

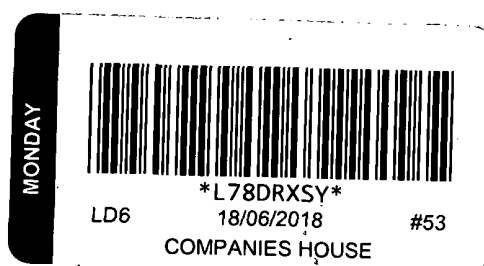
Company Registration No. 00135767

VAUXHALL MOTORS LTD

(formerly General Motors UK Limited)

Annual Report and Financial Statements

31 December 2017



VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

REPORT AND FINANCIAL STATEMENTS 31 DECEMBER 2017

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VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

REPORT AND FINANCIAL STATEMENTS 31 DECEMBER 2017

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M Wright
S Fesser
P Hope
S Oldfield
J Highnam
D Connell
S Norman
P Kuespert

SECRETARY

R S Nagi

REGISTERED OFFICE

Griffin House UK1-101-135
Osborne Road
Luton
Bedfordshire LU1 3YT

BANKERS

Barclays Bank PLC
London

ACTUARIES

Towers Watson Limited
MidCity Place
71 High Holborn
London
WC1V 6TP

AUDITOR

Deloitte LLP
Statutory Auditor
London
United Kingdom

VAUXHALL MOTORS LTD

(formerly General Motors UK Limited)

STRATEGIC REPORT

PRINCIPAL ACTIVITIES

The Company manufactures, markets and services Vauxhall branded passenger cars and light vans and supplies vehicles to other Peugeot S.A. ("PSA") group companies in Europe, which are sold under the Opel brand. The Company's vehicle and component manufacturing activities are located at Ellesmere Port, Cheshire where the Astra is produced. The Company's sales and marketing activities, as well as corporate headquarters' functions are located in Luton at Griffin House. The after-sales parts warehouse is situated at Toddington Road in Luton.

The Company is an integral part of the European operations of PSA, with all aspects of vehicle design and production co-ordinated across Europe, providing each market with a full model range for sale whilst providing economies of scale in manufacturing. The Company has entered into a contract manufacture and supply agreement with a fellow subsidiary of PSA, the effect of which is to provide guaranteed manufacturing and selling margins to the Company for the duration of the agreement.

PEUGEOT S.A.

The agreement for the acquisition of the Company by Peugeot S.A., signed on 5 March 2017, was completed on 31 July 2017.

BUSINESS REVIEW

Total UK Passenger Car sales in year ended 31 December 2017 were 195,137 cars (six months ended 31 December 2016: 118,008 cars) with a market share of 7.7%, a decrease of 1.6% over the equivalent prior period. For the year ended 31 December 2017, the total UK passenger car market reported a decrease of 5.7% (six months ended 31 December 2016: 1.2% increase).

Within the UK, Vauxhall's share of the retail car market for the year was 7.3% (six months ended 31 December 2016: 8.2%) and retail volume decreased by 24,465 units compared to the equivalent twelve month prior period. Fleet car market share was 8.0% (six months ended 31 December 2016: 10.3%) with volume decreasing by 31,354 units compared to the equivalent twelve month prior period.

Astra was awarded Best Family Car by Carbuyer, Best Family Car for less than £18,000 by WhatCar? and Best Lower Medium Car by Fleet World Honours. New Insignia was awarded Best Family Car at the Scottish Car of the Year Awards.

Vauxhall's total light commercial vehicle market share decreased from 9.25% for the six month period ended 31 December 2016 to 7.83% for the year ended 31 December 2017; sales volume decreased by 9,359 units compared to the equivalent twelve month prior period in a market which reported a 3.6% overall decrease.

Total production volume at Ellesmere Port for the period was 92,020 units (six months ended 31 December 2016: 58,655 units). Exports amounted to 92,128 units for the period (six months ended 31 December 2016: 68,209 units).

FINANCIAL REVIEW

Operating profit increased from £19.0 million in the six months ended 31 December 2016 to £136.6 million in the year ended 31 December 2017.

The Company reported an increased profit before tax in the year ended 31 December 2017 of £115.7 million (six month period ended 31 December 2016: £6.6 million) driven by the longer accounting period and the benefit of more favourable transfer pricing, principally due to the impact of the transfer of the pension schemes to another group company and pension related termination benefits arising on the voluntary separation programme. The transfer of pension liabilities as of 31 July 2017 to General Motors Europe Limited as part of the sale to PSA improved the results of the Company. The current period includes £22.7 million of costs associated with the Company's voluntary redundancy programme announced in October 2017. Excluding voluntary redundancy costs, distribution costs and administrative expenses also reflect the longer accounting period with an increase to a total of £140.7 million in the year ended 31 December 2017 from a total of £72.6 million in the preceding six months. Similarly, net interest payable of £5.9 million for the year showed a proportionate increase from the £3.1 million for the previous six months.

During the period the Directors have reviewed the amount of deferred tax asset expected to be recovered based upon the forecast timing and level of future taxable profits. As a result of this review, the Directors have recognised a deferred tax charge of £2.4 million in profit and loss, as well as eliminating deferred tax assets relating to the Company's pension scheme recorded through other comprehensive income of £36.9 million.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

STRATEGIC REPORT continued

FINANCIAL REVIEW continued

Tangible fixed assets decreased from £309.1 million at 31 December 2016 to £271.7 million at 31 December 2017, principally due to total depreciation charged during the year of £41.0 million.

Current assets decreased from £720.7 million at 31 December 2016 to £549.5 million at 31 December 2017 principally due to a £105.0 million decrease in stocks and a £68.5 million decrease in debtors. Current liabilities decreased from £1,376.6 million at 31 December 2016 to £1,127.1 million at 31 December 2017. This principally reflects a decrease in amounts owed to group undertakings of £65.4 million, in trade creditors of £119.6 million and in the liability for repurchase of vehicles under sale and repurchase agreements (arising from a decrease in the number of vehicles under such arrangements) of £94.3 million, partially offset by a £6.1 million increase in accruals and deferred income, a £16.9 million increase in creditors for taxation and social security and an increase in corporation tax payable of £6.9m.

Net liabilities excluding net pension liabilities decreased by £86.0 million to £430.0 million (31 December 2016: £516.0 million) resulting from the changes described above. As detailed in Note 18, the net pension liability decreased by £797.6 million to £141.8 million due to changes in pension arrangements. On transfer of the three pension plans to a fellow group company on 31 July 2017, the credit arising of £722.8 million was accounted for as a capital contribution.

FUTURE DEVELOPMENTS

Grandland X has been launched in 2018 into the growing SUV market, completing the Vauxhall crossover line-up alongside Crossland X and Mokka X. The Directors do not anticipate any significant changes in the activity level of the Company in the coming year.

EMPLOYEE CONSULTATION

The Company regularly communicates details of business performance with employees throughout the year. Additionally the PACE! Plan, designed to enhance profitability and competitiveness, was launched in November 2017.

FINANCIAL RISK MANAGEMENT

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 is set out in Note 1 to the financial statements.

