Company Registration No. 2091272

IBC VEHICLES LIMITED

Report and Financial Statements

31 December 2008

REPORT AND FINANCIAL STATEMENTS 2008

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REPORT AND FINANCIAL STATEMENTS 2008

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Molyneux
C Parfitt
P Staes
P Millward
R Nagi
N Barrett
G W Branston

SECRETARY

R S Nagi

REGISTERED OFFICE

Kimpton Road
Luton
LU2 0TY

BANKERS

Barclays Bank PLC

ACTUARIES

Hewitt Bacon & Woodrow Limited
Epsom
Surrey

AUDITORS

Deloitte LLP
London

DIRECTORS' REPORT (CONTINUED)

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 auditors' report for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The activities of the Company continue 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 87,175 vehicles during 2008 (2007: 95,030). Output reduced in the last quarter of the year in line with the downturn in customer demand entirely due to the economic slowdown. The plant continues to operate a three-shift production process.

Turnover per vehicle was £9,725 during 2008 (2007: £8,684) and cost of sales per vehicle was £9,345 (2007: £8,521) giving gross profit per vehicle of £380 (2007: £163). The average number of vehicles manufactured per member of staff was 52 during 2008 (2007: 54).

Tangible fixed assets fell from £84.5 million at 31 December 2007 to £76.7 million at 31 December 2008, principally due to depreciation charged during the year of £8.1 million.

Current assets fell from £201.6 million at 31 December 2007 to £160.5 million at 31 December 2008, reflecting declines in trade receivables (both third party and inter-company) due to a reduction in the volume of vehicles manufactured and sold in the fourth quarter of 2008. This reduction in trading volumes was also the principal driver for the reduction in current liabilities from £243.7 million to £176.0 million.

Net assets excluding pension liabilities improved by £20.5 million (2007: £60.0 million improvement) which was however offset by an increase in pension scheme liabilities of £29.6 million (2007: £11.0 million reduction).

The Company made a profit before tax in 2008 of £27.282 million (2007: £9.196 million).

FUTURE DEVELOPMENTS

Demand for the Company's vans across the whole of Europe is expected to be subdued during 2009 due to the global economic slowdown.

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 accounts.

SUBSEQUENT EVENTS

Events subsequent to 31 December 2008 have been set out in note 21 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. These financial risks were managed by the treasury function of General Motors Corporation ("GMCorp") during 2008. From 31 May 2009, the treasury function of Adam Opel GmbH took control of the management of liquidity risk for the Company which included the replacement of inter-company funding previously provided by GMCorp and ring-fencing of the liquidity of the Adam Opel GmbH group of companies from GMCorp and its successor. 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 GmbH. 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 former fellow subsidiary of GM and another customer. In the event that the contract is not renewed or there are material amendments thereto, 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 as the automotive sector is facing a severe reduction in customer demand.
- The Company's reliance on key suppliers could result in an adverse effect on 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 and returns on assets are continuing to decrease due to current economic conditions. 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 GmbH. Further detailed analysis is given in note 1 to the accounts. There are significant uncertainties over the going concern status of Adam Opel GmbH, and hence its subsidiaries, including the Company, which could have adverse effects on the Company's business, results of operations, cash flow and financial condition.

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.

DIRECTORS' REPORT (CONTINUED)

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.

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 2008 or 31 December 2007. No final dividend is proposed for the year ended 31 December 2008 (year ended 31 December 2007: £nil).

SUPPLIER PAYMENT POLICY

The Company aims to pay all suppliers within the payment terms negotiated with each individual supplier. At 31 December 2008, the company's trade creditors represented 53 days of trade purchases (2007: 70 days).

CHARITABLE AND POLITICAL CONTRIBUTIONS

No donations for political purposes were made during the year (2007: £nil). The Company has made donations of £19,269 during the year for charitable purposes (2007: £3,575).

DIRECTORS' INDEMNITIES

The Company maintains insurance in respect of the Directors and officers against any such liabilities as are referred to in Section 309A of the Companies Act 1985.

