

COMMERZBANK LEASING DECEMBER (24) LIMITED

REPORT AND FINANCIAL STATEMENTS

Period ended 31 December 2010



Company Registered No 3068485

COMMERZBANK LEASING DECEMBER (24) LIMITED

DIRECTORS' REPORT

The directors present their report, together with the audited financial statements, for the period ended 31 December 2010. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

CHANGE IN ACCOUNTING REFERENCE DATE

The Company has changed its accounting reference date from 21 October to 31 December.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company was that of lessor and financier of assets for the corporate sector through finance lease transactions.

On 22 October 2010, the entire leasing business carried on by the Company was acquired by Commerzbank AG London branch as a going concern, for consideration of £53,322,755 on terms contained in a Deed of Assignment and Assumption.

The directors do not expect the Company to enter into any new transactions in the foreseeable future.

RESULTS AND DIVIDENDS

The results of the Company for the period are set out in detail on page 4.

The profit on ordinary activities after taxation amounted to £744,000 (period ended 21 October 2010 £411,000). The directors do not recommend the payment of a dividend for the period (period ended 21 October 2010 interim dividend paid of £1,250,000).

SUBSEQUENT EVENT

On 31 March 2011, the Company approved the payment of an interim dividend of £768,416.

DIRECTORS

The directors who held office at the period end were as follows:

N G Aiken
M C Beebee
R A Birch
P R Burrows
A D Levy

No director benefited from qualifying third party indemnity provisions in place during the period.

COMMERZBANK LEASING DECEMBER (24) LIMITED

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. 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 accounting estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, subject to any material departures disclosed and explained in the financial statements, 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.

DISCLOSURE OF INFORMATION TO AUDITORS

The directors in office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and will be re-appointed in accordance with Section 487 of the Companies Act 2006.

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



J.C. Wall
Secretary

Commerzbank Leasing December (24) Limited
Company Registered No 3068485

19 April 2011

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMERZBANK LEASING DECEMBER (24) LIMITED

We have audited the financial statements of Commerzbank Leasing December (24) Limited for the period ended 31 December 2010 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 and of its profit and cash flows for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches 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,
- we have not received all the information and explanations we require for our audit,
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report



Duncan McNab (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

19 April 2011

COMMERZBANK LEASING DECEMBER (24) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 Dec 2010

	Notes	Period from 22 Oct 10 to 31 Dec 10 £'000	Period from 1 Apr 10 to 21 Oct 10 £'000
Revenue – finance lease income net of rental rebates	3	-	(82)
Other operating income		-	5
GROSS LOSS		-	(77)
Loss on sale of leasing business		(17,144)	-
Administrative expenses	4	-	(5)
OPERATING LOSS		(17,144)	(82)
Interest payable to Commerzbank AG London Branch		(1)	-
Interest payable to Royal Bank Leasing Limited		-	(278)
LOSS BEFORE TAX		(17,145)	(360)
Tax credit	5	17,889	771
PROFIT FOR THE PERIOD		744	411
Other comprehensive income after tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		744	411

All amounts stated above are derived from discontinued activities

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements

COMMERZBANK LEASING DECEMBER (24) LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2010

	Notes	Issued capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2010		-	863	863
Total comprehensive income for the period		-	411	411
Dividends paid	6	-	(1,250)	(1,250)
Balance at 21 October 2010		-	24	24

	Issued capital £'000	Retained earnings £'000	Total equity £'000
Balance at 22 October 2010	-	24	24
Total comprehensive income for the period	-	744	713
Balance at 31 December 2010	-	768	737

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements

COMMERZBANK LEASING DECEMBER (24) LIMITED**BALANCE SHEET**

As at 31 December 2010

	Notes	31 Dec 10 £'000	21 Oct 2010 £'000
ASSETS			
NON CURRENT ASSETS			
Finance lease receivables	7	-	69,862
CURRENT ASSETS			
Finance lease receivables	7	-	2,276
Cash and cash equivalents with Commerzbank AG London Branch		768	-
TOTAL ASSETS		<u>768</u>	<u>72,138</u>
CURRENT LIABILITIES			
Other creditors		-	(1,672)
Amounts due to group undertakings	8	-	(52,553)
NON CURRENT LIABILITIES			
Deferred tax liabilities	9	-	(17,889)
TOTAL LIABILITIES		<u>-</u>	<u>(72,114)</u>
NET ASSETS		<u>768</u>	<u>24</u>
EQUITY			
Issued share capital	10	-	-
Retained profit		768	24
TOTAL EQUITY		<u>768</u>	<u>24</u>