The most important components of financial risk are liquidity risk, cash flow risk, interest rate risk, currency risk and price risk. These financial risks are managed by the treasury function of Opel Automobile GmbH ("Opel") which provides the Company's inter-company funding. A risk management control system is utilised to monitor the strategies, risks and any related hedge positions, in accordance with approved policies and procedures.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

STRATEGIC REPORT continued

PRINCIPAL RISKS AND UNCERTAINTIES

The following comprises a summary of what the Directors believe are the main risks 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.

- The Company is reliant on funding from the European treasury operations of Opel. Current funding agreements between Opel and the Company have a maturity date of 30 June 2018, but are subject to termination on 30 days' notice. To meet its liquidity needs Opel is itself reliant on a revolving credit facility without a maturity date but which can be terminated on 30 days' notice or immediately in the event of a breach of the agreement, from a subsidiary of PSA. To the extent that the Opel group, including the Company, does not remain within its borrowing limits, or generate sufficient funds to enable repayment of the revolving credit facility over this period, it will require additional financing to continue in operations. This exposes the Company to liquidity risk as there is no certainty that such additional financing will be forthcoming. The directors continue to monitor and manage this risk through timely discussions with PSA with respect to the Company's liquidity position and borrowing requirements.
- The Company operates in a competitive industry with relatively high fixed costs and where demand for vehicles has remained subdued. To offset fixed costs, competitors could attempt to sell more vehicles by, for instance, reducing vehicle prices or adding enhancements. 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.
- The Company's suppliers provide systems, components and parts needed to manufacture automotive products and operate the business. Any failure of suppliers due to current economic or other conditions could result in operational disruptions and have a material adverse effect on its business, results of operations, cash flow and financial condition. Attempts by suppliers to increase their prices, pass through increased costs, alter payment terms or seek other relief may result in increases in the Company's costs, create challenges to meeting quality objectives and in some cases make it difficult for the Company to continue production. To the extent the Company takes steps in such cases to help key suppliers remain in business, liquidity would be adversely affected. It may also be difficult to find a replacement for certain suppliers without significant delay.
- Breaches of environmental, health and safety and other laws and regulations could restrict the Company's activities, expose it to liability, increase costs and have an adverse effect on results of operations, cash flow and its financial condition.
- The Company's exposure to pension deficits has reduced significantly in the year as the Company's pension liabilities under its previous defined benefit schemes were retained by the General Motors group on sale of the Company to Peugeot S.A. on 31 July 2017. The Company has created a new defined benefit pension scheme which provides active employees with equivalent pension arrangements to the previous schemes. This new VML 2017 Pension Plan is, however, currently in deficit and current economic conditions which affect the returns earned on plan assets remain uncertain. 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 loss of a significant number of key personnel could adversely affect the Company's results of operations, cash flow and financial condition.

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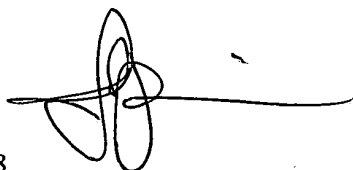
STRATEGIC REPORT continued

PRINCIPAL RISKS AND UNCERTAINTIES continued

- On 23 June 2016, a referendum in the United Kingdom returned a result in favour of leaving the European Union (commonly referred to as 'Brexit') by a margin of 52% to 48% and on 29 March 2017 the UK government triggered Article 50 of the Lisbon Treaty, which will result in the UK's withdrawal from the European Union on 29 March 2019. Whilst the longer term political and economic effects of these events are as yet unclear, the announcement of the referendum result immediately triggered a significant amount of market turbulence, including sterling falling by 10% against the US dollar and 8% against the euro and since this date sterling has remained weak against these currencies when compared to pre-referendum levels. Whilst a significant proportion of the Company's purchases are denominated in euro and to a lesser extent US dollar, resulting in an increase in costs of manufacture for vehicles produced in the UK, the impact on the Company's profit before tax is limited due to the existence of the contract manufacture and supply agreement referred to above which provides guaranteed manufacturing and selling margins to the Company for the duration of the agreement. However, the lack of clarity on the UK's relationship with the European Union after the UK's withdrawal from the United Kingdom creates uncertainty, including over future production of vehicles in the United Kingdom once the current contract manufacture and supply agreement comes to an end.

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

J Highnam
Director
11 June 2018

A handwritten signature in black ink, consisting of a stylized, cursive 'J' followed by a horizontal line and a loop.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

DIRECTORS' REPORT

The Directors of General Motors UK Limited ("the Company") present their annual report together with the audited financial statements and independent auditor's report for the year ended 31 December 2017.

CHANGE OF NAME

On 18 September 2017, the Company changed its name from General Motors UK Limited to Vauxhall Motors Limited.

GOING CONCERN

After review, the Directors continue to adopt the going concern basis in preparing the financial statements. Please refer to note 1 to the financial statements.

DIVIDENDS

No dividends were paid during the year ended 31 December 2017 (six months ended 31 December 2016: £nil). No final dividend is proposed for the year ended 31 December 2017 (six months ended 31 December 2016: £nil).

EMPLOYEE POLICIES

The Company operates an Equal Opportunities policy that is applied to all employees, contractors and agencies working for the Company. Current human resources policies are available for all employees to view on the Company intranet site. Quarterly consultation meetings, covering hourly and staff employee groups, are held with Unite the Union in order to review operational issues and human resources policies and procedures, as required.

EMPLOYMENT OF DISABLED PERSONS

The Company actively employs disabled persons 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.

FIXED ASSETS

The Directors consider the aggregate carrying value of land is not materially different from the market value.

INVESTMENTS IN DEALERSHIPS

The Company operates a Dealer Investment Plan. The primary objective is to provide financial assistance to suitably qualified candidates to set up dealerships, with the object of buying down the Company's interests in the shortest period possible. This financial support is provided by the Company investing in redeemable preference shares, debentures and loan stock of dealership companies. The Company retains control over major operational decisions until the operator has redeemed an agreed percentage of the preference shares. The Company also maintains a minority stake after buydown which enables it to retain control over strategic decisions, including, for example, use and location of the dealer's sites.

STRATEGIC REPORT

Future developments and financial risks are addressed in the Strategic Report on page 2.

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.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

DIRECTORS' REPORT continued

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 subsequently:

C Thexton	resigned 31 July 2017
D Connell	appointed 3 August 2017
J Fulcher	resigned 30 November 2017
R Harvey	resigned 10 January 2018
S Norman	appointed 1 February 2018
D Borland	resigned 28 February 2018
S Oldfield	resigned 17 May 2018
P Kuespert	appointed 21 May 2018

The Directors had no interests at any time during the period in the shares of the Company, or any other company within the United Kingdom group.

EVENTS AFTER THE BALANCE SHEET DATE

In April 2018 the Company disposed of its investment in Go Motor Retailing Limited for cash consideration of £3.6 million. A loss of £1.3 million arose on disposal.

On 4 January 2018 the Company initiated a further voluntary separation programme for eligible employees of a further 250 heads in the period from April to the end of September 2018.

In addition there is an active divestment policy relating to dealerships being adopted by the business as instructed by the PSA Group. It is expected that this will take place during 2018.

AUDITOR

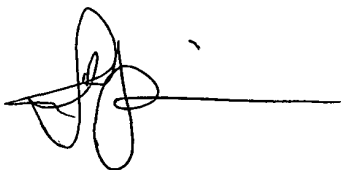
In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who is a Director at the date of approval of this report confirms that:

(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.

