Company Registration No. 2091272

IBC VEHICLES LIMITED

Report and Financial Statements

31 December 2002

Deloitte & Touche LLP
London

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COMPANIES HOUSE 04/12/03

REPORT AND FINANCIAL STATEMENTS 2002

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IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P Thom
M James
K Wale

SECRETARY

L Galvin

REGISTERED OFFICE

P O Box 163
Kimpton Road
Luton
LU2 0TY

BANKERS

HSBC Bank plc
Barclays Bank PLC

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

DIRECTORS' REPORT

The Directors of IBC Vehicles Limited ("the Company") submit their annual report and audited financial statements for the year ended 31 December 2002.

ACTIVITIES

The activities of the Group continue to be the manufacture and distribution of motor vehicles, pressed parts and related spare parts and components.

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

OPERATING AND FINANCIAL REVIEW

2002 represented the first full year of production for the Vivaro/Trafic van with almost 80,000 vans being produced and the factory being on full 3-shift production throughout the year. Also the Company worked on most Saturdays and some Sundays to satisfy the market demand for the product.

In August 2002 the Company started to produce the Nissan Primastar expanding the Company's range to four different badged vehicles: Vauxhall, Opel, Renault and Nissan.

Frontera production continued on its one shift operation throughout the year with almost 13,000 vehicles being produced.

The Group made a loss after tax in 2002 of £7.1 million (2001 - loss of £35.6 million).

FUTURE DEVELOPMENTS

It is expected that the factory will be able to deliver the market demand in 2003 without the need for working additional hours as the Company has improved its productivity.

Further Vivaro/Trafic/Primastar variants will be introduced in 2003 such as the offer of a larger diesel engine in May together with a people carrier after the summer closure. It is also possible that the Company could be selling vans to Australia by the end of 2003.

The market reception for the Vivaro/Trafic van remains extremely positive, particularly in the UK.

Frontera production at the IBC Plant is scheduled to end in December 2003.

EMPLOYEE INVOLVEMENT

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 Company Joint Council. 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 the possibility of employing disabled persons wherever suitable opportunities exist. Employees who become disabled are given every opportunity and assistance to continue in their employment or to be trained for other suitable positions.

DIRECTORS' REPORT (continued)

DIVIDENDS

The Directors do not propose the payment of a dividend (2001 – £nil).

DONATIONS

No donations for political purposes were made during the year (2001 – £nil). The Company has made donations of £4,800 during the year for charitable purposes (2001 - £4,677).

DIRECTORS

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:

H G Burkutean	(resigned 1 June 2002)
R Harting	(resigned 1 June 2002)
J A Jonsson	(appointed 2 July 2002, resigned 22 April 2003)
M James	(appointed 2 July 2002)
D N Reilly	(resigned 28 August 2002)

At the end of the year there existed an arrangement between companies in the United Kingdom Group and General Motors Corporation under which certain group companies met the cost of awards made by the General Motors Stock Incentive Plan to eligible employees, who qualify by virtue of their employment. Such awards might include awards of Common Stock or options for Common Stock of General Motors Corporation and the eligible employees to whom such awards might be made include Directors of the Company who are also employees or Directors of other United Kingdom group companies. During the year all Directors held shares or options acquired under the arrangement.

The Directors had no interests at any time during the year in the shares of IBC Vehicles Limited, nor any other company within the United Kingdom group.

AUDITORS

Following the conversion of our Auditors Deloitte & Touche to a Limited Liability Partnership (LLP) from 1 August 2003, Deloitte & Touche resigned and the Directors appointed its successor, Deloitte & Touche LLP, as Auditors. A resolution proposing the reappointment of Deloitte & Touche LLP as Auditors of the Company 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

P Thom
Director

26 November 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and Group 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 financial statements of IBC Vehicles Limited for the year ended 31 December 2002 which comprise the consolidated profit and loss account, the reconciliation of movement in consolidated shareholders' deficit, the balance sheets 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

As described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We read the Directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards 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 judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2002 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants
and Registered Auditors
London