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:

N Barrett	appointed 1st August 2008
K Benjamin	appointed 18th January 2008, resigned 27th February 2009
G W Branston	appointed 27 February 2009
J Browning	appointed 18th January 2008, resigned 1st June 2008
J Fulcher	resigned 1st August 2008
M Johnson	appointed 18th January 2008, resigned 1st November 2008
P Millward	appointed 1st November 2008
R Molyneux	appointed 18th January 2008
R Nagi	appointed 1st June 2008
C Parfitt	appointed 18th January 2008
D Sanford	resigned 1st August 2008
P Staes	appointed 1st August 2008

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.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

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 auditors are 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 auditors are aware of that information.

On 1 December 2008, Deloitte & Touche LLP changed its name to Deloitte LLP. Deloitte LLP have expressed their willingness to continue in office as auditors 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 auditors' remuneration.

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

R J Molyneux
Director

25 August 2009

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). 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; 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IBC VEHICLES LIMITED

We have audited the Company's financial statements (the "financial statements") of IBC Vehicles Limited for the year ended 31 December 2008 which comprise the profit and loss account, the statement of total recognised gains and losses, balance sheet and the related notes 1 to 21. 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 law and United Kingdom 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 whether it is consistent with the audited financial statements. We 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 and 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.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the accounts concerning the Company's ability to continue as going concern. As of 31 December 2008, the Company had net current liabilities of £15,574,000 and net liabilities of £4,032,000.

The Company meets its day to day working capital requirements through funding from its parent company, Adam Opel GmbH ("Adam Opel"). Due to circumstances set out in note 1 to the accounts, Adam Opel in its 2008 annual report raised substantial doubt regarding its ability to continue as a going concern and therefore, there is material uncertainty about its ability to continue to fund the Company.

Adam Opel is seeking third party investment, which may result in a change in its governance structure, including the decision-making process of its Board. This creates a further material uncertainty since the intention of any new board with respect to the Company is unknown.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IBC VEHICLES LIMITED (CONTINUED)

Emphasis of matter – going concern (continued)

The circumstances set out above together with other matters as explained in note 1 to the accounts, indicate the existence of material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. The Directors have prepared these financial statements on the going concern basis. If the adoption of the going concern basis was inappropriate, adjustments, which it is not practicable to quantify, would be required, including those to write down assets to their recoverable value, to reclassify fixed assets as current assets and to provide for any further liabilities that may arise.

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 2008 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.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
London, UK.
25 August 2009

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2008

	Notes	2008 £'000	2007 £'000
TURNOVER	2	847,770	824,657
Cost of sales			
Exceptional restructuring costs (net)		5,722	(3,823)
Other cost of sales		(820,383)	(805,381)
Total cost of sales		(814,661)	(809,204)
GROSS PROFIT		33,109	15,453
Administrative expenses		(454)	(570)
Other operating income		-	1,527
OPERATING PROFIT	3	32,655	16,410
Loss on disposal of fixed assets		(303)	(1,085)
PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES AND INTEREST		32,352	15,325
Net interest payable and similar charges	4	(3,570)	(5,529)
Other finance charges	15	(1,500)	(600)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		27,282	9,196
Tax (charge)/credit on profit on ordinary activities	5	(6,003)	51,353
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	17	21,279	60,549

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

There are no movements in shareholders' funds other than the recognised gains and losses for both the current and preceding financial years, consequently no reconciliation of movements in shareholders' funds has been presented.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 31 December 2008

	2008 £'000	2007 £'000
Retained profit for the financial year	21,279	60,549
Share of actuarial (loss)/gain recognised in the pension scheme (note 15)	(30,400)	10,500
TOTAL RECOGNISED GAINS AND LOSSES SINCE THE LAST ANNUAL REPORT	(9,121)	71,049