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements

These financial statements on pages 4 to 14 were approved by the Board of Directors and signed on its behalf by



A D Levy
Director

19 April 2011

COMMERZBANK LEASING DECEMBER (24) LIMITED

STATEMENT OF CASH FLOWS

For the period ended 31 December 2010

	Period from 22 Oct 10 to 31 Dec 10 £'000	Period from 1 Apr 10 to 21 Oct 10 £'000
Loss before tax for the period	(17,145)	(360)
NON-CASH ADJUSTMENTS		
Loss on disposal of leasing business	17,144	-
Decrease / (increase) in finance lease receivables	-	(1,050)
(Decrease)/ increase in other payables	-	1,125
Interest expense	1	278
CASH FLOWS FROM OPERATING ACTIVITIES	-	(7)
Interest paid to parent undertakings	(1)	(390)
Group relief received	-	361
NET CASH FLOWS FROM OPERATING ACTIVITIES	(1)	(36)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of leasing business to Commerzbank AG London Branch	53,322	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowings	(52,553)	(54,477)
New bank loans raised	-	53,513
Dividends paid to Royal Bank Leasing Limited	-	(1,250)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	768	(2,250)
Cash and cash equivalents at beginning of period	-	2,250
CASH AND CASH EQUIVALENTS AS AT 31 December 2010	768	-

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

1. BASIS OF PREPARATION

The Company has prepared its financial statements in accordance with the Companies Act 2006, IFRSs as issued by the International Accounting Standards Board ('IASB') and as endorsed by the EU and under the historical cost convention. EU-endorsed IFRSs may differ from IFRSs as issued by the IASB if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2010, there were no unendorsed standards effective for 31 December 2010 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the Company.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body. The principal accounting policies adopted are set out in note 2. These policies have been consistently applied for all the periods presented.

Changes in accounting policy and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial period beginning 22 October 2010

There were no new standards and amendments to standards that are mandatory for the first time for the financial period beginning 22 October 2010.

(b) New standards, amendments and interpretations issued but not effective for the financial period beginning 22 October 2010 and not early adopted

The Company's assessment of the impact of these new standards and interpretations is set out below.

Revised IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003 and is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted. However, the standard has not yet been endorsed by the EU.

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The Company will apply the interpretation from 1 January 2011, subject to endorsement by the EU.

The financial statements are presented in Sterling being the Company's functional currency.

General information

The Company is domiciled in the UK and incorporated in England and Wales. The Company's Registered Office is situated at 30 Gresham Street, London, EC2P 2XY.

Comparative period

The comparative period information is for period from 1 January 2010 to 21 October 2010, whilst the current period information is for the period from 22 October 2010 to 31 December 2010.

2. ACCOUNTING POLICIES

Revenue

Revenue represents gross earnings net of rental rebates allocated in respect of finance leases in accordance with the accounting policy adopted for leases.

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

2. ACCOUNTING POLICIES (continued)

Going concern

The financial statements have been prepared on the going concern basis

Following the transfer of the entire leasing business of the Company to Commerzbank AG London Branch, as described in Note 7, the only remaining asset held by the Company as at the date of the signing of these financial statements, is a current account balance held with Commerzbank AG London Branch. The directors do not consider the recovery of this balance to be a significant and material uncertainty and therefore continue to prepare the financial statements of the Company on a going concern basis

Finance leases

Agreements which transfer to counterparties substantially all the risks and rewards incidental to the ownership of the assets, but not necessarily legal title, are classified as finance leases. They are recorded at an amount equal to the net investment in the lease less any impairment provisions, within finance lease receivables

The net investment in finance leases represents the sum of the minimum payments receivable (gross investment in the lease) discounted at the rate of interest implicit in the lease. The difference between the gross investment in the lease and the net investment in the lease is recorded as unearned finance income

Income from finance leases is recognised over the periods of the leases so as to give a constant rate of return on the net investment in the leases. It is shown as "Finance lease income" in the statement of comprehensive income. Initial direct costs incurred in arranging the lease, less any fee income related to the lease, are included in the initial measurement of the net investment

