

COMMERCIAL VEHICLE FINANCE LIMITED

REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

REGISTERED NUMBER: 2335496

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COMMERCIAL VEHICLE FINANCE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007

The directors have pleasure in submitting their report and the audited financial statements for the year ended 31 December 2007

Principal Activities and Business Review

The principal activity of the company is the provision of finance to industry and commerce by way of hire purchase and leasing. The company has traded successfully in its chosen market and is expected to continue to do so.

Commercial Vehicle Finance Ltd operates as part of a group managed on a sectoral basis for which comprehensive KPI's are regularly provided to its shareholder. For this reason, the company's directors believe that it is not necessary to present further key performance indicators as part of the directors' report.

Results and Dividends

The profit and loss account for the year ended 31 December 2007 is set out on page 4. The board does not recommend payment of a dividend (2006: £Nil).

Financial Instruments

Treasury operations and financial instruments

The company is part of BNP Paribas Lease Group. The Group operates a centralised treasury function which is responsible for managing the liquidity and interest rate risks associated with the company's activities.

Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Directors and their Interests

The directors of the company who served during the year were

M J Dix
 N D James
 A Taylor

No director of the company has at any time had any beneficial interest in the shares of the company or the group.

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

COMMERCIAL VEHICLE FINANCE LIMITED
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2007

Payment of Suppliers

It is the company's general policy to pay trade creditors when they fall due for payment. In the case of a number of major suppliers, specific terms and conditions of business have been agreed, and it is the company's policy to pay in accordance with these terms provided that the supplier is also meeting all relevant terms and conditions.


Statement as to Disclosure of Information to Auditors

The directors have taken all the necessary steps to make us aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

By order of the Board

N D James
Director



22/10/2008

Northern Cross
Basing View
Basingstoke
Hants RG21 4HL

COMMERCIAL VEHICLE FINANCE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
COMMERCIAL VEHICLE FINANCE LIMITED**

We have audited the financial statements of Commercial Vehicle Finance Ltd for the year ended 31 December 2007 which comprise the Profit and Loss Account, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the Director's report is consistent with the financial statements

MAZARS LLP

MAZARS LLP
Chartered Accountants
and Registered Auditors
Tower Bridge House
St Katharine's Way
London E1W 1DD

22 October 2008

COMMERCIAL VEHICLE FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

<u>CONTINUING OPERATIONS</u>	<u>Notes</u>	<u>2007</u> <u>£'000</u>	<u>2006</u> <u>£'000</u>
Interest receivable		6,638	5,962
Interest payable	3	(4,175)	(3,534)
		<hr/>	<hr/>
GROSS PROFIT		2,463	2,428
Other operating income		1,073	870
Administrative expenses	4	(2,123)	(2,242)
		<hr/>	<hr/>
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,413	1,056
Taxation on profit on ordinary activities	5	(517)	(317)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	12	896	739
		<hr/>	<hr/>

The company has no recognised gains or losses other than the profit for the period

COMMERCIAL VEHICLE FINANCE LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2007**

	<u>Notes</u>	<u>2007</u> <u>£'000</u>	<u>2006</u> <u>£'000</u>
FIXED ASSETS			
Operating lease assets	6	3,697	4,970
CURRENT ASSETS			
Debtors amounts falling due within a year	7	31,802	27,563
Debtors amounts falling due after one year	7	47,321	38,168
CREDITORS Amounts falling due within one year	8	(75,682)	(60,448)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,138</u>	<u>10,253</u>
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	(3,236)	(7,187)
DEFERRED TAXATION		<u>(1,963)</u>	<u>(2,023)</u>
NET ASSETS		<u>1,939</u>	<u>1,043</u>
CAPITAL AND RESERVES			
Called up share capital	11	1	1
Profit and loss account		<u>1,938</u>	<u>1,042</u>
EQUITY SHAREHOLDERS' FUNDS	12	<u>1,939</u>	<u>1,043</u>

These financial statements were approved by the Board of Directors on



N D James
Director

22/10/2008

COMMERCIAL VEHICLE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2007

1 ACCOUNTING POLICIES

a. Basis of Preparation of Financial statements

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

The company is exempt from the requirements of FRS8 to report transactions with group companies and exempt from the requirements of FRS1 to prepare a cashflow statement as it is a wholly owned subsidiary of BNP Paribas SA whose consolidated financial statements are available to the public

b. Gross Profit

Gross profit comprises interest charges, finance income on leases and hire purchase agreements, operating lease rental income and depreciation charges and commission receivable during the period less interest payable and similar charges

Gross profit is apportioned over the life of agreements to give a constant periodic rate of return on the net investments in those agreements

c. Finance Leases and Hire Purchase Agreements

The company's net investment in finance leases and hire purchase agreements is included in the balance sheet at the gross amount of minimum future receivables, less gross earnings allocated to future periods and specific bad debt provisions

d. Deferred Taxation

Deferred tax is provided on a non-discounted basis in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse

e. Depreciation of Tangible Fixed Assets

Operating lease assets are depreciated over the life of the lease agreement to anticipated residual value at the end of the agreements. The basis for calculating depreciation is as per note 1b

2 LEASING ACTIVITY RENTAL INCOME

Interest receivable includes aggregate lease and hire purchase rentals receivable of £19,740,503 (2006 £23,804,982). Of this amount £2,195,260 (2006 £1,778,591) was derived from operating lease