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

J Highnam
Director
11 June 2018



VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgements 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 adequate accounting records that are sufficient to 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 VAUXHALL MOTORS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Vauxhall Motors Limited (the 'company') which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VAUXHALL MOTORS LIMITED

continued

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not 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.

We have nothing to report in respect of these matters.



Hadleigh Shekle FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom

15 June 2018

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2017

	Note	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
TURNOVER	2	3,676.4	1,959.7
Cost of sales		(3,376.4)	(1,868.1)
GROSS PROFIT		300.0	91.6
Distribution costs		(111.3)	(53.6)
Administrative expenses, including voluntary redundancy costs of £22.7m (2016 – £nil)		(52.1)	(19.0)
OPERATING PROFIT	3	136.6	19.0
Profit on disposal of fixed assets		-	4.0
Net interest payable	4	(5.9)	(3.1)
Other finance charges	18	(15.0)	(13.3)
PROFIT BEFORE TAXATION		115.7	6.6
Tax charge on profit	5	(6.7)	(138.7)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR/PERIOD		109.0	(132.1)

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

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2017

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Profit/(loss) for the financial year/period	109.0	(132.1)
Other comprehensive income:		
Actuarial gain recognised on the pension scheme (note 18)	88.4	40.6
Movement on deferred tax relating to pension deficit	(36.9)	(60.8)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD	160.5	(152.3)

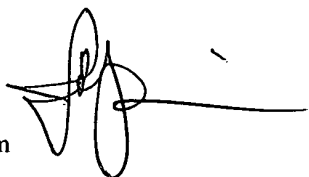
VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

BALANCE SHEET
31 December 2017

	Note	31 Dec 17 £m	31 Dec 16 £m
FIXED ASSETS			
Tangible assets			
- Land, buildings, plant, machinery and equipment	9	76.7	81.1
- Special tools, jigs and dies	10	195.0	228.0
Investments	11	17.9	21.7
		<u>289.6</u>	<u>330.8</u>
CURRENT ASSETS			
Stocks	12	446.3	551.3
Debtors			
-due within one year	13	74.5	115.1
-due after one year	13	26.1	54.0
Cash at bank and in hand		2.6	0.3
		<u>549.5</u>	<u>720.7</u>
CREDITORS:			
Amounts falling due within one year	14	(1,127.1)	(1,376.6)
NET CURRENT LIABILITIES		<u>(577.6)</u>	<u>(655.9)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(288.0)</u>	<u>(325.1)</u>
CREDITORS:			
Amounts falling due after more than one year	15	(12.5)	(9.2)
PROVISIONS FOR LIABILITIES	16	<u>(129.5)</u>	<u>(181.7)</u>
NET LIABILITIES EXCLUDING NET PENSION LIABILITY		<u>(430.0)</u>	<u>(516.0)</u>
NET PENSION SCHEME LIABILITY	18	<u>(141.8)</u>	<u>(939.4)</u>
NET LIABILITIES INCLUDING NET PENSION LIABILITY		<u>(571.8)</u>	<u>(1,455.4)</u>
CAPITAL AND RESERVES	19		
Called up share capital		848.5	848.5
Capital reserve		20.1	20.1
Share-based payments reserve		-	1.5
Profit and loss account		<u>(1,440.4)</u>	<u>(2,325.5)</u>
SHAREHOLDERS' DEFICIT		<u>(571.8)</u>	<u>(1,455.4)</u>

These financial statements were approved by the Board of Directors on 11 June 2018 and are signed on its behalf by:

J Highnam
Director



VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2017

	Called up share capital £m	Capital reserve £m	Share- based payment reserve £m	Profit and loss account £m	Total £m
At 31 July 2016	848.5	20.1	1.4	(2,173.2)	(1,303.2)
Loss for the financial period	-	-	-	(132.1)	(132.1)
Actuarial gain on defined benefit pension schemes	-	-	-	40.6	40.6
Movement on deferred tax relating to pension deficit	-	-	-	(60.8)	(60.8)
Total comprehensive loss	-	-	-	(152.3)	(152.3)
Movement in share-based payments reserve	-	-	0.1	-	0.1
At 31 December 2016	848.5	20.1	1.5	(2,325.5)	(1,455.4)
Profit for the financial year	-	-	-	109.0	109.0
Actuarial gain on defined benefit pension schemes	-	-	-	88.4	88.4
Movement on deferred tax relating to pension deficit	-	-	-	(36.9)	(36.9)
Total comprehensive income	-	-	-	160.5	160.5
Capital contribution - pension transfers (note 18)	-	-	-	722.8	722.8
Movement in share-based payments reserve	-	-	0.3	-	0.3
Transfer from share-based payment reserve (note 8)	-	-	(1.8)	1.8	-
At 31 December 2017	848.5	20.1	-	(1,440.4)	(571.8)

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and company law. The particular accounting policies adopted are described below and have been applied consistently in the current and preceding year.

General information and basis of accounting

Vauxhall Motors Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements are prepared under the historical cost convention in conformity with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it under Section 1 paragraph 12. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, remuneration of key management personnel, and disclosure of intra-group related party transactions. The parent of the group in whose consolidated financial statements the Company's financial statements are included is Peugeot S.A. and its financial statements are readily available as set out in note 21.

Going concern

The Company's balance sheet at 31 December 2017 shows that the Company had net current liabilities of £577.6 million and net liabilities of £571.8 million.

The agreement for the acquisition of the Company by Peugeot S.A. ("PSA"), signed on 5 March 2017 was completed on 31 July 2017. The market share of the enlarged PSA Group is now around 20% in Europe, making it the continent's second largest carmaker with first or second place in main markets.

The Company is reliant on funding from the European treasury operations of Opel Automobile GmbH ("Opel"). To meet its liquidity needs Opel is itself reliant on a revolving credit facility from a subsidiary of PSA ("the Opel/PSA agreement"). Current funding agreements between Opel and the Company have a maturity date of 30 June 2018, but are subject to termination on 30 days' notice. The Directors anticipate that funding will continue to be made available on similar terms and Opel Automobile GmbH has indicated its willingness to continue to provide financial support to the Company for a period of at least 12 months from the date of these financial statements.

The Directors are satisfied that, as at the date of approval of these financial statements, having made appropriate enquires of management of PSA, the Company will remain within its borrowing limits for a period of not less than 12 months from the date of approval of these financial statements and that such borrowings will continue to be made available to the Company, and thus that the Company will continue to meet its liabilities as they fall due.

Accordingly the Directors continue to adopt the going concern basis in preparing the financial statements.

Consolidated accounts

Consolidated accounts have not been prepared because the Company's results are consolidated in the publicly available accounts of Peugeot S.A., a company registered in France, which prepares consolidated financial statements. Accordingly, these financial statements represent information about the Company as an individual undertaking and not about its group.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. ACCOUNTING POLICIES continued

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Fixed assets are impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. 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 improvements and buildings	31 – 40 years
Plant, machinery and equipment	5 – 27 years

Residual value is calculated on prices prevailing at the date of acquisition. Leasehold property is written off at rates appropriate to the period of the lease or at 4 per cent per annum, whichever is the greater.

Special tools, jigs and dies

The cost of special tools, jigs and dies is written off over the estimated production run of the models to which they relate or a maximum of six years.

Investments

Investments are stated at cost less any provision for impairment.