Interest expense

Interest expense for all interest bearing financial instruments is recognised in 'Interest expense' in the statement of comprehensive income using the effective interest method. The effective interest method is a way of calculating the amortised cost of a financial liability and of allocating the interest expense over the relevant period

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial liability or financial asset. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the Company that are an integral part of the effective interest rate of a financial instrument, including transaction costs and all other premiums or discounts

Financial liabilities

Financial liabilities are initially measured at fair value plus any transaction costs that are directly attributable to the purchase or issue. Financial liabilities are recognised if the Company becomes party to the contractual provisions of the liability instrument. The Company derecognises the financial liability when the Company's obligations specified in the contract expire, are discharged or cancelled. Subsequent to initial recognition financial liabilities are measured at amortised cost using the effective interest rate method

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value

Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax. Dividends payable in relation to equity shares are recognised as a liability in the period in which they are paid (in the case of interim dividends or approved by (in the case of final dividends)

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

2. ACCOUNTING POLICIES (continued)

Use of assumptions and estimates

When preparing the financial statements, it is the Directors' responsibility to select suitable accounting policies and to make judgements and estimates that are reasonable and prudent

The accounting for leases and, in particular, their classification as finance leases is the only accounting policy that is deemed critical to the Company's IFRS results and financial position, in terms of materiality of the items to which the policy is applied, which involves a high degree of judgement and estimation

Taxation

Income tax comprises current tax and deferred tax. Income tax is recognised in the statement of comprehensive income

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date

Impairment of financial assets

The Company's financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the asset the estimated future cash flows of the asset have been impacted

The Company considers evidence of impairment at both a specific and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan or receivable by the Company on terms that the Company would not otherwise consider, indications that a borrower or issuer will enter into bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as economic conditions that correlate with defaults in the group

3. REVENUE – FINANCE LEASE INCOME

	Period from 22 Oct 10 to 31 Dec 10 £'000	Period from 1 Apr 10 to 21 Oct 10 £'000
Income from finance leases	-	1,050
Rental adjustments in respect of interest variations	-	(1,132)
	-	(82)

Gross rentals receivable in the period in respect of finance leases were £nil (period ended 21 October 2010 £1,750,000)

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

4. ADMINISTRATIVE EXPENSES

Administrative expenses include £Nil (period ended 21 October 2010 £5,000) in respect of group management charges payable to a parent undertaking. The Company had no employees during the period. None of the directors that served during the period received any emoluments in respect of their services to the Company.

Auditor's remuneration for the period ended 31 December 2010 for services to the Company were borne by Commerzbank AG London Branch. The audit fee applicable in respect of this Company's financial statements was £5,000 (period ended 21 October 2010 £17,750). No amounts were receivable by the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements.

5. TAXATION CREDIT

	Period from 22 Oct 10 to 31 Dec 10 £'000	Period from 1 Apr 10 to 21 Oct 10 £'000
Current tax		
Group relief receivable	-	260
Deferred tax		
Origination and reversal of timing differences	17,889	511
Tax income reported in the statement of comprehensive income	<u>17,889</u>	<u>771</u>

Reconciliation of corporation tax income to accounting profit

The effective rate of tax for the period differs from the standard rate of corporation tax in the UK for the period ended 31 December 2010 of 28% (period to 21 October 2010 28%) being the country where the Company generates substantially all its profits. The differences are explained below.

	Period from 22 Oct 10 to 31 Dec 10 £'000	Period from 1 Apr 10 to 21 Oct 10 £'000
Loss before tax	(17,145)	(360)
Tax credit calculated at a rate of 28%	4,801	101
Impact of rate change from 28% to 27%	-	670
Non deductible expenses	(4,801)	-
Release of deferred tax liability on disposal of leasing business	17,889	-
Tax credit reported in the statement of comprehensive income	<u>17,889</u>	<u>771</u>

6. DIVIDENDS

During the period 22 October to 31 December 2010 the Company did not pay a dividend (period ended 21 October 2010 interim dividend paid of £1,250,000).

