

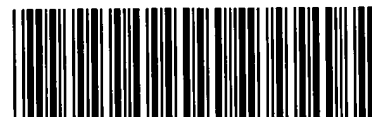
Company Registration No. 2091272

IBC VEHICLES LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2021

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IBC VEHICLES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

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IBC VEHICLES LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Morales Facerías
C MacDonald
P Wilcox

SECRETARY

M E Page

REGISTERED OFFICE

Kimpton Road
Luton
Bedfordshire
England
LU2 0JX

BANKERS

Barclays Bank PLC
London

ACTUARY

Deloitte Total Reward and Benefits Limited
Hill House
1 Little New Street
London
EC4A 3TR

ACTUARY ADVISOR

Mercer Health & Benefits LLC
155 North Wacker Drive, Suite 1500
Chicago, IL 60606

AUDITOR

Mazars LLP
First Floor
Two Chamberlain Square
Birmingham
B3 3AX

IBC VEHICLES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 2021

The Directors of IBC Vehicles Limited ("the Company") submit their strategic report for the year ended 31 December 2021, providing a review of the Company's business and a description of the principal risks and uncertainties affecting the Company.

PRINCIPAL ACTIVITIES

The principal activity of the Company continues to be the manufacture and conversion of motor vehicles, pressed parts and related spare parts and components. Within the UK, the Company's main products are marketed as the Vauxhall Vivaro, Peugeot Expert and Citroen Dispatch vans. In all other European countries, the Vivaro product is sold under the Opel badge, Peugeot & Citroen market their product as Expert and Jumpy respectively.

BUSINESS REVIEW

The Directors consider number of vehicles manufactured and turnover per vehicle to be the main KPIs relevant to the Company, and these are discussed below.

The Company produced 58,561 vehicles during 2021 (2020: 62,007). The business continued to be impacted by Covid absence and the related semi-conductor shortages in 2021.

Turnover per vehicle was £12,700 during 2021 (2020: £13,304) and cost of sales per vehicle was £12,453 (2020: £13,158) giving gross profit per vehicle of £247 (2020: £146).

The average number of vehicles manufactured per member of staff was 38 during 2021 (2020: 39). The Company made a profit before tax in 2021 of £12.6 million (2020: profit of £15.2 million). During the year, the Directors 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 asset of £11.9 million on the balance sheet at 31 December 2021, the movement of which has been taken as a current tax credit.

Tangible fixed assets increased by £0.9 million from £131.3 million at 31 December 2020 to £132.2 million at 31 December 2021, principally due to additions in all categories amounting to £3.6 million with total depreciation charged during the year of £10.2 million.

Current assets decreased by £102.2 million from £278.1 million at 31 December 2020 to £175.9 million at 31 December 2021 principally due to an decrease in amounts owed by parent and fellow subsidiary undertakings of £92.8 million and a decrease in stocks of £11.3 million.

Current liabilities decreased by £116 million from £258.9 million at 31 December 2020 to £142.8 million at 31 December 2021. Amounts owed to parent fellow subsidiary companies decreased by £76.0 million There has been a £35.1 million decrease in trade creditors and a £6.8 million decrease in taxation and social security.

Net assets excluding pension liabilities increased by £12.9 million (2020: increase of £13.5 million) resulting from the changes described above. As detailed in note 14, the pension scheme deficit has decreased by £4.0 million (2020: £2.9 million decrease).

PRINCIPAL RISKS AND UNCERTAINTIES

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

- The Company has a single customer that is a fellow subsidiary of Stellantis. Vehicles produced by the Company are sold by fellow subsidiaries in the UK and in continental Europe. If the Company does not continue to compete effectively by developing its products and responding to the activities of its competitors, demand for its products could reduce and its results of operations, cash flow and financial condition could be adversely affected.
- The loss of a significant number of key personnel could adversely affect the Company's results of operations, cash flow and financial condition.

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

PRINCIPAL RISKS AND UNCERTAINTIES continued

- The Company's revenues are dependent on the continued operation of its manufacturing facilities. The occurrence of major operational problems at these facilities could have an adverse effect on the Company's results of operations, cash flow and financial condition. Operational risks include equipment and system failures, supply disruptions, work stoppages, events impeding or increasing the cost of transporting products, natural disasters and terrorist attacks. Whilst the Company maintains insurance at appropriate levels, some of the operational risks could result in losses in excess of the insurance cover or in uninsured losses.
- 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%. Since this date, Brexit negotiations between the United Kingdom (UK) and the European Union (EU) continued throughout 2018 and 2019. The UK formally left the EU on 31 January 2020 and entered an 11 month transition, we left the EU on 31 December 2020 and the new rules took effect from 1 January 2021. Post Brexit there have been production delays and also shortages of semi-conductors which has impacted the whole industry. This will create additional risk and uncertainty for IBC Vehicles Limited as the impact on the costs of imports and the possibility of border delays and increased administration is not yet known.
- The Company manufactures its vehicles under a long-term contract arrangement with a fellow subsidiary of Stellantis. In the event that the contract is not renewed or there are material amendments thereto, the results of operations, cash flow and financial condition of the Company could be materially affected.
- The failure of its customer would materially affect the Company's operations, cash flow and financial condition.
- The Company's reliance on key suppliers, including suppliers of tooling and other equipment being procured for the manufacture of the new Vivaro, could result in an adverse effect on the results of operations, cash flow and financial condition if the suppliers are unable to meet their obligations and if the Company were unable to mitigate the effect by securing satisfactory alternative suppliers.
- Breaches of environmental, health and safety and other laws and regulations could restrict the Company's operations, expose it to liability, increase its costs and have an adverse effect on its results of operations, cash flow and financial condition.
- The IBC Vehicles 2017 Pension Plan is currently in deficit. Increases in funding from the Company required to make good the deficit in the pension scheme could adversely affect cash flow and the financial condition of the Company.
- 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 without maturity date, from a subsidiary of Stellantis. 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 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 Stellantis with respect to the Company's liquidity position and borrowing requirements.