Fixed asset and special tool leasing

For operating leases, the annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease even if the payments are not made on such a basis. Benefits receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date 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 tax rates and laws that have been enacted or substantively enacted by the balance sheet date. 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 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.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are initially recorded at transaction price, including transaction costs, unless the arrangement constitutes a financing transaction. The Company's financial assets and liabilities are payable or receivable within one year and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of any impairment.

Financial assets are de-recognised only where the contractual rights to the cash flows from the asset expire or are settled; or if the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity; or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. ACCOUNTING POLICIES continued

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value.

Cost is based either on the 'first in – first out' basis, or on a weighted average basis, and includes 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 or, if hedged, at the forward contract rates. Monetary assets and liabilities denominated in foreign currencies are translated using the rates of exchange ruling at the balance sheet date or the hedged rate and the gains or losses on translation are included in the profit and loss account.

Warranty liability on Company products

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Provision is made for the estimated liability on all products under warranty.

Termination payments

The Company immediately records termination payments as a liability and an expense on the basis of an irrevocable detailed formal plan. Amounts are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, which for offers made to encourage voluntary redundancy may include expectations of numbers of employees accepting the offer.

Pension costs

The Company made contributions to three pension plans during the period 1 January 2017 to 30 July 2017, the Vauxhall Motors Limited Pension Plan now known as the General Motors (VML) Pension Plan ("VMLPP"), the General Motors Retirees Pension Plan ("GMRPP") and the Vauxhall and Associated Companies Pension Fund ("VACPF"). As a result of PSA's acquisition of General Motors Company's Opel and Vauxhall subsidiaries on 31 July 2017, the Company's participation in these plans ceased. Over the period 31 July 2017 to 31 December 2017 the Company paid contributions to the VML 2017 Pension Plan ("VML 2017 Plan"). Each of the plans is of the "defined benefit" type where pensions are determined by an employee's earnings level at retirement and length of service. The assets of the plans are held in trustee-administered funds and are completely separate from the assets of the Company

Other companies in the PSA group of companies participated in the VMLPP and participate in the VML 2017 Plan. The Company was legally responsible for the VMLPP until 31 July 2017 and is legally responsible for the VML 2017 Plan. There is no contractual agreement or stated policy for charging the costs of the defined benefit plan as a whole to other participating employers.

Defined benefit schemes are funded, with the assets of the schemes held separately from those of the Company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. ACCOUNTING POLICIES continued

Pension costs continued

In accordance with FRS 102 the fair value of the pension schemes is reported in the balance sheet of the Company. The movements in the fair value of the schemes 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.

The net interest cost on the net defined benefit liability is charged or credited to the profit and loss account as other finance charges or income.

Turnover

Turnover is recognised under an exchange contract with a customer, when, and to the extent that, the Company obtains the right to consideration in exchange for its performance.

Turnover represents the sales of motor vehicles, components, parts and accessories net of trade discounts, VAT and other sales related taxes. Provisions for dealer and customer incentives, allowances and rebates are made at the time of vehicle sales and are recorded against revenue.

Certain vehicles are sold under agreements containing residual value or repurchase commitments. Such agreements are less than one year in duration. If the substance of the transaction indicates that the company has not transferred the principal risks and rewards of vehicle ownership to the purchaser, the transaction is accounted for as a grant of an operating lease until an economic sale of the vehicle has been made. In such cases the company does not recognise turnover on the initial sale and the vehicles are retained within stock, with a creditor being recognised for the contracted buyback price. Income under such agreements, measured as the difference between the initial sale price and the buyback price, is credited on a straight-line basis over the term of the agreement, with a corresponding cost recognised over the term of the agreement based on the difference between vehicle cost, including estimated costs of resale, and the expected net realisable value.

Share-based payment

The General Motors Company group, of which Vauxhall Motors Limited was 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 of options is based on the Black-Scholes pricing model otherwise market value at date of grant is used. 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 shares expected to vest as a result of the effect of non-market-based vesting conditions. 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.

Peugeot S.A. acquired the Company on 31 July 2017. Accordingly, no further share options or stock units will be granted, nor options exercised, under the GMC incentive plan. The balance on the company's share-based payments reserve was transferred to the profit and loss account reserve at 31 December 2017.

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. ACCOUNTING POLICIES continued

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving key sources of estimation uncertainty are described below:

Pension obligations

The Company has a commitment to pay pension benefits to the members of the VML 2017 Plan over the long-term. The accounting cost of these benefits and the present value of the pension liabilities depend on such factors as the life expectancy of the members, price inflation and the discount rate used to calculate the net present value of the future pension payments. The Company uses estimates for these factors in determining the pension costs and liabilities incorporated into the financial statements. The assumptions reflect historical experience and the Company's judgement regarding future expectations.

The value of the net pension obligation at 31 December 2017 and the key financial assumptions used to measure the obligation are disclosed in note 18.

Deferred tax

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits with an assessment of the effect of future tax planning strategies.

2. TURNOVER

The operations of the Company are based exclusively in the United Kingdom. All turnover relates to the sale of automotive products.

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Geographical analysis of turnover by destination:		
United Kingdom	2,499.1	1,469.1
Rest of Europe	1,177.3	490.6
	<u>3,676.4</u>	<u>1,959.7</u>

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

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
An analysis of the Company's revenue is as follows:		
Sale of goods	3,676.4	1,959.7
Interest income	2.0	1.1
Revenue	<u>3,678.4</u>	<u>1,960.8</u>

VAUXHALL MOTORS LTD
(formerly General Motors UK Limited)
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

3. OPERATING PROFIT

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Operating profit is arrived at after charging/(crediting)		
Depreciation of land, building, plant machinery and equipment	5.9	3.6
Depreciation of special tools, jigs and dies	35.1	20.5
Cost of inventory recognised as an expense	3,287.2	1,852.8
Impairment loss/(gain) on inventory	0.6	(0.4)
Foreign exchange loss	2.5	10.4
Rentals under operating leases		
- hire of plant and machinery	0.3	0.2
- other operating leases	3.6	4.1
Sub lease rental income	(2.9)	(2.8)
Profit on disposal of fixed assets	0.6	-
Auditor's remuneration:		
- Audit fees		
Fee payable to the Company's auditor for the audit of the Company's accounts for the year	0.6	0.4
- Non-audit fees		
Other services supplied under section 404 of the US Sarbanes-Oxley Act 2002	-	0.2
	<u> </u>	<u> </u>

Impairment losses on inventory are included in cost of sales.

As a part of PSA Group's PACE! Plan, a voluntary redundancy programme was implemented impacting employees at both Ellesmere Port factory and at the corporate headquarters in Luton. The total amount charged to the profit and loss account within administrative expenses was £22.7 million. Of this total balance, £7.8 million was paid prior to 31 December 2017 and the remaining liability of £14.9 million is included within accruals and deferred income in note 14.