1 December 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 December 2002

	Note	2002 £'000	2001 £'000
TURNOVER	2	746,577	345,605
Cost of sales		(740,020)	(359,625)
Gross profit/(loss)		6,557	(14,020)
Distribution costs		(355)	(114)
Administrative expenses		(5,904)	(15,748)
OPERATING PROFIT/(LOSS)	3	298	(29,882)
Interest receivable and similar income	4	105	640
Interest payable and similar charges	5	(11,946)	(13,376)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(11,543)	(42,618)
Tax credit on loss on ordinary activities	6	4,421	7,020
RETAINED LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	17	(7,122)	(35,598)

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

During the current and preceding financial years there were no gains or losses other than those recognised in the profit and loss account and consequently no statement of total recognised gains and losses has been prepared.

RECONCILIATION OF MOVEMENT IN CONSOLIDATED SHAREHOLDERS' DEFICIT
Year ended 31 December 2002

	2002 £'000	2001 £'000
(Loss) for the financial year	(7,122)	(35,598)
Opening shareholders' deficit	(70,882)	(35,284)
Closing shareholders' deficit	(78,004)	(70,882)

CONSOLIDATED BALANCE SHEET
31 December 2002

	Note		2002		2001
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	9		120,315		125,840
CURRENT ASSETS					
Stocks	11	25,849		32,181	
Debtors	12	238,819		247,743	
Cash at bank and in hand		864		-	
		265,532		279,924	
CREDITORS:					
Amounts falling due within one year	13	(447,576)		(456,981)	
NET CURRENT LIABILITIES			(182,044)		(177,057)
TOTAL ASSETS LESS CURRENT LIABILITIES			(61,729)		(51,217)
CREDITORS:					
Amounts falling due after more than one year	14		(13,265)		(15,865)
PROVISIONS FOR LIABILITIES AND CHARGES	15		(3,010)		(3,800)
NET LIABILITIES			(78,004)		(70,882)
CAPITAL AND RESERVES					
Called up share capital	16		239,000		239,000
Profit and loss account	17		(317,004)		(309,882)
EQUITY SHAREHOLDERS' DEFICIT			(78,004)		(70,882)

These financial statements were approved by the Board of Directors on 26 November 2003 and are signed on its behalf by:

P Thom
Director

26 November 2003

COMPANY BALANCE SHEET
31 December 2002

	Note	£'000	2002 £'000	£'000	2001 £'000
FIXED ASSETS					
Tangible assets	9		120,315		125,840
Investments	10		100		100
			120,415		125,940
CURRENT ASSETS					
Stocks	11	25,849		32,181	
Debtors	12	220,148		268,501	
Cash at bank and in hand		864		-	
		246,861		300,682	
CREDITORS:					
Amounts falling due within one year	13	(428,933)		(477,767)	
NET CURRENT LIABILITIES			(182,072)		(177,085)
TOTAL ASSETS LESS CURRENT LIABILITIES			(61,657)		(51,145)
CREDITORS:					
Amounts falling due after more than one year	14		(13,265)		(15,865)
PROVISIONS FOR LIABILITIES AND CHARGES	15		(3,010)		(3,800)
NET LIABILITIES			(77,932)		(70,810)
CAPITAL AND RESERVES					
Called up share capital	16		239,000		239,000
Profit and loss account	17		(316,932)		(309,810)
EQUITY SHAREHOLDERS' DEFICIT			(77,932)		(70,810)

These financial statements were approved by the Board of Directors on 26 November 2003 and are signed on its behalf by:

P Thom
Director

26 November 2003

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting basis
The financial statements are prepared on the historical cost basis, modified to include the revaluation of certain fixed assets, in conformity with United Kingdom applicable accounting standards.

Basis of consolidation
The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking up to 31 December 2002, using the acquisition method.

Fixed assets
Freehold land is not depreciated. The cost or valuation of other fixed assets is depreciated by equal monthly instalments over the expected useful lives of the assets as follows:

Freehold buildings	25 years
Plant, machinery and equipment	3 to 25 years

Assets in the course of construction are not depreciated. 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.

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.

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.