COVID-19

- Since the covid 19 pandemic for 2021, IHS Markit forecasts a rebound in light vehicle production of 14% to 84.3 million units, based on current analysis. This reflects continued recoveries, particularly in the major markets of China, Europe and North America. Manufacturing operations in most regions are largely restored and while COVID-19 secure practices will affect technical capacity, in most cases there is enough to support recovery.
- IBC Vehicles Limited has also taken advantage of the government's Coronavirus Job Retention Scheme (CJRS), paying 80% of employees' salaries for workers placed on furlough leave. This scheme ended on 30 September 2021. The Company has also taken advantage of the VAT and tax deferrals government incentives schemes which the company took till 30 June 2021

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

Section 172 statement - Statement by the Directors in performance of their statutory duties in accordance with s172 (1) Companies Act 2006

The Directors of the company, as those of all UK companies, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006. This is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the company.

The board of directors ("the Board") of IBC Vehicles Limited consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole in decisions taken during the year-ending 31 December 2021

In making this assessment, the Board considers the matters on the following page to be of particular relevance:

The directors have identified the following as key Stakeholders in the business: employees, suppliers, customers, the community and the environment. These are discussed in more detail in the below table:

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

Section 172 requirement	Examples of how the Board's discussions and decision making have taken this into account
(a) the likely consequences of any decision in the long term;	Investing in significant transformation of the manufacturing site, systems & processes, focusing attention on every line of expense to ensure maximum return to our shareholders.
(b) the interests of the Company's employees;	<p>In light of the ongoing COVID-19 pandemic, the Company has continued to invest in comprehensive health and safety measures. The priority remains to protect employees, partners and customers from the risk of infection with the virus and the continued safe operation of the business.</p> <p>Emphasis of employee personal development and training using on-line courses provided by the Global Learning team;</p> <p>Engaging in regular employee surveys to assess employee engagement and well-being;</p> <p>The implementation of a range of talent development programmes to encourage the realisation of the potential of our workforce.</p> <p>Regular meetings and consultation with the Trade Union and Employee Forum representatives to retain constant two-way flow of communication.</p> <p>Regular performance appraisals with staff to ensure objectives are met.</p> <p>The Company continues to regard the training and development of all its employees as a high priority and in the past year has continued its support of a range of activities to support building capability. It also expanded its Talent and Development strategy as well as the solutions offered.</p> <p>The UK Group continued its recruitment of Industrial Placement students, Graduates and Degree Apprentices. The programmes include placements in various business functions, including those within the Company. The industrial placement and graduate trainees follow a structured development programme with a focus on personal development of key skills and behaviours to support their time within the Company and higher education. This includes use of blended learning solutions as well as mentoring by senior managers.</p>

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

<p>(c) the need to foster the Company's business relationships with suppliers, customers and others;</p>	<p>Suppliers are invited into plant to understand the manufacturing process and look for cost savings & manufacturing synergies.</p> <p>Although impacted by COVID-19 Retailers & customers also engage with plant tours when conditions permit to see vehicles being built. New product launches are also held at the manufacturing premises with the opportunity to drive the new vehicles.</p> <p>Our own Training Centre, The Performance Academy, provides continuous support to our dealership network. The Company is also part of the Stellantis supplier management processes, which include awards to recognise and celebrate excellence in our supply chain.</p>
<p>(d) the impact of the Company's operations on the community and the environment;</p>	<p>The Board is very aware of its importance in the community as a large employer in the local area, engaging with local schools and colleges in the promotion of STEM activities and manufacturing careers, although there have been limited opportunities to undertake these activities due to COVID restrictions. The Company has also promoted the importance of diversity in engineering and specifically focused on women in engineering.</p> <p>The Company's environmental policies recognise the protection of the environment and natural resources as one of the principal business responsibilities. Actions to ensure compliance with relevant legislation and the continuous improvement of environmental performance are an integral part of those policies. The Green Factory programme is driving the move towards a net carbon neutral manufacturing objective.</p>
<p>(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and</p>	<p>The Board is committed to complying with all applicable regulations and requires every employee to agree to the Code of Conduct rules issued by Stellantis. A strong compliance culture is encouraged with annual reviews of Conflict of Interest and Code of Conduct rules. The Company has also invested in strengthened GDPR activities to educate and inform the workforce on the importance of this topic.</p>

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

(f) the need to act fairly as between members of the Company.	The Company is a 100% owned subsidiary of Stellantis and regularly engages with its parent company to ensure Company plans are fully aligned with those of the Group. This will include Group approval of annual budgets, medium term plans and new product launches.
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Streamlined Energy and Carbon Reporting (SECR Report) for IBC Vehicles Limited

In line with the governments streamlined energy and carbon reporting requirements we are required to report our organisation's carbon emissions for the period 1st January 2021 to 31st December 2021.