4. NET INTEREST PAYABLE

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Interest payable		
- loans from group undertakings	(7.9)	(4.2)
Total interest payable	<u>(7.9)</u>	<u>(4.2)</u>
Interest receivable		
- loans to group undertakings	2.0	1.0
- other	-	0.1
Total interest receivable	<u>2.0</u>	<u>1.1</u>
Net interest payable	<u>(5.9)</u>	<u>(3.1)</u>

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

5. TAX CHARGE

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Current tax:		
UK corporation tax at 19.25% (six months ended 31 December 2016: 20%)	(4.1)	-
Adjustment in respect of prior periods	(0.2)	(0.1)
	(4.3)	(0.1)
Deferred tax (note 17)	(2.4)	(138.6)
Total tax	(6.7)	(138.7)

The tax assessed for the year differs to that resulting from applying the standard rate of corporation tax in the UK of 19.25% (six months ended 31 December 2016: 20%)

The differences are explained below:

	Year ended 31 Dec 17 £m	Six month period ended 31 Dec 16 £m
Profit before tax	115.7	6.6
Tax at UK rate of 19.25% (six months ended 31 December 2016: 20%) thereon	(22.3)	(1.3)
Effects of:		
Permanent expenses deductible for tax purposes	(0.8)	0.4
Prior period adjustments	(0.2)	(0.1)
Deferred tax not recognised	16.6	(137.7)
Total tax charge	(6.7)	(138.7)

The UK corporation tax rate was reduced to 19% from 1 April 2017. As a result of the Finance (No.2) Act 2016, which received Royal Assent on 15 September 2016, the UK corporation tax rate will be further reduced to 17% effective from 1 April 2020. The reduction to the tax rate included in the Finance (No. 2) Act 2016 was enacted at the balance sheet date and the effect thereof is therefore reflected in these financial statements.

There is no expiry date on timing differences or unused tax losses.

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

6. EMPLOYEES

	Year ended 31 Dec 17 No.	Six month period ended 31 Dec 16 No.
a. Average monthly number including executive directors:		
Salaried	1,017	1,025
Hourly	1,776	1,876
	<u>2,793</u>	<u>2,901</u>
	£m	£m
b. Costs		
Wages and salaries	110.4	55.6
Social security costs	11.0	5.7
Pension costs (note 18)	43.2	33.9
	<u>164.6</u>	<u>95.2</u>

The above costs do not include the termination benefits disclosed in note 3 arising from the voluntary separation programme of £22.7 million or the associated additional pension costs of £27.4 million (2016: £0.2 million).

7. EMOLUMENTS OF DIRECTORS

	Year ended 31 Dec 17 £'000	Six month period ended 31 Dec 16 £'000
Directors' emoluments	2,591.5	826.4
Gains made by directors on the exercise of share options	403.6	-
Aggregate of contributions paid in respect of money purchase pension schemes	<u>24.9</u>	<u>15.0</u>
		No.
Number of Directors who received, or became eligible to receive, shares during the year (*includes highest paid Director)	<u>7*</u>	<u>-</u>
	No.	No.
Number of Directors who are members of a money purchase pension scheme	4	4
Number of Directors who are members of a defined benefit pension scheme	5	5
	<u>£'000</u>	<u>£'000</u>
In respect of the highest paid Director:		
Aggregate emoluments	607.0	206.2
Contributions paid in respect of a money purchase pension scheme	-	-
Annual pension accrued under a defined benefit pension scheme	<u>39.0</u>	<u>53.7</u>

The emoluments of certain Directors, including those of the highest paid Director, have been apportioned between the PSA group companies of which they are Directors. Also included within the above emoluments, where applicable, are certain benefits in kind, principally housing and living allowance costs. Two directors exercised share options in the year (six months ended 31 December 2016: none).

VAUXHALL MOTORS LTD

(formerly General Motors UK Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

8. SHARE-BASED PAYMENTS

Peugeot S.A. acquired the Company on 31 July 2017. Accordingly, no further share options or stock units will be granted, nor options exercised, as part of the 2014 GMLTIP. The balance on the company's share-based payments reserve was transferred to the profit and loss account reserve at 31 December 2017.

There were no awards outstanding at 31 December 2017. At 31 December 2016 and 31 July 2017, outstanding amounts consisted of awards granted to individuals under the General Motors Company 2014 Long-Term Incentive Plan and the 2009 Long-Term Incentive Plan. The 2014 Long-Term Incentive Plan ("2014 GMLTIP") which awards Restricted Stock Units ("RSU"s), Performance Stock Units ("PSU"s) and Stock Options ("Options") replaced the 2009 Long-Term Incentive Plan ("2009 GMLTIP"). The 2014 GMLTIP is administered by the Executive Compensation Committee of the board of directors of General Motors Company ("GM").

Awards granted under the 2014 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 and PSUs. The cost of new grants of RSUs, PSUs and Options is based on the fair US dollar value of GM common stock on the date of grant. Two-fifths of Options awarded are exercisable approximately 19 months after the date of grant and the remainder vest rateably over the next three years based on the performance of GM common stock. Options expire 10 years from the grant date.

Details of the RSUs, PSUs and Options outstanding during the year are as follows:

	Year ended 31 December 2017		Six month period ended 31 December 2016	
	Number (‘000)	Weighted average price (£)	Number (‘000)	Weighted average price (£)
Outstanding at beginning of the year	79.7	23.25	79.7	23.25
Vested	(6.8)	20.85	-	-
Exercised	(20.1)	20.10	-	-
Granted during the year	21.6	27.93	-	-
Eliminated on 31 July 2017	(74.4)	23.02	-	-
Outstanding at the end of the year	-	-	79.7	23.25

There were no awards outstanding at 31 December 2017. At 31 December 2016 awards had a weighted average remaining contractual life of 2.6 years. Awards were made on 14 February 2017 (six month period ended 31 December 2016: no awards made) and the aggregate of the estimated fair values of the awards made is £0.4 million (31 December 2016: £0.6 million) all of which in both periods relates to the Directors. The Company recognises these amounts as total expenses related to equity-settled share-based payment transactions. The charge recorded for the year ended 31 December 2017 was £0.1 million (six month period ended 31 December 2016: £nil).

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

9. TANGIBLE FIXED ASSETS - LAND, BUILDINGS, PLANT, MACHINERY AND EQUIPMENT

	Freehold land and buildings	Long leasehold land and buildings	Plant, machinery and equipment	Assets in the course of construction	Total
	£m	£m	£m	£m	£m
Cost					
At 1 January 2017	407.5	8.7	424.5	9.6	850.3
Additions	0.2	-	6.0	0.6	6.8
Transfers	0.3	-	1.9	(2.2)	-
Disposals	-	(0.1)	(0.9)	(5.2)	(6.2)
At 31 December 2017	<u>408.0</u>	<u>8.6</u>	<u>431.5</u>	<u>2.8</u>	<u>850.9</u>
Accumulated depreciation					
At 1 January 2017	379.1	7.6	382.0	0.5	769.2
Charge for the year	0.9	0.1	4.9	-	5.9
Disposals	-	(0.1)	(0.8)	-	(0.9)
At 31 December 2017	<u>380.0</u>	<u>7.6</u>	<u>386.1</u>	<u>0.5</u>	<u>774.2</u>
Net book value					
At 31 December 2017	<u>28.0</u>	<u>1.0</u>	<u>45.4</u>	<u>2.3</u>	<u>76.7</u>
At 31 December 2016	<u>28.4</u>	<u>1.1</u>	<u>42.5</u>	<u>9.1</u>	<u>81.1</u>