BALANCE SHEET
31 December 2008

	Notes	2008 £'000	2007 £'000
FIXED ASSETS			
Tangible assets	8	76,665	84,501
Investments	9	-	-
		76,665	84,501
CURRENT ASSETS			
Stocks	10	11,755	13,167
Debtors	11	147,204	188,424
Cash at bank and in hand		1,500	-
		160,459	201,591
CREDITORS:			
Amounts falling due within one year	12	(176,033)	(243,674)
NET CURRENT LIABILITIES		(15,574)	(42,083)
TOTAL ASSETS LESS CURRENT LIABILITIES		61,091	42,418
CREDITORS:			
Amounts falling due after more than one year	13	(2,023)	(3,842)
NET ASSETS EXCLUDING PENSION LIABILITIES		59,068	38,576
NET PENSION SCHEME LIABILITIES	15	(63,100)	(33,487)
NET (LIABILITIES)/ASSETS INCLUDING PENSION LIABILITIES		(4,032)	5,089
CAPITAL AND RESERVES			
Called up share capital	16	239,000	239,000
Profit and loss account	17	(243,032)	(233,911)
SHAREHOLDERS' (DEFICIT)/FUNDS		(4,032)	5,089

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

R J Molyneux
Director

25 August 2009

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom 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 for the year of £21.3m. The balance sheet at 31 December 2008 shows that the Company has net current liabilities of £15.6 million and net liabilities of £4.0 million. The automotive sector in which the Company operates faced significant declines in customer demand during 2008 and sales volumes have remained depressed during 2009 to date.

During 2008 and the first half of 2009, the Company met its day to day working capital requirements through funding from its ultimate parent company and controlling entity, General Motors Corporation ("GMCorp").

On 1 June 2009, General Motors Corporation ("GMCorp") announced that it had filed voluntarily petitions for relief under Chapter 11 of the United States Bankruptcy Code to provide protection from creditors whilst it undertakes a restructuring of its business. This included the sale of substantially all of the global assets of GMCorp to a new holding company "General Motors Company" ("GMC"), for which court approval was received on 6 July 2009, and a capital restructuring, whereby a significant proportion of the outstanding debt owed by GMCorp was exchanged for equity in the new holding company. This restructuring completed on 10 July 2009.

GMC's Europe operations ("GME"), including the Company, are severely restricted in the availability of funding they may receive from GMC. GME has, therefore, been seeking its own sources of external financing to fund its operations as GME does not have sufficient funds to meet its liquidity requirements.

A re-organisation of the ownership structure of the European operations has taken place. On 31 May 2009, the shares of GM Automotive UK and its subsidiaries, including the Company, were transferred to the ownership of Adam Opel GmbH ("Adam Opel"), part of GME.

A viability plan was developed for the Adam Opel group of companies, which was approved by the supervisory board of GME and Adam Opel on 27 February 2009 (the "Viability Plan"). The Viability Plan included a request for €3.3 billion in financial support from federal and state governments all across Europe, €3 billion in support through GM Corp, and €0.9 billion in reductions in the Adam Opel group's structural costs. Federal and state governments signaled their willingness to provide government support on the condition that, as an initial step, potential investors be found who are prepared to sign a memorandum of understanding stating their willingness to invest in Adam Opel.

At the end of May 2009, a non-binding memorandum of understanding was signed with Magna International Inc. ("Magna") in which it was proposed that Magna and its partner take a significant stake in the Adam Opel group in return for a cash injection into the Adam Opel group. The majority of Adam Opel's shares (65%) were put into an independent trust (the balance to remain with GMC), while negotiations with Magna proceed. Since this date, further offers of investment in Adam Opel group have been received. Management currently expects a deal with one of these parties to complete by the end of 2009.

On 31 May 2009, a banking syndicate granted Adam Opel a revolving credit facility of €1.5 billion to provide short-term bridge financing to the Adam Opel group. The facility is available until the end of November 2009 and is secured by a guarantee from the German state and federal government. The Company has access to these facilities under the treasury arrangements of the Adam Opel group.

Due to circumstances set out above, Adam Opel in its 2008 annual report raised substantial doubt regarding its ability to continue as a going concern.