We have set 2020 as our baseline year and reported our total emissions using the financial control boundary. Our methodology aligns with Defra's Environmental reporting guidelines (2019) and uses the government's greenhouse gas reporting conversion factors (2021) to quantify emissions.

For the purposes of evaluating performance to date we have compared our emissions on a like for like basis against our baseline. We have restated the baseline year to reflect changes to the emission factors used for gas in 2020, gross cv has now been used rather than net cv. Further information can be found below:

<i>Emissions source</i>	1st January 2020 – 31st December 2020 (Baseline Year)	1st January 2020 – 31st December 2020 (Baseline Restated)	1st January 2021 – 31st December 2021	Change	% Change
Fuel Consumed by Company Vehicles	41	41	51	10	24.2%
Purchased Gas Consumed within buildings	21,319	19,240	20,635	1,395	7.2%
Liquid Fuels Consumed within buildings	1,475	1,475	1,760	285	19.3%
Total Scope 1 (tCO2e)	22,835	20,756	22,445	1,689	8.1%
Purchased Electricity Consumed within buildings	8,921	8,921	8,304	-616	-6.9%
Total Scope 2 (tCO2e) - Location Based	8,921	8,921	8,304	-616	-6.9%
Total Scope 1 & 2 (tCO2e) - Location Based	31,756	29,677	30,750	1,073	3.6%
Intensity Metrics					
Turnover (£M)	814	814	745	-69	-8.5%
Number of Vehicles Produced	62,010	62,010	58,559	-3,451	-5.6%

STRATEGIC REPORT FOR THE YEAR ENDED 2021 continued

Scope 1+2 emissions per £M turnover (kgCO ₂ e/£M)	38.99	36.44	41.27	4.83	13.3%
Scope 1+2 emissions per vehicle produced (TCO ₂ e/Vehicle)	0.51	0.48	0.53	0.05	9.7%
Emissions source					
	1st January 2020 – 31st December 2020 (Baseline Year)	1st January 2020 – 31st December 2020 (Baseline Restated)	1st January 2021 – 31st December 2021	Change	% Change
Electricity	38,263,987	38,263,987	39,111,000	847,013	2.2%
Gas	104,637,918	104,637,918	112,659,000	8,021,082	7.7%
Purchased Fuel	6,265,641	6,265,641	7,537,326	1,271,684	20.3%
Business Travel	194,526	194,526	219,202	24,676	12.7%
Total	149,362,072	149,362,072	159,526,528	10,164,456	6.8%

Emissions compared to our baseline have increased this year mainly due to an increase in business activity compared to 2020 when Covid 19 impacted our operations, this has increased overall energy consumption by 6.8%. Overall emissions this year have increased by of 3.6% compared to the base year. Both intensity metrics have also increased as both the number of vehicles produced and turnover have decreased whilst consumption have increased.

Our largest source of emissions is a direct result of the natural gas combustion, followed by electricity. Our overall strategy to pursue a program of energy efficiency combined with carbon mitigation measures such as the procurement of renewable electricity, this will be bolstered with programs to reduce and decarbonise heat across our estate.

Notable initiatives carried out this year include:

- The installation of a new boiler system
- The replacement of florescent lighting with energy efficient lighting – more than 6000 lights have been replaced around the plant with LED lighting. Energy savings have been estimated at a minimum of 2131 MWH/year (considering the current shift numbers)

Further information on our calculations can be found in our GHG Methodology statement.

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



A Morales Facerías
Director
26 September 2022

IBC VEHICLES LIMITED

DIRECTORS' REPORT

The Directors of IBC Vehicles Limited ("the Company") submit their annual report on the affairs of the Company together with the financial statements and auditor's report for the year ended 31 December 2021.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The most important components of financial risk are liquidity risk, interest rate risk and foreign exchange risk. During 2021, these financial risks were 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.

With respect to credit risk, the Company's exposure arises from the risk of default by the counterparty. The Company faces a concentration of credit risk as its sales are made almost exclusively to a fellow subsidiary of Stellantis. The Company seeks to manage this risk through contractually agreed payment terms, and by agreeing production volumes with its customer in advance.

FUTURE DEVELOPMENTS

The Directors expect demand for the Company's next generation van based on Stellantis EMP2 platform to remain strong despite the recent worldwide coronavirus pandemic. The factory expects to be able to deliver the market demand and to implement continuous improvements in productivity.

GOING CONCERN

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

DIVIDENDS

No dividends were paid in the years ended 31 December 2021 or 31 December 2020. No final dividend is proposed for the year ended 31 December 2021 (2020: £nil).

EMPLOYEE CONSULTATION

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

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

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.

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.