Deferred taxation
The Company adopted Financial Reporting Standard 19 "Deferred Tax" during the financial year. Prior to the adoption of Financial Reporting Standard 19, the Company provided for deferred taxation to the extent that timing differences were expected to materialise in the foreseeable future. The new policy has been applied to the prior and current years as though the revised policy had always been applied. However, no prior year adjustment has been necessary as a result of applying the new policy to the prior year's results, as there is no material impact.

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.

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

1. ACCOUNTING POLICIES (continued)

Deferred taxation (continued)
Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. 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.

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.

Warranty liability on Company products
Provision is made for potential abnormal warranty or service liabilities on all products. Normal warranty costs are dealt with by the final wholesaler.

Pension costs
Contributions to the Company's pension fund are charged to the profit and loss account on a systematic basis over the expected average remaining service lives of current employees, adjusted for interest on the discounted cumulative adjustment.

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

2. TURNOVER - GEOGRAPHICAL ANALYSIS BY DESTINATION

	2002 £'000	2001 £'000
United Kingdom	40,610	27,280
Other European countries	705,967	318,325
	746,577	345,605

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

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

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

3. OPERATING PROFIT/(LOSS)

	2002 £'000	2001 £'000
Profit/(loss) on ordinary activities before taxation is after charging:		
Depreciation and amortisation of tangible fixed assets:		
Owned assets	12,457	7,805
Assets held under finance leases	2,839	3,070
Rentals under operating leases:		
Hire of plant and machinery	70	70
Auditors' remuneration:		
Audit fees	64	67

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £'000	2001 £'000
Bank interest	105	640

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £'000	2001 £'000
Bank loans, overdrafts and other loans	(11,343)	(12,433)
Finance leases	(603)	(943)
	(11,946)	(13,376)

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

6. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

Group	2002 £'000	2001 £'000
Current tax:		
Group relief	(4,421)	(7,020)

The tax assessed for the period differs to that resulting from applying the standard rate of corporation tax in the UK of 30% (2001 – 30%). The differences are explained below:

Group	2002 £'000	2001 £'000
Loss on ordinary activities before tax	(11,543)	(42,618)
Tax at UK rate of 30% (2001 – 30%) thereon	(3,463)	(12,785)
Effects of:		
Expenses not deductible for tax purposes	151	76
Capital allowances in excess of depreciation	(1,663)	(3,918)
Short term timing differences	63	(211)
Group relief not paid for at full rate	491	780
Tax losses carried back	-	9,038
Current tax credit for the year	(4,421)	(7,020)

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

7. DIRECTORS' EMOLUMENTS

	2002 £'000	2001 £'000
Emoluments (excluding pension contributions and awards under share option schemes and other long-term incentive schemes)	206	201
Contributions paid to a money purchase pension scheme	6	7

	No.	No.
Number of directors (* - includes the highest paid director) who:		
are members of a defined benefit pension scheme	4*	4*
exercised share options	1	1
have received awards during the year in the form of shares under long-term incentive schemes	1	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)	151	130

The amount of the accrued pension of the highest-paid director at 31 December 2002 is £17,284 p.a. (2001 – £17,264 p.a.)

8. EMPLOYEES

	2002 No.	2001 No.
Average weekly number		
Administration	200	211
Production	2,332	2,197
	2,532	2,408

	£'000	£'000
Costs		
Wages and salaries	72,910	64,426
Social security costs	5,451	4,929
Pension costs	5,427	4,218
	83,788	73,573

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

9. TANGIBLE FIXED ASSETS

The Group and the Company	Freehold land and buildings £'000	Plant, machinery and equipment £'000	Special tools, jigs and dies £'000	Total £'000
Cost				
At 1 January 2002	27,765	161,612	62,163	251,540
Additions at cost	511	5,498	4,527	10,536
Disposals	(28)	(5,629)	-	(5,657)
Reclassifications	4,784	(4,784)	-	-
At 31 December 2002	33,032	156,697	66,690	256,419
Depreciation				
At 1 January 2002	5,747	65,076	54,877	125,700
Charge for the year	1,253	12,131	1,912	15,296
Disposals	(20)	(4,872)	-	(4,892)
At 31 December 2002	6,980	72,335	56,789	136,104
Net book value				
At 31 December 2002	26,052	84,362	9,901	120,315
At 31 December 2001	22,018	96,536	7,286	125,840

The net book value of fixed assets includes £21,214,658 (2001 – £24,981,023) in respect of assets held under finance leases, of which all relates to plant, machinery and equipment.

