

BNP Paribas Fleet Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2019



ARVAL
BNP PARIBAS GROUP

**For the many
journeys in life**

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For the year ended 31 December 2019

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Company Information

For the year ended 31 December 2019

Directors:

A M Cabaça

P Hyne

F De Visscher

Secretary:

A Parshall

Registered Office:

Whitehill House

Windmill Hill

Swindon

SN5 6PE

Registered Number:

3997584

Auditor:

Mazars LLP

One St Peters Square

Manchester

M2 3DE



Strategic Report

For the year ended 31 December 2019

Review of Business and Future Developments

Financial position

In the opinion of the directors the state of the company's affairs is satisfactory. The company acts as a holding company and does not carry out any trading activity.

Current and future developments

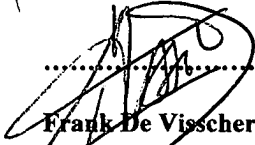
BNP Paribas Fleet Holdings Limited is the holding company for Arval's UK operations and the directors' view is that this will continue for the foreseeable future. As a holding company, the principal risk to the company is the long term performance of subsidiary investments.

Credit risk

The company is exposed to credit risk due to counterparties failing to meet all or part of their obligations. All counterparties are subject to credit verification and all outstanding balances are monitored on an ongoing basis.

Management is responsible for identification, assessment and control of credit risk and reporting it in accordance with the group's policies.

Approved by the board, authorised for issue and signed on its behalf by


.....
Frank De Visscher
Director
Date: 15/5/20



Directors' Report

Principal Activities

The company is a holding company.

Results

The company's results are set out in the Statement of Comprehensive Income on page 11.

Dividends

The directors currently propose a final dividend of 10.48p (2018: 12.1p) per share on the issued share capital amounting to £46.6m (2018: £53.8m) payable after the balance sheet date. This final dividend is dependant on the receipt of a proposed final dividend of £46.2m from Arval UK Group Limited.

Directors' Indemnity

Appropriate directors' and officers' liability insurance cover is in place in respect of all of the company's directors.

Directors

The directors set out below have held office during the whole of the period from 1 January 2019 to the date of this report unless shown otherwise.

A Van Groenendael (appointed 1 January 2019, resigned 17 May 2019)

S Hunt (resigned 5 June 2019)

E Woodhead (appointed 31 July 2019, resigned 1 January 2020)

B Beckers (resigned 24 September 2019)

F De Visscher (appointed 1 January 2020)

P Hyne

A M Cabaça

Future Developments

Future developments are covered in the Strategic Report on page 3.

The United Kingdom withdrew from the European Union on 31 January 2020 and entered into an Implementation period which is scheduled to end on 31 December 2020. However the terms of the future trade and other relationships with the European Union are not yet clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

Going concern

The financial statements have been prepared on a going concern basis.

The coronavirus (SARS-CoV-19) pandemic was declared by the World Health Organization on 30 January 2020 and continues to have an impact across the world. This crisis will most likely have significant economic effects on companies, for example due to restrictions in production, trade and consumption or due to travel bans. In this context, Arval has already taken actions to ensure a sustainable service and support to its customers. 99.99% of the Arval employees are able to work from home and can continue their current activities. The directors have considered the impact of the pandemic on future unit volumes, the impact on the UK used car market and on customer credit risk. The group is still forecasting profitability for 2020 and beyond.



Directors' Report (Continued)

As a reminder the Arval Group is a wholly owned subsidiary of BNP Paribas, a leading bank in the World with an international reach. Arval has access to BNPP funding and support when needed.

At this stage it is not possible too precisely assess when the lockdown will end in the various countries where Arval operates. Therefore, it is too early to estimate what could be the impact of the covid-19 crisis. As of today, based on the current situation and measures taken, it is expected to be manageable.

Arval has reviewed, in addition to going concern, all most important areas of the accounts that may be subject to judgement and estimation uncertainty, including accounting estimates, asset impairment and expected credit loss assessments.

Employee Engagement statement

The Arval UK Group is committed to diversity and open engagement. It is people-orientated and cares about the individual success and well-being of each of its employees, known at Arval UK Group as Journey Makers. There are workplace policies in place setting behavioural expectations and providing guidance on its procedures for raising concerns about misconduct and unethical practices.

Its open approach to communication with its employees means internal communications are routinely sent out through the week and during demanding times to ensure its journey makers are well informed and kept up to date. Communications includes financial information and economic factors affecting the performance of the company on a regular basis.

In support of Arval UK Group's gender pay and diversity strategies, Arval UK Group has several programmes running, including a rising talent programme, as well as programmes for mental health, parents and carers. Arval UK Group also recently consulted with a specialist to ensure it is meeting the needs of its employees.