IBC VEHICLES 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:

S Norman	resigned 31 January 2021
N Barrett	resigned 29 January 2021
D Connell	resigned 18 October 2021
P Hope	resigned 2 December 2021
C MacDonald	resigned 25 February 2022
P Wilcox	appointed 24 February 2021

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

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

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

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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



A Morales Facerías
Director
26 September 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 proper 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 IBC VEHICLES LIMITED

Opinion

We have audited the financial statements of IBC Vehicles Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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

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 course of 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 this regard.

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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 12, 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.

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

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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of IBC Vehicles Limited and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition, which we pinpointed to the cut-off assertion and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit 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.



Louis Burns (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

First Floor

Two Chamberlain Square

Birmingham

B3 3AX

Date: 27 September 2022

IBC VEHICLES LIMITED**PROFIT AND LOSS ACCOUNT**
Year ended 31 December 2021

	Note	2021 £'000	2020 £'000
TURNOVER	2	743,696	824,992
Cost of sales		<u>(729,284)</u>	<u>(815,881)</u>
GROSS PROFIT		14,411	9,111
Administrative expenses		<u>(1,595)</u>	<u>(2,517)</u>
OPERATING PROFIT	3	12,816	6,594
Profit on disposal of fixed assets		1	9,077
Net interest payable	4	(158)	(357)
Other finance charges	14	<u>(71)</u>	<u>(133)</u>
PROFIT BEFORE TAXATION		12,588	15,181
Tax credit	5	<u>3,275</u>	<u>666</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>15,863</u></u>	<u><u>15,847</u></u>

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

IBC VEHICLES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2021

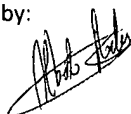
	2021 £'000	2020 £'000
Profit for the financial year	15,863	15,847
Other comprehensive income:		
Actuarial gain recognised on the pension scheme (note 14)	1,495	765
Movement on deferred tax relating to pension deficit (note 13)	(374)	(145)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	16,984	16,467

IBC VEHICLES LIMITED

BALANCE SHEET 31 December 2021

	Note	2021 £'000	2020 £'000
FIXED ASSETS			
Tangible assets	8	<u>132,242</u>	<u>131,282</u>
CURRENT ASSETS			
Stocks	9	15,835	27,160
Debtors			
– due within one year	10	153,002	245,310
– due after one year	10	7,142	5,684
Cash at bank and in hand		-	-
		<u>175,979</u>	<u>278,154</u>
CREDITORS:			
Amounts falling due within one year	11	<u>(142,866)</u>	<u>(258,874)</u>
NET CURRENT ASSETS		<u>33,113</u>	<u>19,280</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>165,356</u>	<u>150,562</u>
CREDITORS:			
Amounts falling due after more than one year	12	<u>(2,848)</u>	<u>(1,003)</u>
NET ASSETS EXCLUDING PENSION LIABILITIES		<u>162,508</u>	<u>149,559</u>
NET PENSION SCHEME LIABILITIES	14	<u>(1,553)</u>	<u>(5,588)</u>
NET ASSETS		<u>160,955</u>	<u>143,971</u>
CAPITAL AND RESERVES	15		
Called up share capital		239,000	239,000
Profit and loss account		<u>(78,045)</u>	<u>(95,029)</u>
SHAREHOLDER'S FUNDS		<u>160,955</u>	<u>143,971</u>

These financial statements were approved by the Board of Directors on 26 September 2022 and are signed on its behalf by:



A Morales Facerías
Director

IBC VEHICLES LIMITED

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2021

	Note	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 31 December 2019		239,000	(111,496)	127,504
Profit for the financial year		-	15,847	15,847
Actuarial gain recognised in the pension scheme	14	-	765	765
Movement on deferred tax relating to pension deficit	13	-	(145)	(145)
Total comprehensive income		-	16,467	16,467
At 31 December 2020		239,000	(95,029)	143,971
Profit for the financial year		-	15,863	15,863
Actuarial gain recognised in the pension scheme	14	-	1,495	1,495
Movement on deferred tax relating to pension deficit	13	-	(374)	(374)
Total comprehensive income		-	16,984	16,984
At 31 December 2021		239,000	(78,045)	160,955

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

1. ACCOUNTING POLICIES

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

General information and basis of accounting

IBC Vehicles Limited is a private company limited by shares incorporated in England under the Companies Act. 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 17.

Going concern

The Company generated profit before tax in the year of £12.6 million. The balance sheet at 31 December 2021 shows that the Company has net current assets of £33.1 million and net assets of £160.9 million.

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 without maturity date ("the Opel/Stellantis agreement"). Current funding agreements between Opel and the Company have no maturity date 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 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 Stellantis, 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 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.

Going Concern- Covid 19

IBC Vehicles Limited was running with minimal staff to keep personnel safe and had taken advantage of the government's Coronavirus Job Retention Scheme (CJRS) which ended in September 2021. The government made grants to UK employers to cover up to 80 per cent of the wages of employees whom they continue to pay but who would otherwise have been laid off because of the coronavirus (COVID-19) crisis. This is to safeguard jobs and avoid redundancies.

On 3 March 2021, the Government announced a further extension to the Coronavirus Job Retention Scheme (the Scheme). The Scheme, which was due to close on 30 April 2021, was extended until 30 September 2021. However, the level of the Government subsidy will taper between July and September as the Scheme winds down.

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

1. ACCOUNTING POLICIES continued

The Directors have assessed the impact and IBC Vehicles Limited will continue to operate with continued support from the Group.

