

Company Registration No 03069954

HELPHIRE FINANCE LIMITED

Financial Statements

For the year ended 30 June 2012

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HELPHIRE FINANCE LIMITED

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HELPHIRE FINANCE LIMITED

COMPANY INFORMATION

DIRECTORS

M Ward
S Oakley

SECRETARY

N P Tilley

REGISTERED OFFICE

Pinesgate
Lower Bristol Road
Bath
BA2 3DP

BANKERS

Bank of Scotland
4th Floor
New Ubertior House
11 Earl Grey Street
Edinburgh
EH3 9BN

HSBC
45 Milsom Street
Bath
BA1 1OU

AUDITOR

KPMG Audit Plc
100 Temple Street
Bristol
BS1 6AG

HELPHIRE FINANCE LIMITED

DIRECTORS' REPORT

The directors present the financial statements for the year ended 30 June 2012

ACTIVITIES

The Company's principal activity was the financing of vehicle repairs

On 30 January 2012, the company sold its trade and net assets to Helphire Limited (formerly HAS Accident Management Solutions Limited), for their net book value at that date and reduced its issued share capital from 25,000 £1 ordinary shares to one, £1 ordinary share

A dividend amounting to £40,501 was paid during the year

GOING CONCERN

The financial statements have been prepared on a break-up basis

DIRECTORS

The directors during the year were as follows

M Ward

S Oakley (appointed as a director on 18th October 2011)

S Poulton (resigned as a director on 18th October 2011)

AUDITOR

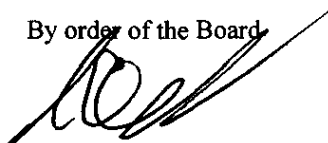
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this Director's Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as director 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

By order of the Board



S Oakley

Director

25 October 2012

HELPHIRE FINANCE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

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 they have been prepared in accordance with IFRSs as adopted by the EU, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

HELPHIRE FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELPHIRE FINANCE LIMITED

We have audited the financial statements of Helphire Finance Limited for the year ended 30 June 2012 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at

www.frc.org.uk/apb/scope/private.cfm

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 30 June 2012 and of its profit for the year 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.

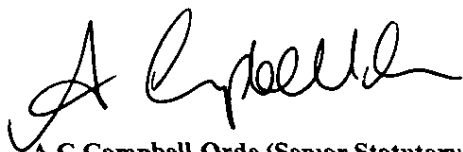
Opinion on other matter prescribed by the Companies Act 2006

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, or
- we have not received all the information and explanations we require for our audit.



A C Campbell-Orde (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants, 100 Temple Street, Bristol, BS1 6AG, United Kingdom

7.11.12

HELPHIRE FINANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME For year ended 30 June 2012

	Note	2012 £	2011 £
Discontinued operations			
REVENUE	2	35,867,058	71,509,340
Cost of sales		(34,960,399)	(62,908,253)
GROSS PROFIT		906,659	8,601,087
Administrative expenses		(1,102)	(7,315,390)
OPERATING PROFIT		905,557	1,285,697
Finance charges – intercompany interest	11	(336,804)	-
PROFIT BEFORE TAX		568,753	1,285,697
Tax	5	-	-
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		568,753	1,285,697

STATEMENT OF CHANGES IN EQUITY For the year ended 30 June 2012

	Share capital £	Retained Earnings £	Total £
Balance at 30 June 2010	25,000	(1,838,948)	(1,813,948)
Profit and total comprehensive income for the year	-	1,285,697	1,285,697
Balance at 30 June 2011	25,000	(553,251)	(528,251)
Profit and total comprehensive income for the year	-	568,753	568,753
Capital reduction	(24,999)	24,999	-
Dividend paid	-	(40,501)	(40,501)
	1	-	1

HELPHIRE FINANCE LIMITED

STATEMENT OF FINANCIAL POSITION For the year ended 30 June 2012

	Note	2012 £	2011 £
CURRENT ASSETS			
Trade and other receivables	6	1	56,051,227
CURRENT LIABILITIES			
Borrowings and overdraft	7	-	(28,849)
Trade and other payables	8	-	(56,550,629)
		-	(56,579,478)
NET ASSETS / (LIABILITIES)		1	(528,251)
EQUITY			
Share capital	9	1	25,000
Retained earnings		-	(553,251)
TOTAL FUNDS / (DEFICIT)		1	(528,251)

The notes on pages 8 to 12 form an integral part of these Financial Statements

The financial statements of Helphire Finance Limited, registered number 03069954, were approved by the Board of Directors and authorised for issue on 25 October 2012

Signed on behalf of the Board of Directors



S Oakley

Director

HELPHIRE FINANCE LIMITED

STATEMENT OF CASH FLOWS For the year ended 30 June 2012

	2012 £	2011 £
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	568,753	1,285,697
Finance costs	336,804	-
Decrease in receivables	56,051,226	24,639,165
Decrease in payables	(56,550,629)	(26,211,904)
Cash generated from operating activities	406,154	(287,042)
Interest paid	(336,804)	-
NET CASH FROM OPERATING ACTIVITIES	<u>69,350</u>	<u>(287,042)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(40,501)	-
NET CASH USED IN FINANCING ACTIVITIES	<u>(40,501)</u>	<u>-</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	28,849	(287,042)
Cash and cash equivalents at beginning of the year	(28,849)	258,193
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>-</u>	<u>(28,849)</u>
Cash and cash equivalents at the end of the year comprise		
Bank overdraft	-	(28,849)
	<u>-</u>	<u>(28,849)</u>