Included within the depreciation charge of £15.3 million is £8.7 million related to the impairment of the Frontera assets.

10. INVESTMENTS

The Company	£'000
Shares in subsidiary at cost:	
At 1 January 2001 and at 31 December 2002	100

The Company's sole subsidiary is IBC Vehicles (Distribution) Limited which is wholly owned. This company, which is registered in England and Wales, is a motor vehicle distributor.

IBC VEHICLES LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

11. STOCKS

	The Group		The Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Raw materials	25,172	31,818	25,172	31,818
Work in progress	606	363	606	363
Finished goods and goods for resale	71	-	71	-
	25,849	32,181	25,849	32,181

12. DEBTORS

	The Group		The Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Trade debtors	85,066	97,987	15,779	33,463
Amounts owed by group undertakings:				
Fellow subsidiary undertakings	135,460	133,133	199,790	231,520
Other debtors	18,095	16,327	4,381	3,222
Prepayments	198	296	198	296
	238,819	247,743	220,148	268,501

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	-	2,156	-	2,156
Obligations under finance leases (see note 14)	2,907	2,311	2,907	2,311
Trade creditors	115,865	90,776	115,865	90,776
Amounts owed to group undertakings:				
Fellow subsidiary undertakings	271,656	285,542	253,013	306,328
Taxation and social security	15,851	10,849	15,851	10,849
Other creditors	8,646	5,795	8,646	5,795
Accruals	32,651	59,552	32,651	59,552
	447,576	456,981	428,933	477,767

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group and the Company 2002 £'000	2001 £'000
Obligations under secured finance leases	13,265	15,865

Finance leases are repayable in instalments at varying rates of interest.

The capital amounts due under finance lease obligations are as follows:

	£'000	£'000
Within one year (see note 13)	2,907	2,311
Between one and two years	2,885	2,599
Between two and five years	4,911	6,344
After five years	5,469	6,922
	16,172	18,176

15. PROVISIONS FOR LIABILITIES AND CHARGES

The Group and the Company	Pension provision £'000	Contract cancellation costs £'000	Total £'000
At 1 January 2002	-	3,800	3,800
Unused provisions released in the year	-	(1,000)	(1,000)
Charge to the profit and loss account	210	-	210
At 31 December 2002	210	2,800	3,010

Pension provision

This represents the difference between the charge to the profit and loss account in respect of pension costs, and the contributions to the pension schemes (see notes 1 and 19).

Contract cancellation costs

The provision relates to the cost of cancelling contracts for expenditure expected to be incurred in relation to the move of the Frontera production facilities to Ellesmere Port which will now no longer take place.

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

15 PROVISIONS FOR LIABILITIES AND CHARGES (continued)

Deferred taxation

Deferred taxation is analysed over the following timing differences:

The Group and the Company	2002 £'000	2001 £'000
Accelerated capital allowances	837	-
Short term timing differences	(63)	-
Tax losses	(774)	-
Total provision	-	-

The amounts of unprovided deferred taxation are as follows:

	2002 £'000	2001 £'000
Reverse accelerated capital allowances	-	(856)
Tax losses	(87,193)	(87,967)
Total unprovided deferred tax balance	(87,193)	(88,823)

16. CALLED UP SHARE CAPITAL

Called up share capital	2002 No.	2002 £'000	2001 No.	2001 £'000
Authorised				
Ordinary shares of £1 each	239,000,000	239,000	239,000,000	239,000
Allotted, called up and fully paid				
Ordinary shares of £1 each	239,000,000	239,000	239,000,000	239,000

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

17. RESERVES

Profit and loss account	The Group £'000	The Company £'000
At 1 January 2002	(309,882)	(309,810)
Loss for the financial year	(7,122)	(7,122)
At 31 December 2002	(317,004)	(316,932)

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year is £7,122,000 (2001 – £35,598,000).