Going concern – Semiconductor supply

The automotive industry has been hard hit by the current global semiconductor shortage. A systematic gap between demand and supply has developed in the market, driven by structural imbalances and a fundamental supply chain mismatch. External shocks such as the Covid-19 pandemic have only exacerbated the situation, leaving manufacturer inventories at their lowest levels in years. Overall semiconductor demand is increasing by about 17% per annum, compared to a roughly 6% p.a. increase in manufacturing capacity between 2020 and 2022. The supply crunch will likely last into 2023 at least.

The directors have assessed the impact and IBC Vehicles Ltd will continue to operate with continued support from the Group.

Consolidated accounts

Consolidated accounts have not been prepared because the Company's results are consolidated in the publicly available accounts of Stellantis (Formerly known as 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.

Fixed assets

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

Freehold buildings	20- 40 years
Plant, machinery and equipment	3 to 25 years
Special tools and dies	The costs of special tools and dies are written off over the estimated production run of the models to which they relate.

Residual value is calculated on prices prevailing at the date of acquisition.

Leases

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

Regional development and assistance grants

Grant funding from government sources is recognised as income after the income is received and performance conditions have been met. Income received in advance of the performance condition being

met is recognised as deferred income within creditors on the balance sheet and then released to income as conditions are met and demonstrated to the appropriate government body.

Taxation

Corporation tax is provided on taxable profit at the appropriate rate ruling each year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided in full using the liability method for all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

1. ACCOUNTING POLICIES continued

inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

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

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 derecognised 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.

Stocks and work in progress

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

Costs used in the valuation are calculated on a weighted average basis, and include material, labour and appropriate overheads. Net realisable value is based on estimated selling price less costs to sell. Provision is made for any obsolete or defective stocks.

Foreign currencies

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

Pension costs

The Company made contributions to the IBC Vehicles 2017 Pension Plan ("IBC 2017 Plan") and to the VML 2017 Pension Plan ("VML 2017 Plan") during the year. 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.

VML 2017 Plan is a multi-employer scheme. In the opinion of the Directors, sufficient information is not available to use defined benefit accounting to account for the scheme and to separate out the assets and liabilities of the scheme between different group companies which contribute to it. IBC Vehicles Limited was not required to pay contributions to VML 2017 Plan to fund any deficit in the scheme and accordingly its participation in VML 2017 Plan has been accounted for on a defined contribution basis in the financial statements of IBC Vehicles Limited. The pension cost charged in the financial statements in respect of VML 2017 Plan represents the contributions payable by the Company during the year in respect of its participation in the Plan. IBC 2017 Plan is a single-employer scheme and accounted for on a defined benefit basis.

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

1. ACCOUNTING POLICIES continued

The fair value of the IBC 2017 Plan is reported in the balance sheet of the Company. The movements in the fair value of the scheme are reflected in the performance statements. The current service cost, being the costs of benefits accrued in the reporting period and variations to past service benefits, is recognised within operating costs.

Net interest cost on the defined benefit liability is charged to the profit and loss account and included within other finance charges

Re-measurements comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the defined benefit liability) are recognised immediately in other comprehensive income.

Turnover

Turnover represents the sales of motor vehicles, components, parts and accessories net of trade discounts, VAT and other sales related taxes, and is recognised when the risks of ownership of the motor vehicles, components, parts and accessories pass to the consumer, which is normally when the products leave the Company's production facilities and are passed to the customer's freight carrier.

Impairment of assets

At each balance sheet date assets not carried at fair value are assessed to determine whether there is an indication that they may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

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 a higher degree of judgement or complexity are described below.

Pension obligations

The Company has a commitment to pay pension benefits to the members of the IBC 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

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

1. ACCOUNTING POLICIES continued

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 2021 and the key financial assumptions used to measure the obligation are disclosed in note 14.

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: GEOGRAPHICAL ANALYSIS BY DESTINATION

	2021 £'000	2020 £'000
United Kingdom	294,903	225,089
Other European countries	448,792	599,904
	<u>743,696</u>	<u>824,992</u>

The Company is engaged in one principal activity, the manufacture and distribution of motor vehicles and related spare parts and components. A geographical analysis of the profit before tax has not been given, as in the opinion of the Directors, this would be prejudicial to the interests of the Company.

An analysis of the Company's revenue is as follows:

	2021 £'000	2020 £'000
Sale of goods	743,696	824,992
Interest income	11	7
Grant income (within cost of sales)	32	3,104
Revenue	<u>743,739</u>	<u>828,103</u>

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

3. OPERATING PROFIT

	2021 £'000	2020 £'000
Operating profit on ordinary activities before taxation is after charging/(crediting)		
Depreciation of tangible fixed assets: owned assets	10,205	10,181
(Profit) /loss on disposal of fixed assets	1	(9,077)
Cost of inventory recognised as an expense	612,740	690,446
Impairment (gain)/loss on inventory	(657)	637
Foreign exchange (gain)/loss	(4,998)	6,446
Auditor's remuneration:		
Payable to the Company's auditor for audit of the Company's annual accounts	30	33

Impairment gain on inventory are included in cost of sales amounting to £0.6 million (2020: £0.6 million Loss).