10. TANGIBLE FIXED ASSETS – SPECIAL TOOLS, JIGS AND DIES

	£m
Cost	
At 1 January 2017	404.7
Additions	2.1
At 31 December 2017	<u>406.8</u>
Accumulated depreciation	
At 1 January 2017	176.7
Charge for the year	35.1
At 31 December 2017	<u>211.8</u>
Net book value	
At 31 December 2017	<u>195.0</u>
At 31 December 2016	<u>228.0</u>

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

11. INVESTMENTS

	31 Dec 17 £m Cost	31 Dec 17 £m Provision	31 Dec 17 £m Net	31 Dec 16 £m Net
Investments in dealership subsidiaries	12.8	(3.6)	9.2	12.5
Loans to dealership subsidiaries	6.4	-	6.4	6.2
Investments in other dealerships	2.0	-	2.0	2.5
Loans to other dealerships	-	-	-	0.2
Other investments	0.3	-	0.3	0.3
	<u>21.5</u>	<u>(3.6)</u>	<u>17.9</u>	<u>21.7</u>

Investments in dealerships arise as a result of the Company's Dealer Investment Plan. The primary objective of this plan is to provide financial assistance to suitably qualified candidates to set up dealerships, with the objective of buying down the Company's interests in the shortest period possible. This financial support is provided by the Company investing in redeemable preference shares, debentures and loan stock of dealership companies. The Company retains control over major operational decisions until the operator has redeemed an agreed percentage of the preference shares. The Company also maintains a minority stake after buydown which enables it to retain control over strategic decisions, including, for example, use and location of the dealer's sites. At 31 December 2017, Vauxhall Motors Limited's share of investments in dealerships ranged between 1% and 100%.

Dealership and other subsidiaries are detailed below. All companies shown are incorporated within the United Kingdom and the registered address is 10 Chiswell Street, London, EC1Y 4UQ in all cases.

Company	Principal activities	Class of share	Holding
Go Motor Retailing Limited	1	Ordinary	100%
		Ordinary 'B' shares	100%
Motors Properties (Trading) Limited	1	Ordinary	100%
		Preference	100%
Baylis (Gloucester) Limited	1	Ordinary 'A' shares	100%
		Preference	100%
Vickers (Lakeside) Limited	1	Ordinary	100%
		Ordinary 'C' shares	100%
		Ordinary 'Z' shares	100%
		Preference	100%
Vauxhall Trade Parts Limited	2	Ordinary	100%
Motors Properties Limited	3	Ordinary	100%

Principal activities

- 1 Purchasing, selling and repairing of motor vehicles and other ancillary services
- 2 Wholesaling of automotive parts to the motor trade
- 3 Holding company

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

11. INVESTMENTS continued

Information in respect of movements during the year:

	Other Inv'ts £m	Dealership Subsidiaries Inv'ts £m	Loans £m	Dealership Investments Inv'ts £m	Loans £m	Total £m
Balance at 31 December 2016	0.3	12.5	6.2	2.5	0.2	21.7
Additions	-	2.1	1.3	-	-	3.4
Revaluation	-	(0.7)	-	-	-	(0.7)
Redemptions, sales and repayments	-	(1.1)	(1.1)	(0.5)	(0.2)	(2.9)
Provisions	-	(3.6)	-	-	-	(3.6)
Balance at 31 December 2017	<u>0.3</u>	<u>9.2</u>	<u>6.4</u>	<u>2.0</u>	<u>-</u>	<u>17.9</u>

12. STOCKS

	31 Dec 17 £m	31 Dec 17 £m	31 Dec 16 £m	31 Dec 16 £m
Raw materials and work in progress		39.8		61.6
Finished product:				
Motor vehicles	182.8		183.0	
Parts and accessories	<u>29.4</u>		<u>35.7</u>	
Total finished goods		212.2		218.7
Motor vehicles sold under sale and repurchase agreements		<u>194.3</u>		<u>271.0</u>
		<u>446.3</u>		<u>551.3</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

13. DEBTORS

	31 Dec 17 £m	31 Dec 16 £m
Amounts falling due within one year:		
Trade debtors	24.0	50.6
Amounts owed by parent and fellow subsidiary undertakings	10.0	4.2
Corporation tax	-	1.0
Deferred tax (see note 17)	14.3	25.7
Other debtors	20.6	30.0
Prepayments and accrued income	<u>5.6</u>	<u>3.6</u>
	74.5	115.1
Amounts falling due after one year:		
Deferred tax (see note 17)	<u>26.1</u>	<u>54.0</u>
	<u>100.6</u>	<u>169.1</u>

The amount of the net reversal of deferred tax expected to occur next year is £14.3 million in relation to accelerated capital allowances. The remaining £26.1 million will reverse after more than one year.

VAUXHALL MOTORS LTD**(formerly General Motors UK Limited)****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 December 2017****14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 Dec 17 £m	31 Dec 16 £m
Trade creditors	138.2	257.8
Amounts owed to parent and fellow subsidiary undertakings	506.6	572.0
Taxation and social security	30.3	13.4
Other creditors	-	0.1
Corporation tax	6.9	-
Liability for repurchase of specific vehicles sold under sale and repurchase agreements	221.5	315.8
Accruals and deferred income	223.6	217.5
	<u>1,127.1</u>	<u>1,376.6</u>

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

	31 Dec 17 £m	31 Dec 16 £m
Deferred income	2.3	0.1
Other creditors	10.2	9.1
	<u>12.5</u>	<u>9.2</u>

16. PROVISIONS FOR LIABILITIES

	£m
At 31 December 2016	181.7
Utilised in the year	(68.8)
Charged in the year	16.6
	<u>129.5</u>
At 31 December 2017	<u>129.5</u>

This provision relates to estimated warranty claims on products sold, the bulk of which are expected to crystallise within three years.

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

17. DEFERRED TAXATION

With effect from 1 July 2014, the Company has entered into a contract manufacture and supply agreement with another group company, the effect of which is to provide guaranteed manufacturing and selling margins to the Company for the duration of the agreement. As a result, the directors have assessed that it is more likely than not that taxable profits will arise in the future and in accordance with United Kingdom Generally Accepted Accounting Practice have recognised a deferred tax asset expected to be realised over the period for which taxable profits can be reasonably forecast. Deferred taxation recognised at 17% (2016: 17%) in the financial statements is set out below:

	Losses £m	Capital allowances in excess of depreciation £m	Pensions £m	Total £m
At 31 December 2016	-	10.7	69.0	79.7
Movement in the year:				
Profit and loss account	1.3	28.4	(32.1)	(2.4)
Other comprehensive income	-	-	(36.9)	(36.9)
At 31 December 2017	1.3	39.1	-	40.4

£40.4 million of the total deferred tax asset has been recognised as at 31 December 2017 (31 December 2016: £79.7 million) based on likely timing and level of future taxable profits with an assessment of the effect of future tax planning strategies. As at 31 December 2017 the amount of unused tax losses is £467 million and the amount of unused research and development expenditure credit is £200,000. There is no expiry date on timing differences, unused tax losses or tax credits.

18. PENSIONS

The Company made contributions to three pension plans during the period 1 January 2017 to 30 July 2017, the Vauxhall Motors Limited Pension Plan now known as the General Motors (VML) Pension Plan ("VMLPP"), the General Motors Retirees Pension Plan ("GMRPP") and the Vauxhall and Associated Companies Pension Fund ("VACPF"). As a result of PSA's acquisition of General Motors Company's Opel and Vauxhall subsidiaries on 31 July 2017, the Company's participation in these plans ceased. Over the period 31 July 2017 to 31 December 2017 the Company paid contributions to the VML 2017 Pension Plan ("VML 2017 Plan"). Each of the plans is of the "defined benefit" type where pensions are determined by an employee's earnings level at retirement and length of service. The assets of the plans are held in trustee-administered funds and are completely separate from the assets of the Company.