18. COMMITMENTS

At 31 December 2002 there are no capital expenditure commitments which are not provided for in these financial statements (2001 – £nil).

At 31 December 2002 the Group was committed to making the following payments during the next year in respect of operating leases:

	Plant and machinery 2002 £'000	Plant and machinery 2001 £'000
Leases which expire:		
Within one year	60	-
Within two to five years	-	130
After five years	-	-
	60	130

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

19. 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 cost not covered by members' contributions. The Company is also committed to make good any shortfall in the plans, other than that due to benefit improvements as a result of legislative changes since the plans were set up, on winding up.

Pension cost

The Company pension cost for 2002 was £5.4 million (2001 - £4.2 million) calculated in accordance with the provisions of Statement of Standard Accounting Practice 24 "Accounting for Pension Costs", consistently applied. The latest actuarial valuation of the VMLPP and IBCVPP plans were performed at 1 January 2002. The actuarial valuations were performed using a market-led approach in which the assets are valued at their market value at the date of the valuation, and liabilities are valued using financial assumptions derived from market yields on Fixed Interest and Index-linked Government stock at the valuation date.

Assumptions

The principal assumptions underlying the valuations were: the discount rate, which took into account the ability to actually achieve a higher return than gilts, was set at 6.2%, the investment return at 7.9%, pay increases at 3.5% per annum, price inflation of 2.5% per annum and increases to pensions in payment (in excess of the guaranteed minimum pension in payment) of 2.5% for pensions with guaranteed inflation increases of up to a maximum of 5% a year and 1.3% for all other pensions. The valuations also include allowance for improved life expectancy, based on recent experience. The above method and assumptions have also been used to calculate the pension cost.

Funding level

At 1 January 2002, the market value of the assets of the VMLPP were £859 million and the market value of the assets of the IBCVPP were £102 million. The actuarial value of the assets was sufficient to cover 93% and 89% respectively of the benefits that had accrued to members. This was after the actuary had applied a smoothing adjustment of approximately 7% to reflect the volatility between the actual assets in which the plans are invested and the combination of UK Gilts and Index-linked which most closely match the plans' liabilities, and specifically the under or over performance of the plans' actual investments relative to the matched portfolio over the past three year period. At the same date the plans were 111% and 94% respectively funded on a Minimum Funding Requirement basis.

Contributions to the Pension Plans

During 2002 the Company made contributions to the plans of £5.3 million (2001 - £4.2 million). The Company contributions to the VMLPP increased to 10% of pensionable pay from 1 January 2002 and contributions to the IBCVPP increased to 16% of pensionable pay from 25 July 2002. During the year ended 31 December 2002 Vauxhall Motors Limited made a special cash contribution to the IBCVPP of £5.5 million to reimburse the cost of early retirements that were filled by transfers from Vauxhall Motors Limited's Luton plant.

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits"

The valuations have been updated to 31 December 2002 in accordance with Financial Reporting Standard 17 "Retirement Benefits" by independent, qualified actuaries. The principal assumptions used by the actuaries were:

	31 December 2002 % pa	31 December 2001 % pa
Price inflation	2.3	2.5
Rate of general long-term increase in salaries	3.3	3.5
Rates of increase to pensions in payment		
- Guaranteed LPI (RPI to maximum of 5%)	2.3	2.5
- ½ RPI to maximum of 3%	1.2	1.3
Discount rate for scheme liabilities	5.7	5.9

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, on adoption of Financial Reporting Standard 17 in full it will be accounted for on a defined contribution basis within IBC Vehicles Limited and on a defined benefit basis in the consolidated accounts of General Motors Holdings (UK).

The IBCVPP into which the Company contributes is a single-employer scheme. The Directors believe that it would be correct to account for the whole of this scheme on a defined benefit basis in IBC Vehicles Limited on the adoption of Financial Reporting Standard 17 in full.