4. NET INTEREST PAYABLE

	2021 £'000	2020 £'000
Interest receivable		
Loans to group undertakings	4	5
Interest income on short term deposits	7	2
	<u>11</u>	<u>7</u>
Interest payable		
Loans from group undertakings	(169)	(313)
Other interest expense	-	(51)
	<u>(169)</u>	<u>(364)</u>
Net interest payable	<u>(158)</u>	<u>(357)</u>

5. TAX CREDIT ON PROFIT

	2021 £'000	2020 £'000
Current tax:		
UK corporation tax at 19% (2019: 19%)	(1,462)	(1,183)
Over provision relating to prior years	1,183	320
	<u>(279)</u>	<u>(863)</u>
Total current tax	<u>(279)</u>	<u>(863)</u>
Deferred tax: origination and reversal of timing differences	(2,995)	196
	<u>(3,274)</u>	<u>(667)</u>
Total tax credit	<u>(3,274)</u>	<u>(667)</u>

The tax assessed for the year differs to that resulting from applying the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

5. TAX CREDIT ON PROFIT continued	2021 £'000	2020 £'000
Profit before tax	12,587	15,181
Tax at UK rate of 19% (2020: 19%) thereon	2,392	2,884
Effects of:		
Permanent differences	247	118
Adjustments in respect of prior years	1,183	320
Current year impact of rate change	(1,662)	(1,141)
Movement in unrecognised deferred tax	(5,435)	(2,847)
Total tax credit for the year	(3,274)	(667)

On 3 March 2021 it was announced that the UK corporation tax rate would increase to 25% with effect from 1 April 2023. The new rate 25% was substantively enacted on 10 June 21. It has been applied in the measurement of the company's deferred tax assets and liabilities at 31 December 2021.

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

6. DIRECTORS' EMOLUMENTS

	2021 £'000	2020 £'000
Aggregate emoluments	236	255
Aggregate of contributions paid in respect of money purchase pension schemes	-	-
	No.	No.
Number of Directors who received, or became eligible to receive, shares during the year (*includes highest paid Director)	-	-
	No.	No.
Number of Directors who are members of a money purchase pension scheme	-	-
Number of Directors who are members of a defined benefit pension scheme	-	-
	£'000	£'000
In respect of the highest paid Director:		
Aggregate emoluments	228	142
Contributions paid in respect of money purchase pension scheme	-	-
Maximum annual pension accrued under a defined benefit pension scheme assuming no lump sum paid on retirement	-	-

Certain Directors of the Company are also Directors of other companies within the Stellantis group of companies.

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2021

7. EMPLOYEES

	2021 No.	2020 No.
Average monthly number of employees, including directors		
Administration	130	121
Production	1,408	1,484
	<u>1,538</u>	<u>1,605</u>
	2021 £'000	2020 £'000
Costs		
Wages and salaries	50,281	55,416
Social security costs	5,145	5,446
Pension costs (note 14)	5,848	10,650
	<u>61,275</u>	<u>71,512</u>

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Plant, machinery and equipment £'000	Special tools, jigs and dies £'000	Assets in course of construction £'000	Total £'000
Cost					
Cost at 1 January 21	70,062	188,531	36,129	11,716	306,438
Additions	48	2,077	1,447	7,786	3,571
Disposals	(38)	(794)	-	-	6,954
Transfers	4,035	86	(348)	(3,776)	-
	<u>74,107</u>	<u>189,900</u>	<u>37,228</u>	<u>15,726</u>	<u>316,961</u>
Total cost at 31 December 21	74,107	189,900	37,228	15,726	316,961
Depreciation					
Depreciation at 1 January 21	22,592	140,569	11,995	-	175,156
Charge for the year	1,299	5,769	3,136	-	10,204
Disposals	(38)	(603)	-	-	(641)
	<u>23,853</u>	<u>145,735</u>	<u>15,131</u>	<u>-</u>	<u>184,719</u>
Total depreciation at 31 December 21	23,853	145,735	15,131	-	184,719
Net book value					
At 31 December 2021	<u>50,254</u>	<u>44,165</u>	<u>22,097</u>	<u>15,726</u>	<u>132,242</u>
At 31 December 2020	<u>47,469</u>	<u>47,963</u>	<u>24,134</u>	<u>11,716</u>	<u>131,282</u>

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

9. STOCK

	2021 £'000	2020 £'000
Raw materials	3,300	8,767
Work in progress	12,535	18,393
	<u>15,835</u>	<u>27,160</u>

10. DEBTORS

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Trade debtors	51	272
Amounts owed by parent and fellow subsidiary undertakings*	146,221	238,930
Group relief receivable	1,462	1,576
Deferred taxation (see note 13)	4,840	3,676
Other debtors	390	447
Prepayments	38	409
	<u>153,002</u>	<u>245,310</u>
Amounts falling due after one year:		
Deferred taxation (see note 13)	7,142	5,684
	<u>160,144</u>	<u>250,994</u>

The amount of the net reversal of deferred tax expected to occur next year is £4,840,000 (2020: £3,677,000), relating to the reversal of existing timing differences on fixed assets, tax losses and pensions. The remaining £7,142,000 (2020: £5,684,000) will reverse after more than one year.