The company also makes contributions to a "defined contributions" type scheme named the Vauxhall Defined Contribution Pension Plan ("VDCPP"). The VDCPP is administered by Fidelity on behalf of the Plan Trustee and its assets are held by independent managers.

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.

Date of the most recent comprehensive actuarial valuation

Actuarial valuations for funding purposes are carried out at least every three years. The first actuarial valuation of the VML 2017 Plan is due to be carried out with an effective date of 1 January 2018. For accounting purposes, the Company has employed an independent actuary to carry out an annual valuation to determine the DBO and pension cost. The most recent annual accounting disclosure valuations were based on census data collected as at 1 October 2017 and adjusted for benefits paid over the period 31 July 2017 to 31 December 2017.

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

18. PENSIONS continued

Pension cost

The Company's total charge to operating profit for the year ended 31 December 2017 was £56.7 million (six months ended 31 December 2016: £21.2 million) and relates to the VML 2017 Plan, VMLPP, GMRPP, VACPF and VDCPP pension schemes.

The charge relating to VDCPP alone amounted to £1.1 million (six months ended 31 December 2016: £0.6 million).

The Company made contributions to the plans in the year ended 31 December 2017 of £55.3 million (six month period ended 31 December 2016: £42.0 million). A further £1.7 million was contributed by another group company (2016: £1.7 million).

Effective from 31 March 2016 a new Schedule of Contributions was agreed between the Company and the Trustee of the VMLPP following the completion of the 1 January 2014 valuation of the Plan. Under the agreement the Company agreed to pay £65.0 million pa from 1 April 2015 to VMLPP, increasing annually by twice the increase in the Retail Prices Index subject to a maximum annual increase of 10%. The annual contribution due from 1 April 2015 was £65.0 million.

Effective from 31 March 2016 a new Schedule of Contributions was agreed between the Company and the Trustee of the VACPF following the completion of the 1 January 2014 valuation of the Plan. Under this agreement, the Company agreed to make payments on or before 31 July each year, with the sum payable from 2014 increasing annually by twice the increase in the Retail Prices Index subject to a maximum annual increase of 10%. The annual contribution due by 31 July 2014 was £1.0 million.

Following the most recent actuarial valuation, the Company and Trustees of GMRPP agreed that no contributions were due to the Plan.

Financial Reporting Standard 102 "Post-employment Benefits"

The VMLPP into which the Company contributed until 31 July 2017 and the VML 2017 Plan into which the Company contributed thereafter were multi-employer schemes. In the opinion of the Directors, sufficient information was not available to use defined benefit accounting to separate out the assets and liabilities of the scheme between different group companies which contribute to it. IBC Vehicles Limited, a participating employer in both plans was not required under the VML Plan's Schedule of Contributions to pay contributions to the VML Plan to fund any deficit in the scheme and accordingly its participation in the VML Plan is accounted for on a defined contribution basis in the financial statements of IBC Vehicles Limited. Vauxhall Motors Limited is required to account for VML 2017 Plan on a defined benefit basis, consistent with the approach used to account for VMLPP, GMRPP and VACPF until their transfer to another General Motors group company.

Employee benefit obligations

The amounts recognised in profit or loss are as follows:

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Service cost in the current period	28.9	14.0
Plan introductions, changes, curtailments and settlements	(2.1)	-
Acquisitions and divestitures	-	-
Net interest on net defined benefit liability	15.0	13.3
	<hr/>	<hr/>
Defined benefit cost recognised in the profit and loss account	41.8	27.3
Administration costs incurred during the period	1.4	6.4
Cost of termination benefits	27.4	0.2
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Cost recognised in the profit and loss account	70.6	33.9

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

18. PENSIONS continued

The amount disclosed within note 6 is the total pension costs above excluding the cost of termination benefits of £27.4m

The actual return on plan assets was £124.1 million (31 December 2016: £146.9 million).

The amounts recognised in Other Comprehensive Income in respect of the defined benefit schemes are as follows:

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Actuarial loss arising during the period	4.5	79.8
Return on plan assets greater than discount rate	(92.9)	(120.4)
Remeasurement effects recognised in Other Comprehensive Income	<u>(88.4)</u>	<u>(40.6)</u>

A capital contribution of £722.8m has been recorded within the statement of changes in equity relating to the transfer of pension schemes on 30 July 2017 to a fellow subsidiary at that date, General Motors Europe Limited.

The total costs relating to the schemes are as follows:

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Cost recognised in the profit and loss account	70.6	33.9
Remeasurement effects recognised in Other Comprehensive Income	(88.4)	(40.6)
Total credit relating to the defined benefit schemes	<u>(17.8)</u>	<u>(6.7)</u>

The amounts recognised in the balance sheet are as follows:

	VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Present value of defined benefit obligations	(153.0)	(3,017.0)
Fair value of scheme assets	11.2	2,089.3
Irrecoverable surplus (effect of asset ceiling)	(141.8)	(927.7)
Net defined benefit liability	<u>(141.8)</u>	<u>(939.4)</u>

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

18. PENSIONS continued

Made up of:

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Opening net defined benefit liability	(939.4)	(989.8)
Net interest cost	(15.0)	(13.3)
Remeasurement effects	88.4	40.6
Effect of employee service in the current period	(28.9)	(14.0)
Termination benefits	(27.4)	(0.2)
Employer contributions	57.0	43.7
Expenses	(1.4)	(6.4)
Plan introductions, changes, curtailments and settlements	2.1	-
Divestitures	722.8	-
	<hr/>	<hr/>
Net defined benefit liability	(141.8)	(939.4)

Changes in the defined benefit obligation are as follows:

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Opening defined benefit obligation	3,017.0	2,932.2
Effect of employee service in the current period	28.9	14.0
Interest cost	46.2	39.8
Remeasurement effects recognised in Other Comprehensive Income	4.5	79.8
Plan participants' contributions	0.1	0.1
Benefits paid from plan assets	(58.8)	(49.1)
Cost of termination benefits	27.4	0.2
Plan introductions, changes, curtailments and settlements	(2.1)	-
Divestitures	(2,910.2)	-
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Closing defined benefit obligation	153.0	3,017.0

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

18. PENSIONS continued

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

	VMLPP, VACPF, GMRPP and VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Opening fair value of plan assets	2,089.3	1,954.1
Interest income on plan assets	31.2	26.5
Return on plan assets greater than discount rate	92.9	120.4
Employer contributions	57.0	43.7
Plan participants' contributions	0.1	0.1
Benefits paid	(58.8)	(49.1)
Administration costs paid	(1.4)	(6.4)
Reversal of irrecoverable surplus	(11.7)	-
Divestitures	(2,187.4)	-
	<hr/>	<hr/>
Closing fair value of plan assets	11.2	2,089.3
	<hr/>	<hr/>

At the date of signing these accounts, the contributions to be made by the Company to the VML 2017 Plan in 2018 are pending agreement between the Trustees of the Plans and the Company.