The values of assets and liabilities below are the result of an update exercise performed by qualified actuaries as at 31 December 2002, rather than a full actuarial valuation at the balance sheet date. The update exercise is based on the last full valuations that were carried out at 1 January 2002 for both the VMLPP and IBCVPP. The update exercise did not involve the same level of detail as a full actuarial valuation, and there may be differences between the results of the update and those of a full valuation. The figures below are based on what are, in the Directors' opinion reasonable assumptions, and reflect their best estimate of the current position.

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

19. **PENSIONS (continued)**

Financial Reporting Standard 17 "Retirement Benefits" (continued)
The assets and liabilities of the IBCVPP scheme, which will be accounted for on a defined benefit basis on the full adoption of Financial Reporting Standard 17, at 31 December 2002 were:

	IBCVPP			
	Long-term rate of return expected at 31 Dec 2002 % p.a.	Value at 31 Dec 2002 £m	Long-term rate of return expected at 31 Dec 2001 % p.a.	Value at 31 Dec 2001 £m
Equities	8.5	61.3	8.9	65.4
Government bonds	4.5	24.3	4.9	33.4
Corporate bonds	5.5	8.3	5.9	2.0
Other	3.4	0.9	3.4	0.8
Total market value of assets		94.8		101.6
Present value of scheme liabilities		(143.1)		(145.0)
Deficit in scheme		(48.3)		(43.4)

Had the Group adopted Financial Reporting Standard 17 early, the profit and loss reserves at 31 December 2001 and 2002 would have been stated as follows:

	2002 £m	2001 £m
Profit and loss reserve	(317.0)	(309.9)
SSAP 24 pension liability	0.2	-
Profit and loss reserve excluding pension liability	(316.8)	(309.9)
Pension reserve (net of related deferred tax asset)	(48.3)	(43.4)
Profit and loss reserve	(365.1)	(353.3)

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

Further information regarding the IBCVPP scheme is shown below.

The analysis of the amount charged to operating profit would have been as follows:

	IBCVPP 2002 £m
Current service cost	4.4
Total operating charge	4.4

The analysis of the amount charged to other finance income would have been as follows:

	IBCVPP 2002 £m
Expected return on pension scheme assets	7.9
Interest on pension scheme liabilities	(8.8)
Net finance cost	(0.9)

The amount recognised in the Statement of Total Recognised Gains and Losses would have been as follows:

	IBCVPP 2002 £m
Actual return less expected return on pension scheme assets	(20.2)
Experience gains arising on the scheme liabilities	18.6
Changes in assumptions underlying the present value of the scheme liabilities	(1.5)
Actuarial loss that would have been recognised in the Statement of Total Recognised Gains and Losses	(3.1)

19. PENSIONS (continued)

Financial Reporting Standard 17 "Retirement Benefits" (continued)

The analysis of movement in deficit during the year would have been as follows:

	IBCVPP 2002 £m
Deficit in scheme at beginning of the year	(43.4)
Current service cost	(4.4)
Contributions	9.0
Past service costs	-
Separation programme costs	(5.5)
Other finance income	(0.9)
Actuarial loss	(3.1)
Deficit in scheme at the end of the year	(48.3)

History of experience gains and losses:

	IBCVPP 2002
Difference between expected and actual return on scheme assets:	
Amount (£m)	(20.2)
Percentage of scheme assets	(21.3%)
Experience gains/(losses) on scheme liabilities:	
Amount (£m)	18.6
Percentage of the present value of the scheme liabilities	13.0%
Total amount recognised in Statement of Total Recognised Gains and Losses:	
Amount (£m)	(3.1)
Percentage of the present value of the scheme liabilities	(2.2%)

For the VMLPP, the whole assets and liabilities (not just those relating to IBC Vehicles Limited) updated to 31 December 2002 on the assumptions above were as follows:

	VMLPP 2002 £m
Assets	750.0
Liabilities	(1,099.0)
Deficit in scheme	(349.0)

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

20. ULTIMATE PARENT UNDERTAKING

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, is 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 parent of the smallest group and immediate parent for which consolidated accounts are prepared of which this company is a part is General Motors Holdings (UK). Copies of these accounts can be obtained from Mr K J Benjamin, Griffin House, Osborne Road, Luton, Bedfordshire, LU1 3YT.

21. 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.