1. ACCOUNTING POLICIES (continued)

In preparing these financial statements, the Directors have assumed that third party investment into Adam Opel group will complete successfully and that a viable business plan, to be driven by the new owners, will be executed. Additionally, the directors have assumed that any new investor in the Adam Opel group will support the operation of the Company on a going concern basis. Consequently, the directors consider that the operations of the Company will continue on a going concern basis. However, at the date of approval of these financial statements, no binding agreement has been reached with any third party investor and the business plan of the new owner, which includes the need for significant cost reduction, the provision of government assistance and the provision of support from GMC has not been secured or executed. In the event that any of these steps do not complete or are not achieved, the Company may be unable to continue as a going concern.

The circumstances set out above represent material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless after making enquiries and based on discussions with the aforementioned parties, and considering the material uncertainties described above, the directors have a reasonable expectation that the Company will be able to secure adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors have continued to adopt the going concern basis in preparing the financial statements. The financial statements do not reflect any adjustments that would be required should the going concern basis of preparation cease to be appropriate.

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 Corporation, 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 or valuation, 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.

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.

1. ACCOUNTING POLICIES (continued)

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 monetary assets and liabilities at the balance sheet date are translated into sterling at rates prevailing at the balance sheet date or at forward cover rates, if applicable. Foreign currency transactions during the year are translated at the rate of exchange ruling at the time. The exchange gains and losses are dealt with through the profit and loss account for the year.

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 have been notifed. 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 within IBC Vehicles Limited and on a defined benefit basis in the consolidated financial statements of GM Automotive UK. The pension cost charged in the financial statements in respect of the VMLPP represents the contributions payable by the Company during the year.

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.

1. ACCOUNTING POLICIES (continued)

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

Fixed asset investments
Fixed asset investments are stated at cost less any provision for impairment.

2. TURNOVER - GEOGRAPHICAL ANALYSIS BY DESTINATION

	2008 £'000	2007 £'000
United Kingdom	303,075	308,425
Other European countries	544,695	516,232
	847,770	824,657

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.

3. OPERATING PROFIT

	2008 £'000	2007 £'000
Operating profit on ordinary activities before taxation is after charging/(crediting):		
Depreciation and amortisation of tangible fixed assets:		
Owned assets	7,364	9,147
Assets held under finance leases	782	1,083
Restructuring costs, net of contributions received	(5,722)	3,823
Foreign exchange loss	5,740	3,769
Rentals under operating leases:		
Hire of plant and machinery	324	258
Auditors' remuneration:		
Payable to the Company's auditor for audit of the Company's annual accounts	84	71

Restructuring costs in 2008 and 2007 were due to voluntary staff reductions net of amounts received from customers for agreed contributions to the cost of such programmes.

4. NET INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £'000	2007 £'000
Loans from group undertakings	(3,411)	(5,168)
Finance leases	(216)	(369)
Interest payable and similar charges	(3,627)	(5,537)
Bank interest	57	8
Interest receivable and similar income	57	8
Net interest payable	(3,570)	(5,529)

5. TAX CHARGE/(CREDIT) ON PROFIT ON ORDINARY ACTIVITIES

	2008 £'000	2007 £'000
Current tax:		
Adjustment in respect of prior years	403	(45,753)
Current tax	403	(45,753)
Deferred tax	5,600	(5,600)
	6,003	(51,353)

The tax assessed for the period differs to that resulting from applying the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below:

	2008 £'000	2007 £'000
Profit on ordinary activities before tax	27,282	9,196
Tax at UK rate of 28.5% (2007: 30%) thereon	7,775	2,759
Effects of:		
Permanent differences	(243)	(659)
Capital allowances in excess of depreciation	2,009	(2,427)
Short- term timing differences	(685)	327
Utilisation of losses brought forward	(8,856)	-
Prior year adjustment	403	(45,753)
Current tax for the year	403	(45,753)