Arval UK Group has two newly formed groups: One Arval Academy, responsible for employee feedback, training, mobility and career paths; and, a talent committee, looking at the future of Arval UK Group's work as its organisational profiles shift and change.

BNP Paribas Group conducts an annual Global People Survey ("GPS") which produces a Net Promotor Score to monitor and continuously improve on employee engagement, and from which priority actions are derived so that improvements can be made. The results of the surveys are reported to the Board and it uses the results to understand the Company's workforce and to develop new initiatives, benefits and development programmes.

The group policy for the employment of disabled persons is that full consideration is given to their applications and candidates are offered employment on the basis of their ability and aptitude. In the event of an individual becoming disabled whilst in employment, every effort is made to ensure that such employment is continued and where necessary appropriate retraining is provided. The training, career development and promotion opportunities for disabled persons are the same as those for other employees.



Directors' Report (Continued)

Statement as to Disclosure of Information to Auditor

The directors have taken all the necessary steps to make themselves aware, as directors, of any relevant audit information and to establish that the auditor is aware of that information.

As far as the directors are aware, there is no relevant information of which the company's auditor is unaware.

Auditor

Mazars LLP have signified their willingness to continue in office.

Approved by the board, authorised for issue and signed on its behalf by



Frank De Visscher

Director

Date: 15/5/20



Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework". 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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.



Independent Auditor's Report to the Members of BNP Paribas Fleet Holdings Limited

Opinion

We have audited the financial statements of BNP Paribas Fleet Holdings Limited (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 101 "Reduced Disclosure Framework" (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 2019 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.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the group's financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 pandemic as disclosed on pages 4 and 5, and the consideration in the going concern basis of preparation on pages 4 and 5 and non-adjusting post balance sheet events note on page 21.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.

The full impact arising from the emergence of COVID-19 is still unknown.



Independent Auditor's Report to the Members of BNP Paribas Fleet Holdings Limited (Continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

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

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

We have nothing to report in 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.



Independent Auditor's Report to the Members of BNP Paribas Fleet Holdings Limited (Continued)

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of 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.



Tim Hudson (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
One St Peters Square
Manchester
M2 3DE

Date: 20 May 2020



Statement of Comprehensive Income

For the year ended 31 December 2019

	Notes	31 December 2019 £'000	31 December 2018 £'000
Finance income	5	53,995	8,355
Profit before taxation		53,995	8,355
Taxation	6	(104)	(85)
Profit for the year		53,891	8,270
Other comprehensive income			
Total comprehensive income for the year		53,891	8,270

The notes on pages 14 to 22 form an integral part of these financial statements.



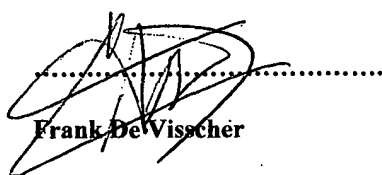
Statement of Financial Position

As at 31 December 2019

	Notes	31 December 2019 £'000	31 December 2018 £'000
ASSETS			
Non-current assets			
Investment in subsidiary undertaking	8	344,018	344,018
Current assets			
Trade and other receivables	9	101,535	101,403
Total assets		445,553	445,421
LIABILITIES			
Current liabilities			
Current tax liabilities		(104)	(85)
Total liabilities		(104)	(85)
Net assets		445,449	445,336
EQUITY			
Share capital	10	444,974	444,974
Retained earnings		475	362
Total equity		445,449	445,336

The notes on pages 14 to 22 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors, authorised for issue and signed on their behalf by:


Frank De Visscher
Director

Date: 15/5/20



ARVAL
BNP PARIBAS GROUP

Statement of Changes in Equity

As at 31 December 2019

	Share capital £'000	Retained earnings £'000	Total equity £'000
At 1 January 2018	444,974	139	445,113
Profit for the year	-	8,270	8,270
Other comprehensive income	-	-	-
Total comprehensive income	-	8,270	8,270
Dividends paid	-	(8,047)	(8,047)
At 31 December 2018	444,974	362	445,336
Profit for the year	-	53,891	53,891
Other comprehensive income	-	-	-
Total comprehensive income	-	53,891	53,891
Dividends paid	-	(53,778)	(53,778)
At 31 December 2019	444,974	475	445,449



Notes to the Financial Statements

For the year ended 31 December 2019

1. Corporate information

BNP Paribas Fleet Holdings Limited is a company incorporated in the United Kingdom. The registered address of the company is given on page 2. The principal operations of the company are included in the Strategic Report on page 3.