The major categories of plan asset are as follows:

	VML 2017 Plan 31 Dec 17 £m	VMLPP, VACPF and GMRPP 31 Dec 16 £m
Equities	-	882.2
Property	-	202.3
Government and non-government bonds	-	297.3
Other	11.2	517.0
Annuity policy	-	190.5
	<hr/>	<hr/>
Total fair value of assets	11.2	2,089.3
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No financial instruments issued by a group company are included in the fair value of plan assets (2016: £0.8 million).

VAUXHALL MOTORS LTD
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

18. PENSIONS continued

The principal actuarial assumptions at the balance sheet date and as at 31 July 2017 on plan introduction and pension scheme transfers were as follows:

		VML 2017	
		31 Dec 2017	31 July 2017
		1 Oct 2017	1 Oct 2017
Date for actuarial assumptions			
Plan participant census date			
Discount rate for scheme liabilities	% pa	2.7	2.7
RPI inflation	% pa	3.3	3.2
CPI inflation	% pa	2.3	2.2
Rate of salary increase	% pa	3.3	3.2
Pension increases for in-payment benefits			
- Guaranteed LPI (RPI to maximum of 5%)	% pa	3.2	3.1
- Guaranteed LPI (RPI to maximum of 2.5%)	% pa	2.2	2.2
- ½ RPI to maximum of 3%	% pa	-	-
- Post 88 GMP increases	% pa	2.0	1.95
Pension increases for deferred benefits	% pa	2.3	2.2

		VMLPP	GMRPP	VACPF
		31 July 2017	31 July 2017	31 July 2017
		1 Oct 2017	1 Oct 2017	1 Oct 2017
Date for actuarial assumptions				
Plan participant census date				
Discount rate for scheme liabilities	% pa	2.52	2.19	2.38
RPI inflation	% pa	3.2	3.2	3.2
CPI inflation	% pa	2.2	2.2	2.2
Rate of salary increase	% pa	n/a	n/a	n/a
Pension increases for in-payment benefits				
- Guaranteed LPI (RPI to maximum of 5%)	% pa	3.0	n/a	n/a
- Guaranteed LPI (RPI to maximum of 2.5%)	% pa	1.9	n/a	n/a
- ½ RPI to maximum of 3%	% pa	n/a	n/a	n/a
- Post 88 GMP increases	% pa	1.9	1.9	1.9
Pension increases for deferred benefits	% pa	2.2	2.2	2.2

		31 Dec 16	VMLPP	GMRPP	VACPF
			1 Oct 2016	1 Oct 2016	1 Oct 2016
Plan participant census date					
Discount rate for scheme liabilities	% pa		2.8	2.4	2.6
RPI inflation	% pa		3.0	3.0	3.0
CPI inflation	% pa		2.0	2.0	2.0
Rate of salary increase	% pa		3.0	n/a	n/a
Pension increases for in-payment benefits					
- Guaranteed LPI (RPI to maximum of 5%)	% pa		2.8	n/a	n/a
- Guaranteed LPI (RPI to maximum of 2.5%)	% pa		1.9	n/a	n/a
- ½ RPI to maximum of 3%	% pa		1.5	n/a	n/a
- Post 88 GMP increases	% pa		1.8	1.8	1.8
Pension increases for deferred benefits	% pa		2.0	2.0	2.0

		VML 2017	
Life expectancies used in the mortality assumptions:			
of a member currently aged 65	Male	21.5	
of a member currently aged 65	Female	23.6	
at age 65 of a member currently aged 45	Male	22.7	
at age 65 of a member currently aged 45	Female	24.9	

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19. CAPITAL AND RESERVES

	31 Dec 17	31 Dec 16
	£m	£m
Called up, allotted and fully paid:		
848,508,917 (31 December 2016: 848,508,917) ordinary shares of £1 each	848.5	848.5

Called-up share capital represents the nominal value of shares that have been issued. The Company has one class of ordinary shares which carry no right to fixed income.

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

20. COMMITMENTS

(a) Capital expenditure authorised and commitments not provided in these accounts are:

	31 Dec 17	31 Dec 16
	£m	£m
Committed	3.1	48.6

(b) At 31 December 2017 the total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Dec 17	31 Dec 16
	£m	£m
Operating leases – lessee		
Payments for periods		
not later than one year	3.1	3.1
later than one year and not later than five years	12.8	9.4
later than five years	22.7	29.2
	38.6	41.7

(c) At 31 December 2017 the total future minimum rent receivables under non-cancellable operating leases are as follows:

	31 Dec 17	31 Dec 16
	£m	£m
Operating leases – lessor		
Payments for periods		
not later than one year	1.8	2.5
later than one year and not later than five years	3.3	3.6
later than five years	-	1.7
	5.1	7.8

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21. ULTIMATE PARENT COMPANY

At 31 December 2017, 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 Peugeot S.A., a company registered in France. The financial statements of Peugeot S.A. are available from its registered office at 7 Rue Henri Sainte-Claire Déville, 92500 Reuil-Malmaison, France.

The immediate parent company and controlling entity of the Company is VHC Sub-Holdings (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 Opel Automobile GmbH, a company registered in Germany. The financial statements of Opel Automobile GmbH are available from its registered office Bahnhofplatz, 65423 Rüsselsheim am Main, Germany.

22. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption granted by paragraph 33.1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" not to disclose transactions with Peugeot S.A. group companies or interests of the Peugeot S.A. group who are related parties.

All pensions administration costs are incurred by Vauxhall Motors Limited and were recharged to five plans within the group to 31 July 2017 and two plans within the group thereafter. The total cost for the year ended 31 December 2017 was £0.4 million (six month period to 31 December 2016: £0.2 million) and of this £nil million (six month period to 31 December 2016: £0.2 million) was outstanding from other group companies at the year end and is included in current debtors.

As detailed in note 18, the Company made contributions to three of the five pension plans within the group, the Vauxhall Motors Limited Pension Plan (now known as the General Motors (VML) Pension Plan), the General Motors Retirees Pension Plan and the Vauxhall and Associated Companies Pension Fund to 30 July 2017. Subsequent contributions have been made to the Vauxhall Motors Ltd 2017 Pension Plan ("New VML Plan"). The total pensions administration costs charged to these four plans and included in the figures disclosed above are £0.4 million (six month period to 31 December 2016: £0.2 million) and of this £nil million (six month period to 31 December 2016: £0.2 million) was outstanding from other group companies at the year-end and included in current debtors.

In addition, Vauxhall Motors Limited incurs pension investment costs which are charged to the Common Investment Fund into which the seven pension plans above were invested during the year. The total cost for the year to 31 December 2017 was £0.3 million (six month period to 31 December 2016: £0.3 million) and of this £nil million (six month period to 31 December 2016: £0.2 million) was outstanding from other group companies at the year-end and is included in current debtors.

23. POST BALANCE SHEET EVENTS

In April 2018 the Company disposed of its investment in Go Motor Retailing Limited for cash consideration of £3.6 million. A loss of £1.3 million arose on disposal.

On 4 January 2018 the Company initiated a further voluntary separation programme for eligible employees of a further 250 heads in the period from April to the end of September 2018.

In addition there is an active divestment policy relating to dealerships being adopted by the business as instructed by the PSA Group. It is expected that this will take place during 2018.