Interest earned on leasing activities includes a charge of £1,335,769 (2006 £1,360,948) being depreciation in respect of operating lease assets (note 6)

Interest earned on leasing activities includes a charge of £15,537,731 (2006 £16,067,848) being depreciation in respect of finance lease assets

3 INTEREST PAYABLE

	<u>2007</u>	<u>2006</u>
	<u>£'000</u>	<u>£'000</u>
Interest payable to group undertakings	3,624	3,111
Other interest payable to group undertakings	419	235
Other interest payable and similar charges	132	188
	<hr/>	<hr/>
	4,175	3,534
	<hr/>	<hr/>

COMMERCIAL VEHICLE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2007

(Continued)

4 ADMINISTRATIVE EXPENSES

A management charge of £761,342 (2006 £683,526) is payable to BNP Paribas Lease Group for the provision of administration services.

Auditors remuneration for the period amounts to £5,208 (2006 £6,698) and is for audit work only

The Directors receive no remuneration for their role as directors of the company

5 TAXATION

a) Analysis of charge in period

	2007	2006
	<u>£'000</u>	<u>£'000</u>
Current Tax (see note b below)		
UK Corporation tax on profits of the period	577	248
Deferred Tax (see note 10)		
Origination and reversal of timing differences	(60)	69
	<u>517</u>	<u>317</u>

b) Factors affecting tax charge for period

The tax assessed for the period is different to the standard rate of corporation tax in the UK

The differences are explained below

	2007	2006
	<u>£'000</u>	<u>£'000</u>
Profit on ordinary activities before tax	1,413	1,056
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004 30%)	424	317
Non deductible expenditure	93	-
Depreciation for the period (less than) / in excess of capital allowances	60	(69)
Current tax (credit) / charge for the period	<u>577</u>	<u>248</u>

COMMERCIAL VEHICLE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2007

(Continued)

6 OPERATING LEASE ASSETS

<u>Cost</u>	2007
	<u>£'000</u>
At 1 January	13,745
Additions	346
Disposals	(2,608)
	<hr/>
At 31 December	11,483
	<hr/>
<u>Depreciation</u>	
At 1 January	(8,775)
Charge for the year	(1,336)
Disposals	2,325
	<hr/>
At 31 December	(7,786)
	<hr/>
<u>Net Book Value</u>	
At 1 January	4,970
	<hr/>
At 31 December	3,697
	<hr/>

7 DEBTORS

	2007		2006	
	Receivable within 1 year	Receivable after 1 year	Receivable within 1 year	Receivable after 1 year
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Net investment in leases	14,421	28,568	14,437	24,298
Net investment in hire purchase agreements	13,841	18,753	9,885	13,870
Net investment in fixed term advances to customers	289	-	-	-
Other debtors	1,320	-	1,629	-
Corporation Tax	1,931	-	1,612	-
	<hr/>	<hr/>	<hr/>	<hr/>
	31,802	47,321	27,563	38,168
	<hr/>	<hr/>	<hr/>	<hr/>

The cost of assets acquired in the year to let under finance leases was £23,926,590

COMMERCIAL VEHICLE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2007

(Continued)

8 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2007</u>	<u>2006</u>
	<u>£'000</u>	<u>£'000</u>
Bank loans and overdrafts	18,233	12,051
Other creditors	2,897	3,737
Finance Leases owed to group companies	3,385	3,532
Amounts owed to group companies	51,167	41,128
	<u>75,682</u>	<u>60,448</u>

Bank loans and overdrafts are part of a facility to the company and its fellow subsidiaries. Interest is payable at commercial rates on the overall group position.

9 CREDITORS. AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2007</u>	<u>2006</u>
	<u>£'000</u>	<u>£'000</u>
Finance leases owed to group companies, falling due between one and two years	3,010	3,627
between two and five years	226	3,560
	<u>3,236</u>	<u>7,187</u>

10 DEFERRED TAXATION

	<u>Potential</u>	<u>2007</u>	<u>Potential</u>	<u>2006</u>
	<u>£'000</u>	<u>Amount</u>	<u>£'000</u>	<u>Amount</u>
		<u>provided</u>		<u>provided</u>
		<u>£'000</u>		<u>£'000</u>
Accelerated capital allowances	1,963	1,963	2,023	2,023
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
The movement in deferred taxation is as follows		<u>£'000</u>		
Balance at 1 January 2007		2,023		
Charge for the period (Note 5)		(60)		
		<u> </u>		
Balance at 31 December 2007		<u>1,963</u>		

COMMERCIAL VEHICLE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2007

(Continued)

11 SHARE CAPITAL

The share capital comprised 1,000 authorised, allotted, called up and fully paid Ordinary £1 shares at 31 December 2006 and 31 December 2007

12 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	<u>2007</u>	<u>2006</u>
	<u>£'000</u>	<u>£'000</u>
At the start of the period	1,043	304
Profit for the period	896	739
	<hr/>	<hr/>
At the end of the period	<u>1,939</u>	<u>1,043</u>

13 ULTIMATE PARENT COMPANY

The immediate holding company is HFGL Limited which is incorporated in Great Britain and registered in England and Wales

The ultimate parent company is BNP Paribas SA which is registered in France

The smallest and largest group in which the results of the group are consolidated is that headed by BNP Paribas SA which is registered in France. The consolidated financial statements of BNP Paribas SA are available to the public and may be obtained from 16 Boulevard des Italiens, 75009, Paris, France