2. Accounting policies

2.1. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with the applicable provisions of the Companies Act 2006. Except for certain disclosure exemptions detailed below, the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (EU-adopted IFRSs) have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008/410 ('Regulations').

The company is exempt from the requirement to prepare consolidated financial statements under Section 400 of the Companies Act 2006. Consolidated financial statements are prepared by BNP Paribas SA, the ultimate parent undertaking, incorporated in France and are available from the address set out in note 12. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Disclosure exemptions applied

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

- (i) The requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- (ii) The requirement of IFRS 13 'Fair Value Measurement' paragraphs 91 to 99 relating to the fair value measurement disclosures of financial assets and financial liabilities that are measured at fair value, such as available for sale investments and derivative financial instruments;
- (iii) The applicable requirements of IAS 36 'Impairment of Assets' relating to the disclosures of estimates used to measure recoverable amounts;
- (iv) The applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the number of shares outstanding at the beginning and end of the year (IAS 1.79(a) (iv)), the reconciliation of the carrying amount of property, plant and equipment (IAS 16.73(e)) and the reconciliation of the carrying amount of intangible assets (IAS 18(118) (e)).
- (v) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- (vi) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement;
- (vii) The requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective; and



Notes to the Financial Statements

For the year ended 31 December 2019

- (viii) The requirements of IAS 24 'Related Party Disclosures' paragraph 17 relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the company and other wholly-owned subsidiaries of the group.

For the disclosure exemptions listed in points (i) to (iii), the equivalent disclosures are included in the consolidated financial statements of the Group, BNP Paribas SA which the company is consolidated into.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Going concern

The financial statements have been prepared on a going concern basis.

The company's business activities, together with the factors likely to affect its future performance and position are set out in the Strategic Report and Directors' Report on pages 3 to 6.

The company's subsidiaries have considerable financial resources together with long-term contracts with a number of customers and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Functional and presentational currency

The financial statements are presented in Pounds Sterling. The company's functional currency is also Pounds Sterling as this is the currency of the primary economic environment of that which the company operates.

2.2. Investment in subsidiary

The investment in subsidiary is recognised at cost less any accumulated impairment losses.

2.3. Taxation

Current corporation tax assets and/or liabilities comprise obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid/due at the reporting date. Current tax is payable on taxable profits, which may differ from the Statement of Comprehensive Income in the financial statements. Calculation of current tax is based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). However, for deductible temporary differences associated with investments in subsidiaries and associates a deferred tax asset is recognised when the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.



Notes to the Financial Statements

For the year ended 31 December 2019

2.4. Impairment of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash flows. As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset or cash-generating unit is impaired when its carrying amount exceeds its recoverable amount. The recoverable amount is measured as the higher of fair value less cost of disposal and value in use. The value in use is calculated as being net projected cash flows based on financial forecasts discounted back to present value.

The impairment loss is allocated to reduce the carrying amount of the asset, first against the carrying amount of any goodwill allocated to the cash-generating unit, and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.5. Financial instruments

Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus directly attributable transaction costs.

All financial assets are classified as financial assets at amortised cost; these comprise assets held within a business model whose objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest.

After initial recognition, financial assets at amortised cost are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on financial assets at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial liabilities

Financial liabilities include obligations under finance leases and hire purchase contracts and trade and other payables.

Financial liabilities are obligations to pay cash or other financial assets and are recognised in the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs.



Notes to the Financial Statements

For the year ended 31 December 2019

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

2.6. Equity and reserves

Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current and prior period retained profits.

2.7. Changes in accounting standards and interpretations

The adoption of the following the standards, amendments and interpretations in the current year has not had a material impact on the company's financial statements.

*EU effective date – periods
beginning on or after*

Amendments to FRS 101 Reduced Disclosure Framework (March 2018),
incorporating amendments to FRS 101 – Triennial Review: Incremental
improvements and clarifications

1 January 2019



Notes to the Financial Statements

For the year ended 31 December 2019

3. Directors' remuneration

A M Cabaça, P Hyne, E Woodhead and F De Visscher were remunerated by Arval UK Group Limited and it is not practicable to analyse their remuneration by entity. S Hunt was remunerated by BNP Paribas Personal Finance Limited, which made no recharge to BNP Paribas Fleet Holdings Limited. B Beckers and A Van Groenendael were remunerated by the ultimate parent company, which made no recharge to BNP Paribas Fleet Holdings Limited.

4. Auditors' remuneration

Mazars LLP were remunerated by Arval UK Group Limited and it is not possible to analyse their remuneration by entity. Details of the auditor's remuneration can be found in the financial statements of Arval UK Group Limited.