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

6. DIRECTORS' EMOLUMENTS

	2008 £'000	2007 £'000
Emoluments (excluding pension contributions and awards under share option schemes and other long-term incentive schemes)	307	273
Contributions paid to a money purchase pension scheme	-	-

	No.	No.
Number of Directors who received, or became eligible to receive, shares during the year	1	-

	No.	No.
Number of Directors (* includes the highest paid director) who:		
- are members of a defined benefit pension scheme	10*	2*
- exercised share options	-	-
- have received awards during the year in the form of shares under long-term incentive schemes	-	-

	£'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)	146	168

The amount of the accrued pension of the highest-paid director at 31 December 2008 is £61,000 p.a. (2007: £43,000 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

	2008 No.	2007 No.
Average weekly number of employees		
Administration	124	138
Production	1,429	1,621
	1,553	1,759

	2008 £'000	2007 £'000
Costs		
Wages and salaries	51,257	55,823
Social security costs	4,032	4,456
Pension costs (note 15)	11,720	8,760
	67,009	69,039

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

8. 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 2008	37,705	130,342	4,300	172,347
Additions	10	1,040	-	1,050
Disposals	(29)	(251)	(782)	(1,062)
At 31 December 2008	37,686	131,131	3,518	172,335
Depreciation				
At 1 January 2008	12,674	73,200	1,972	87,846
Charge for the year	605	7,218	323	8,146
Disposals	(16)	(158)	(148)	(322)
At 31 December 2008	13,263	80,260	2,147	95,670
Net book value				
At 31 December 2008	24,423	50,871	1,371	76,665
At 31 December 2007	25,031	57,142	2,328	84,501

The net book value of fixed assets includes £2,280,256 (2007: £3,062,484) in respect of assets held under finance leases, all in respect of plant, machinery and equipment.

9. INVESTMENTS

Shares in subsidiary	2008 £'000	2007 £'000
Cost		
1 January	-	100
Disposal	-	(100)
31 December	-	-
Provisions for impairment		
1 January	-	72
Released on disposal	-	(72)
31 December	-	-
Net book value	-	-

The Company's sole subsidiary was IBC Vehicles (Distribution) Limited which was wholly owned. This company, which is registered in England and Wales, is a motor vehicle distributor. IBC Vehicles (Distribution) Limited was placed into members voluntary liquidation on 3 December 2007.

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

10. STOCKS

	2008 £'000	2007 £'000
Raw materials	11,588	12,767
Work in progress	157	400
Finished goods	10	-
	11,755	13,167

11. DEBTORS

	2008 £'000	2007 £'000
Trade debtors	41,547	62,071
Amounts owed by group undertakings:		
Fellow subsidiary undertakings	94,046	112,896
Group relief receivable	672	3,555
Other debtors	1,788	903
Prepaid expenses and accrued income	9,151	3,399
Deferred tax (note 14)	-	5,600
	147,204	188,424

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts	23	30
Obligations under finance leases (note 13b)	1,819	1,628
Trade creditors	97,747	137,422
Amounts owed to group undertakings:		
Fellow subsidiary undertakings	56,838	89,407
Taxation and social security	14,813	3,589
Other creditors	4,647	9,388
Accruals and deferred income	146	2,210
	176,033	243,674

13.a CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008 £'000	2007 £'000
Obligations under secured finance leases (note 13b)	2,023	3,842

13.b FINANCE LEASE OBLIGATIONS

Finance leases are repayable in instalments at varying rates of interest. The capital amounts due under finance lease obligations are as follows:

	2008 £'000	2007 £'000
Within one year (note 12)	1,819	1,628
Between one and five years (note 13a)	2,023	3,842
	3,842	5,470

14. DEFERRED TAXATION

The deferred taxation asset is analysed over the following timing differences:

	2008 £'000	2007 £'000
Accelerated capital allowances	-	5,600
Total provided deferred tax asset	-	5,600

Movement on deferred taxation balance in the year:

	2008 £'000	2007 £'000
Opening balance	5,600	-
(Charge)/credit to profit and loss account	(5,600)	5,600
Closing balance	-	5,600

The amounts of unrecognised deferred tax assets are as follows:

	2008 £'000	2007 £'000
Accelerated capital allowances	14,455	1,567
Short term timing differences	132	-
Tax losses	36,988	50,656
Pension scheme deficit	17,668	9,949
Total unrecognised deferred tax balance	69,243	62,172

No deferred tax asset has been recognised as it does not meet the recognition criterion as set out in FRS 19 'Deferred Tax' in light of the material uncertainties as set out in note 1.