*Payment terms for Group amounts is an average of 48 days

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade creditors	94,673	129,781
Amounts owed to parent and fellow subsidiary undertakings*	23,973	100,005
Taxation and social security	6,054	12,885
Other creditors	7,489	4,052
Accruals and deferred income	10,635	12,151
Bank Overdraft	42	-
	<u>142,866</u>	<u>258,874</u>

*Payment terms for Group amounts is an average of 60 days

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

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

	2021 £'000	2020 £'000
Deferred income		
- regional development and assistance grants	31	1,003
Pension Provisions	2,817	
	<u>2,848</u>	<u>1,003</u>

The value of Regional Development and Assistance grants to be amortised after more than five years is £nil (2020: £nil).

13. DEFERRED TAXATION

Deferred taxation provided for at 25% (2020: 19%) in the financial statements is set out below:

	Pension scheme deficit £'000	Losses £'000	Accelerated capital allowances £'000	Total £'000
At 1 January 2020	1,139	1,644	6,578	9,360
Movement in the year:				
Profit & loss account	93	2,801	(2,855)	39
Profit & loss account- rate change	360	519	2,077	2,956
Other comprehensive income	(374)	-	-	(374)
At 31 December 2020	<u>1,218</u>	<u>4,964</u>	<u>5,800</u>	<u>11,982</u>

£12 million of the total deferred tax asset has been recognised as at 31 December 2021 (2020: £9.4 million) based on likely timing and level of future taxable profits.

As at 31 December 2021 the amount of unused tax losses is £39.8 million (2020: £39.8 million) and the amount of unused research and development expenditure credit is nil. There is no expiry date on timing differences, unused tax losses or tax credits.

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

14. PENSIONS

Description of the Plans

The Company has paid contributions to the IBC Vehicles 2017 Pension Plan ("IBC 2017 Plan") and to the VML 2017 Pension Plan ("VML 2017 Plan"). Both plans are 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"). It was closed in February 2020 where all the funds were transferred to the new plan, named "PSA Retirement Savings Account", which is a Master Trust administered by Fidelity on behalf of the Plan Trustee and its assets are held by independent managers.

As at 31st January 2021 the company decided to close the IBC 2017 and VML 2017 pension plan to future accrual.

Funding

Funding of the IBC 2017 Plan is provided at a level determined after taking independent professional actuarial advice, with the Company meeting the balance of the costs not covered by members' contributions. The Company made payments to Vauxhall Motors Limited in respect of benefits accrued by employees participating in the VML 2017 plan. In addition, the Company made payments directly to the VML 2017 Plan of SMART contributions relating to those of its employees who participated in those plans.

Date of the most recent comprehensive actuarial valuation

Actuarial valuations for funding purposes are carried out at least every three years. The first triennial funding valuations of the IBC 2017 Plan and VML 2017 Plan has been carried out with the effective date of 1 January 2021. 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 31 December 2021.

Financial Reporting Standard 102 "Post-employment Benefits"

The VML 2017 Plan into which the Company contributed during the period is a multi-employer scheme. In the opinion of the Directors, sufficient information is not available to use defined benefit accounting to account for the scheme and to separate out the assets and liabilities of the schemes between different group companies which contribute to it. The Company was not required to pay contributions to VML 2017 Plan to fund any deficit in the scheme and accordingly its participation in VML 2017 Plan has been accounted for on a defined contribution basis in the financial statements of the Company. The pension cost charged in the financial statements in respect of VML 2017 Plan represents the contributions payable by the Company during the year in respect of its participation in the Plan.

The IBC 2017 Plan is a single employer scheme and is accounted for on a defined benefit basis. This scheme was closed on 31st January 2022.

Pension cost

The Company's total pension cost for 2021 was £5.9 million (2020: £10.7 million). This figure includes £Nil million in respect of the net defined benefit cost for the IBC 2017 Plan and £0.2million in respect of the amount paid by the Company to Vauxhall Motors Limited in relation to its participation in VML 2017 Plan. The total charge relating to VDCPP alone amounted to £0.1million.

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

14. PENSIONS continued

Contributions to the Pension Plans

During 2021 the Company made contributions to the plans of £5.9 million (2020: £8.0 million). Additionally the Company makes a contribution each year equal to the annual PPF levy as fixed by the PPF Board and makes contributions on behalf of members in Pensionable Salary Sacrifice.

From 29 March 2019 the Company will pay additional contributions under a Schedule agreed with the Trustees of the IBC 2017 Plan as follows:

For the period from:	to:	£'000
1 January 2021	30 September 2021	1,981.5
1 October 2021	30 November 2021	780.7
1 December 2021	31 December 2021	390.3
1 January 2022	30 November 2022	1,248.5
1 December 2022	31 December 2022	113.5

Employee benefit obligations

The amount recognised in the profit and loss account in respect of the schemes is as follows:

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Effect of employee service in the current period	(0.2)	4.0
Plan introductions, changes, curtailments and settlements	-	(1.8)
Termination benefits	-	0.3
Acquisitions and divestitures	-	-
Net interest on net defined benefit liability	0.2	0.2
	<hr/>	<hr/>
Defined benefit cost recognised in the profit and loss account	-	2.7
Administration costs incurred during the period	-	-
	<hr/>	<hr/>
Cost recognised in the profit and loss account	-	2.7