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

7. FINANCE LEASES

	<i>Gross investment in the lease</i>		<i>Present value of minimum lease payments</i>	
	31 Dec 10	21 Oct 10	31 Dec 10	21 Oct 10
	£'000	£'000	£'000	£'000
Less than one year	-	2,292	-	2,276
More than 1 year but less than 5 years	-	8,623	-	7,861
Later than five years	-	79,288	-	62,001
	-	90,203	-	72,138
Less				
Unearned finance income	-	(18,065)		
Net investment in finance leases	-	72,138	-	72,138
Non-current				69,862
Current				2,276
			-	72,138

On 22 October 2010, the entire leasing business carried on by the Company was acquired by Commerzbank AG London Branch as a going concern, for consideration of £53,322,755, on terms contained in a Deed of Assignment and Assumption

8. AMOUNTS DUE TO GROUP UNDERTAKINGS

	31 Dec 10	21 Oct 10
	£'000	£'000
Amounts due within one year		
Loan due to Commerzbank AG London Branch	-	52,553

The loan was repaid following the sale of the leasing business on 22 October 2010

9. DEFERRED TAX LIABILITIES

The movement in the deferred tax account is as follows

	£'000
At 22 October 2010	17,889
Release on disposal of leasing business	(17,889)
At 31 December 2010	-

The balance at 21 October 2010 represented £17,837,000 in relation to accelerated capital allowances on finance lease receivables and £52,000) in respect to other temporary differences. All of these amounts were released in full following the sale of the Company's entire leasing business to Commerzbank AG London Branch

10. ISSUED SHARE CAPITAL

	31 Dec 10	21 Oct 10	31 Dec 10	21 Oct 10
	No	No	£	£
Ordinary shares of £1 each				
Authorised	1,000	1,000	1,000	1,000
Issued, called up and fully paid	2	2	2	2

The Company has one class of ordinary voting shares which carry no right to fixed income

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

11. RELATED PARTY TRANSACTIONS

Particulars of transactions, arrangements and agreements involving related parties are disclosed elsewhere within the financial statements

12. RISK MANAGEMENT

Prior to 22 October 2010, as a result of its normal business activities the Company was exposed to a variety of risks, the most significant of which were credit risk, interest rate risk and liquidity risk. The business activities fell under the scope of the Global Risk Management function of Commerzbank AG who provided regular reports on specific risks affecting the business activities. The risks facing the Company were mitigated by the transfer of the Company's business activities to Commerzbank AG London Branch on 22 October 2010.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's policy is to avoid cash flow interest rate risk. This was achieved by matching the maturity of the lease and its associated loan finance and fixing the cost of borrowing at the inception of the lease when the effective interest rate in the lease is determined.

Credit risk

Credit risk is the risk arising from the possibility that the Company will incur losses from the failure of counterparties to meet their financial obligations to the Company as and when they fall due. Following the transfer of the Company's business activities to Commerzbank AG London Branch on 22 October 2010, the only remaining credit risk relates to cash held on deposit with Commerzbank AG London Branch.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company minimises currency risk by ensuring its leases and associated financing are in the same currency.

Liquidity risk

Liquidity risk is the risk that the Company, though solvent, either does not have sufficient financial resources available to meet its obligations as they fall due, or can only secure them at excessive cost.

Any maturity mismatch within the overall long term structure of the Company's assets and liabilities is managed to ensure that term asset commitments may be funded on an economic basis over their life. The short term maturity structure of the Company's liabilities and assets is managed on a daily basis to ensure that all cash flow obligations can be met as they arise.

Capital management

The Company was a member of a group with regulatory disciplines over the use of its capital. Although the Company itself is not regulated it aims to maintain capital resources commensurate with the nature, scale and risk profile of its business. It regards its capital as the total equity shown in the balance sheet.

13. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2010 (Period end 21 October 2010 £nil).

COMMERZBANK LEASING DECEMBER (24) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2010

14. SUSEQUENT EVENT

On 31 March 2011, the Company approved the payment of an interim dividend of £768,416

15. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the Company is Commerzbank Leasing Holdings Limited, a company incorporated in England & Wales

The largest group in which the results of the Company are consolidated is that headed by Commerzbank AG, a company incorporated in Germany under German law. Commerzbank AG is also the ultimate parent undertaking and controlling party. Financial statements of Commerzbank AG are available from Commerzbank AG, Investor Relations, Kaiserplatz, D-60261 Frankfurt am Main, Germany