15. 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 2008 was £11.7 million (2007: £8.8 million).

Contributions to the Pension Plans
During 2008 the Company made contributions to the plans of £13.9 million (2007: £9.9 million). This included special contributions of £5.8 million (2007: £1.1 million). Company contributions to the IBCVPP are 27.4% of pensionable pay and to the VMLPP are 25.6% of pensionable pay. Also, refer to note 21 for the changes made, subsequent to the balance sheet date, to the benefits for members of these schemes.

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 £4.1 million (2007 - £3.6 million).

The IBCVPP into which the Company contributes is a single-employer scheme, and is accounted for on a defined benefit basis.

Employee benefit obligations
The amounts recognised in the balance sheet are as follows:

	IBCVPP	
	Value at 31 December 2008 £m	Value at 31 December 2007 £m
Present value of scheme liabilities	(186.0)	(195.1)
Fair value of plan assets	122.9	161.6
Deficit in scheme	(63.1)	(33.5)

The amounts recognised in profit or loss are as follows:

	IBCVPP	
	2008 £m	2007 £m
Current service cost	(4.3)	(2.7)
Interest on obligation	(11.3)	(10.2)
Expected return on plan assets	11.2	9.6
Separation programme costs	(3.3)	(2.5)
Total	(7.7)	(5.8)

15. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

	IBCVPP 2008 £m	2007 £m
Expected return on assets	11.2	9.6
Actuarial loss on assets	(48.0)	(0.5)
Actual return on plan assets	(36.8)	9.1

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

	IBCVPP 2008 £m	2007 £m
Opening defined benefit obligation	195.1	197.3
Current service cost	4.3	2.7
Interest cost	11.3	10.2
Contributions by participants	1.2	1.3
Separation programme costs	3.3	2.5
Net benefits paid out	(11.6)	(7.9)
Actuarial gain on plan liabilities	(17.6)	(11.0)
Closing defined benefit obligation	186.0	195.1

Changes in the fair value of plan assets are as follows:

	IBCVPP 2008 £m	2007 £m
Opening fair value of plan assets	161.7	152.8
Expected return on assets	11.2	9.6
Contributions by the employer	8.4	6.4
Contributions by participants	1.2	1.3
Net benefits paid out	(11.6)	(7.9)
Actuarial loss on assets	(48.0)	(0.5)
Closing fair value of plan assets	122.9	161.7

The Company expects to contribute £5.057 million to its defined benefit pension plans in 2009.

15. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

The major categories of plan assets are as follows:

	IBCVPP	
	Value at 31 December 2008 £m	**Value at 31 December 2007 £m**
Equities	67.6	88.5
Property	10.8	14.9
Government bonds	30.5	28.7
Non-government bonds	13.4	25.9
Other	0.6	3.7
Total fair value of assets	122.9	161.7

The principal actuarial assumptions at the balance sheet date were:

	IBCVPP	
	31 December 2008 % pa	**31 December 2007 % pa**
Inflation	2.75	3.3
Rate of general long-term increase in salaries	3.25	3.8
Rates of increase to pensions in payment		
- Guaranteed LPI (RPI to maximum of 2.5%)	1.85	2.4
- Guaranteed LPI (RPI to maximum of 5%)	2.65	3.3
- ½ RPI to maximum of 3%	1.375	1.7
Discount rate for scheme liabilities	5.75	5.9
Expected return on plan assets	7.5	7.1

Life expectancies used in the mortality assumptions:

	IBCVPP	
	Life expectancy of a member currently aged 65	**Life expectancy at age 65 of a member currently aged 45**
Male	19.3	21.5
Female	21.2	22.6

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

15. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

Amounts for the current and previous four years are as follow:

	IBCVPP				
	2008	**2007**	**2006**	**2005**	**2004**
	£m	**£m**	**£m**	**£m**	**£m**
Defined benefit obligation	(186.0)	(195.1)	(197.3)	(201.2)	(172.6)
Plan assets	122.9	161.7	152.8	138.3	119.0
Deficit	(63.1)	(33.4)	(44.5)	(62.9)	(53.6)
Experience adjustments on plan liabilities	4.5	(0.5)	(0.5)	-	0.2
Experience adjustments on plan assets	(48.0)	(0.5)	4.3	13.2	2.8
Changes in assumptions underlying the present value of the scheme liabilities	13.1	11.5	6.9	(21.5)	(6.6)
Actuarial (loss)/gain recognised in the Statement of Total Recognised Gains and Losses	(30.4)	10.5	10.7	(8.3)	(3.6)
Cumulative amount of actuarial (loss)/gain recognised in the Statement of Total Recognised Gains and Losses brought forward	5.2	(5.3)	(16.0)	(7.7)	(4.1)
Cumulative amount of actuarial (loss)/gain recognised in the Statement of Total Recognised Gains and Losses carried forward	(25.2)	5.2	(5.3)	(16.0)	(7.7)

NOTES TO THE ACCOUNTS
Year ended 31 December 2008

15. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

For the VMLPP, the whole assets and liabilities (not just those relating to IBC Vehicles Limited) updated to 31 December 2008 on the assumptions above were as follows:

	VMLPP	
	2008	2007
	£m	£m
Assets	926.3	1,257.8
Liabilities	(1,435.6)	(1,469.0)
Deficit in scheme	(509.3)	(211.2)

16. CALLED UP SHARE CAPITAL

	2008	2007
	£'000	£'000
Authorised, called up, allotted and fully paid:		
239,000,000 (2007: 239,000,000) ordinary shares of £1 each	239,000	239,000

17. PROFIT AND LOSS ACCOUNT

	£'000
At 1 January 2008	(233,911)
Retained profit for the financial year	21,279
Actuarial loss for the financial year	(30,400)
At 31 December 2008	(243,032)

18. COMMITMENTS

At 31 December 2008 the Company was committed to making the following payments during the next year in respect of operating leases:

	Plant and machinery	
	2008	2007
	£'000	£'000
Leases which expire:		
Within one year	12	-
Within two to five years	312	250
	324	250

19. ULTIMATE PARENT UNDERTAKING

At 31 December 2008, 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 Corporation, a company registered in the State of Delaware USA. The financial statements of General Motors Corporation 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 Corporation.

20. 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 Corporation group companies or interests of the General Motors Corporation group who are related parties.

21. SUBSEQUENT EVENTS

- 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.
- On 31 May 2009, ownership of the GM Automotive UK group of companies, of which the company forms a part, transferred to Adam Opel. As part of new bridge financing arrangements put in place by Adam Opel, the Company has entered into a guarantee in favour of the lenders in respect of amounts owed to them. The guarantee requires the punctual payment of all amounts owed to the lenders. The value of the guarantee provided by the Company is limited to the lower of the loan amount outstanding by the Company to Adam Opel arising since 31 May 2009 and the total amount outstanding to the lenders. In addition the shares of the Company have been pledged by GM Automotive UK in favour of the providers of the new financing as security for the financing provided.
- As disclosed in note 1 to the accounts, on 10 July 2009 the restructuring of General Motors Corporation completed, resulting in the transfer of its assets and liabilities to a new company, the General Motors Company. This has resulted in a change of control of the Company. Some of the Company's contracts grant to the Company's counterparties certain rights in the event of a change in control. The Company is currently in discussion with the counterparties regarding these provisions. The financial effect, if any, of these discussions cannot be reliably estimated as such discussions are ongoing.