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

14. PENSIONS continued

The amount recognised in Other Comprehensive Income in respect of its defined benefit schemes is as follows:

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Actuarial (gain)/loss arising during the period	(1.5)	(0.8)
Return on plan assets greater than discount rate	-	-
Re-measurement effects recognised in Other Comprehensive Income	<u>(1.5)</u>	<u>(0.8)</u>

The actual return on IBC 2017 Plan assets was £0.9 million (2020: £0.6 million)

The total cost relating to the scheme is as follows:

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Cost recognised in the profit and loss account	-	2.7
Re-measurement effects recognised in Other Comprehensive Income	<u>(1.5)</u>	<u>(0.8)</u>
Total cost relating to defined benefit scheme	<u>(1.5)</u>	<u>1.9</u>

The amount recognised in the balance sheet arising from the Company's obligations in respect of its defined benefit scheme is as follows:

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Present value of defined benefit obligations	(13.9)	(14.5)
Fair value of scheme assets	<u>12.4</u>	<u>8.9</u>
Net defined benefit liability	<u>(1.5)</u>	<u>(5.6)</u>

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

14. PENSIONS continued

Changes in the defined benefit obligation are as follows:

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Opening defined benefit obligation	14.5	12.4
Effect of employee service in the current period	(0.3)	4.0
Change in assumptions	-	2.5
Interest cost on the defined benefit obligation	0.2	0.3
Re-measurement of the defined benefit obligation	-	(2.9)
Plan introductions, changes, curtailments, acquisition and settlements	-	(1.8)
Divestiture	-	-
Benefits paid from plan assets	(0.5)	(0.4)
Plan participants contributions	-	0.1
Benefits paid from plan assets	-	0.3
	<hr/>	<hr/>
Closing defined benefit obligation	13.9	14.5
	<hr/>	<hr/>

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

	IBC 2017 Plan	IBC 2017 Plan
	2021 £m	2020 £m
Opening fair value of plan assets	8.9	3.9
Interest income on plan assets	0.1	0.1
Actuarial gain/(loss) on assets	0.9	0.4
Employer contributions	3.0	4.8
Benefits paid out	(0.5)	(0.4)
Administration costs paid	-	-
Plan participants contributions	-	0.1
	<hr/>	<hr/>
Closing fair value of plan assets	12.4	8.9
	<hr/>	<hr/>

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

14. PENSIONS continued

The major categories of plan assets are as follows:

	IBC 2017 Plan Dec-21 £m	IBC 2017 Plan Dec-20 £m
Cash and cash equivalents	1.2	0.8
Equity Instruments	5.8	4.5
Debt Instruments	4.9	3.5
Other	0.5	0
Total fair value of assets	12.4	8.9

The principal actuarial assumptions at the balance sheet date were:

IBC 2017

Date for actuarial assumptions	31 Dec 2021	31 Dec 2020
Plan participant census date	31 Dec 2021	31 Dec 2020
Discount rate for scheme liabilities	% pa 1.82	1.30
RPI inflation	% pa 3.40	2.95

Assumptions at 31 December 2021

	2021	2020
Assumed retirement age	65 for main benefit and top up pension 65 for SAP benefit	62 for main benefit and top up pension 65 for SAP benefit
Mortality assumptions:		
Base mortality table: SAPS 'S2'	90% for males 125% for females	90% for males 125% for females
Future improvements in longevity	CMI 19 projections with a 1.25% p.a. long term rate of improvement	CMI 19 projections with a 1.25% p.a. long term rate of improvement

IBC VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

15. CALLED UP SHARE CAPITAL AND RESERVES

	2021 £'000	2020 £'000
Allotted, called up and fully paid:		
239,000,000 (2020 239,000,000) ordinary shares of £1 each	239,000	239,000

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.

16. COMMITMENTS

At 31 December 2021 there were £1.6 million capital expenditure commitments which are contracted for at the balance sheet date but not provided for in these financial statements (2020: £Nil).

17. ULTIMATE PARENT UNDERTAKING

At 31 December 2021, 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 Stellantis N.V. The financial statements of Stellantis N.V. are available from its registered office at Taurusavenue 1, 2132 LS Hoofddorp, The Netherlands

The immediate parent company and controlling entity of the Company and 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 Bahnhofplatz, 65423 Rüsselsheim am Main, Germany.

18. RELATED PARTY TRANSACTIONS

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 Stellantis group companies or interests of the Peugeot S.A. group who are related parties.

The company owned shareholdings of 46.34% with Faurecia Group and has disposed of their interest as at 31 December 2021.

As detailed in note 14, the Company made contributions to the IBC Vehicles 2017 Pension Plan ("IBC 2017 Plan"). Pension's administration costs were previously incurred by the company and recharged to two plans within its group thereafter. From April 2019 each company will now borne its own cost and these costs will not be recharged to the two plans. The cost incurred by the company for the IBC 2017 Pension Plan for the year ended 31 December 2021 was £0.2m. (2020: £0.2m).

In due course the Company may incur pension investment costs which will also be charged to IBC 2017 Plan, however there are no amounts to be disclosed in the current year.

19. SUBSEQUENT EVENTS

There is nothing to report in regard to subsequent events.