**2009**	**2008**	**2007**	**2006**
	£m	**£m**	**£m**	**£m**	**£m**
Defined benefit obligation	(203 9)	(210 1)	(186 0)	(195 1)	(197 3)
Plan assets	162 9	144 9	122 9	161 7	152 8
Deficit	(41 0)	(65 2)	(63 1)	(33 4)	(44 5)
Experience adjustments on plan liabilities	4 4	1 3	4 5	(0 5)	(0 5)
Experience adjustments on plan assets	6 5	13 4	(48 0)	(0 5)	4 3
Changes in assumptions underlying the present value of the scheme liabilities	1 7	(28 3)	13 1	11 5	6 9
Actuarial gain/(loss) recognised in the Statement of Total Recognised Gains and Losses	12 6	(13 6)	(30 4)	10 5	10 7
Cumulative amount of actuarial (loss)/gain recognised in the Statement of Total Recognised Gains and Losses brought forward	(38 8)	(25 2)	5 2	(5 3)	(16 0)
Cumulative amount of actuarial (loss)/gain recognised in the Statement of Total Recognised Gains and Losses carried forward	(26 2)	(38 8)	(25 2)	5 2	(5 3)

For the VMLPP, the whole assets and liabilities (not just those relating to IBC Vehicles Limited) updated to 31 December 2010 on the assumptions above were as follows

	VMLPP	
	2010	**2009**
	£m	**£m**
Assets	1,169 7	1,066 4
Liabilities	(1,556 5)	(1,646 7)
Deficit in scheme	(386 8)	(580 3)

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

15. CALLED UP SHARE CAPITAL

	2010 £'000	2009 £'000
Authorised, called up, allotted and fully paid:		
239,000,000 (2009 239,000,000) ordinary shares of £1 each	239,000	239,000

16 RESERVES

	Share-based payment reserve £'000	Profit and loss account £'000
At 1 January 2010	-	(244,573)
Profit for the financial year	-	9,637
Actuarial gain for the financial year	-	12,600
Movement in shares to be issued in relation to the GMLTIP	24	-
At 31 December 2010	24	(222,336)

17. COMMITMENTS

At 31 December 2010 there are capital expenditure commitments of £503,000 which are not provided for in these financial statements (2009 – £80,000)

At 31 December 2010 the Company was committed to making the following payments during the next year in respect of operating leases

	Plant and machinery 2010 £'000	Plant and machinery 2009 £'000
Leases which expire		
Within one year	222	146
Within two to five years	158	57
	380	203

18. ULTIMATE PARENT UNDERTAKING

At 31 December 2010, the ultimate parent company and controlling entity of the Company, and parent of the largest group for which consolidated accounts are prepared of which this Company is a part, was General Motors Company, a company registered in the State of Delaware USA The financial statements of General Motors Company are available from Global Headquarters, 300 Renaissance Centre, PO Box 300, Detroit, Michigan, 48265 - 3000 USA

The immediate parent company and controlling entity of the Company is GM Automotive UK, a company incorporated in Great Britain and registered in England and Wales The parent of the smallest group for which consolidated accounts are prepared of which this company is a part is General Motors Automotive Holdings S L, a company registered in Spain The financial statements of General Motors Automotive Holdings S L have been deposited at the commercial register of the City of Zaragoza, Book 2887, page Z-32723

NOTES TO THE ACCOUNTS
Year ended 31 December 2010

19. RELATED PARTY TRANSACTIONS

The Company is taking advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 "Related Party Transactions" not to disclose transactions with General Motors Company group companies or interests of either group who are related parties

20 POST BALANCE SHEET EVENTS

On 11 March 2011, IBC Vehicles Limited was disposed of to another company in General Motors Company's group of companies for consideration of £15 million

On 24 March 2011, GMC announced that the next generation Vivaro will be built at the Company's site in Luton, with production scheduled to start in 2013