5. Finance income

	31 December 2019 £'000	31 December 2018 £'000
Dividend income	53,416	7,908
Interest receivable from group undertakings	579	447
	<hr/>	<hr/>
	53,995	8,355
	<hr/>	<hr/>

During 2019 the company received dividends of £53,416,000 (2018: £7,908,000) from Arval UK Group Limited.



Notes to the Financial Statements

For the year ended 31 December 2019

6. Taxation

	31 December 2019 £'000	31 December 2018 £'000
Corporation tax:		
Current year	110	85
Adjustment to tax in respect of previous years	(6)	-
	<hr/>	<hr/>
Total tax expense	104	85
	<hr/>	<hr/>

The tax rate used for the following reconciliation is the corporate tax rate of 19.00% (2018: 19.00%) payable by corporate entities in the UK on taxable profits under UK tax law.

The tax charge for the year can be reconciled to the profit for the year as follows:

	31 December 2019 £'000	31 December 2018 £'000
Profit before taxation	53,995	8,355
	<hr/>	<hr/>
Income tax calculated at 19.00% (2018: 19.00%)	10,259	1,587
Effect of income that is not subject to tax	(10,149)	(1,502)
Adjustment to tax in respect of previous years	(6)	-
	<hr/>	<hr/>
Total tax expense	104	85
	<hr/>	<hr/>

7. Dividends paid and proposed

During the year dividends of £53,778,000 (2018: £8,047,000) were declared and paid equalling 12.1p per share (2018: 1.8p per share).



Notes to the Financial Statements

For the year ended 31 December 2019

8. Investment in subsidiary undertaking

	£'000
Cost	
As at 1 January 2019 and 31 December 2019	344,018
	<hr/>
Net book value	
As at 1 January 2019 and 31 December 2019	344,018
	<hr/>

Details of subsidiary undertakings at 31 December 2019 are as follows:

Company Name	Activity	Class of share	Percentage of shares held	Aggregate capital and reserves	Profit for the year
				£'000	£'000
Arval UK Group Limited	Management	Ordinary	100%	21,560	51,186
Arval UK Limited	Leasing	Ordinary	* 100%	43,982	42,855
Arval UK Leasing Services Limited	Dormant	Ordinary	* 100%	25,659	120
Leasecontracts Sales Limited	Dormant	Ordinary	* 100%	-	-

* Indirect holdings

All subsidiary undertakings are registered in England and Wales.



Notes to the Financial Statements

For the year ended 31 December 2019

9. Trade and other receivables

	31 December 2019 £'000	31 December 2018 £'000
Amounts owed by related undertakings	101,535	101,403

10. Share capital

	31 December 2019 £'000	31 December 2018 £'000
Authorised 500,000,000 Ordinary shares of £1 each	500,000	500,000
Allocated, called up and fully paid 444,973,997 Ordinary shares of £1 each	444,974	444,974

11. Events after the reporting period

The coronavirus (SARS-CoV-19) pandemic was declared by the World Health Organization on 30 January 2020 and continues to have an impact across the world. This crisis will most likely have significant economic effects on companies, for example due to restrictions in production, trade and consumption or due to travel bans. In this context, Arval has already taken actions to ensure a sustainable service and support to its customers. 99.99% of the Arval employees are able to work from home and can continue their current activities.

As a reminder the Arval Group is a wholly owned subsidiary of BNP Paribas, a leading bank in the World with an international reach. Arval has access to BNPP funding and support when needed.

At this stage it is not possible too precisely assess when the lockdown will end in the various countries where Arval operates. Therefore, it is too early to estimate what could be the impact of the covid-19 crisis. As of today, based on the current situation and measures taken, it is expected to be manageable.

As the pandemic was not yet declared prior to the Balance Sheet date, this did not have any implications on the BNP Paribas Fleet Holdings Limited Financial Statements.



Notes to the Financial Statements

For the year ended 31 December 2019

12. Ultimate controlling party

The company is a subsidiary undertaking of, and is controlled by Arval Service Lease SA, a company incorporated in France. The ultimate parent undertaking is BNP Paribas SA, a company incorporated in France.

The smallest group in which the results of the company are consolidated is that headed by BNP Paribas Fortis SA/NV. The largest group in which the results of the company are consolidated is that headed by BNP Paribas SA.

The consolidated accounts of BNP Paribas Fortis SA/NV and BNP Paribas SA can be obtained from:

Arval UK Group Limited
Whitehill House
Windmill Hill
Swindon
SN5 6PE