HELPHIRE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis

There are no newly adopted standards that have a material impact upon the accounts

Going concern

The financial statements have been prepared on a break-up basis

Revenue recognition

Credit repair revenue represents income from the recovery of the costs of repair of customers' vehicles carried out by third party body shops. Credit repair revenue is recognised based on an estimate of the stage of completion of the repair services at the reporting date. Credit repair revenue is reported net of an estimation of the expected adjustment arising on settlement of claims. The Group records credit repair revenue on a gross basis as this best reflects the economic benefits that are received or receivable by the Group on its own account.

Expected adjustment arising on settlement of claims

By their very nature, claims against motor insurance companies or self-insuring organisations can be subject to dispute. As described above, the Company records revenue net of the expected adjustment arising on the settlement of claims, which reflects the Company's estimate of the amounts claimed from insurers that it does not expect to be ultimately recoverable. Where necessary, this estimate is revised at subsequent period end dates if and when further information becomes available.

The Company's estimation of the expected adjustments arising on settlement of claims is calculated with reference to a number of factors, including the Company's historical experience of collection levels, its anticipated collection profiles and analysis of the current profile of the claims against insurance companies. Although in principle this is determined by reference to individual cases, in practice the homogenous nature of most claims means that the level of adjustment is calculated by reference to specific categories of claims.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies described above, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. 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 periods.

The critical judgement affecting the Company's financial statements concerns expected adjustments arising on the settlement of insurance claims.

HELPHIRE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

2. REVENUE

Revenue arose wholly from the principal activity of the Company within the United Kingdom

An initial estimate of the expected adjustment on settlement of claims due is made at the time revenue is recognised. The estimation of the expected adjustment arising on settlement of claims is revised, where necessary, at each balance sheet date to reflect the Company's most recent estimation of amounts ultimately recoverable. Although in principle this is determined by reference to individual cases, in practice the homogenous nature of most claims means that the level of adjustment is calculated by reference to specific categories of claim. Adjustments arising from the subsequent revision of the Company's expected adjustment arising on settlement of claims, including amounts received by way of late payment charges, are recorded in revenue in the income statement.

The Company's accounting policy was that costs or gains are treated as exceptional costs or gains when they are associated with normal activities but are of a non-recurring nature and/or exceptional magnitude such that if they were not shown separately the accounts would not present a true and fair view.

3. AUDITORS REMUNERATION

The auditor's remuneration of £1,000 (2011 £1,000) for KPMG Audit Plc was borne by a fellow Group company.

4. STAFF COSTS

The average number of persons employed was

	2012 Number	2011 Number
Management	-	1

	2012 £	2011 £
Their aggregate remuneration comprised		
Wages and salaries	-	68,460
Social security costs	-	8,142
	-	76,602

Messrs S Poulton, S Oakley and M Ward were executives of the holding company, Helphire Group plc, during the year to 30 June 2012. The directors received total emoluments of £833,000 (2011 £626,000) from Helphire Group plc during the year, but it is not practicable to allocate this between their services as executives of Helphire Group plc and their services as directors of other group companies.

HELPHIRE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2012 £	2011 £
Total tax charge	-	-
Reconciliation of tax charge		
Profit for the year	568,753	1,285,697
Tax charge	-	-
Profit before tax	568,753	1,285,697
Tax at the UK corporation tax rate of 25.5 % (2011: 27.5%)	145,032	353,567
Group relief claimed	(145,032)	(353,567)
Tax charge for the year	-	-

There were no potential deferred tax assets or liabilities at either year end

6. TRADE AND OTHER RECEIVABLES

	2012 £	2011 £
Trade receivables – claims due from insurance companies	-	33,118,612
Expected adjustment arising on settlement of claims	-	(2,678,135)
Trade receivables – net	-	30,440,477
Other debtors	-	498,300
Amounts owed by Group companies	1	25,112,450
	1	56,051,227

The Company's debtor days at 30 June 2012 were 0 days (2011: 155 days)

7. BANK OVERDRAFT

	2012 £	2011 £
Bank overdraft	-	28,849

HELPHIRE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

8. TRADE AND OTHER PAYABLES

	2012 £	2011 £
Trade payables	-	16,907,644
Amounts owed to Group undertakings	-	39,642,985
	<u>-</u>	<u>56,550,629</u>

The average creditor days were 0 days (2011 99 days)

9. SHARE CAPITAL

	2012 £	2011 £
Called-up, allotted and fully paid		
1 (2011 25,000) ordinary shares of £1 each	<u>1</u>	<u>25,000</u>

On 30 January 2012, the Board passed a resolution to reduce the issued share capital from 25,000 ordinary £1 shares to one £1 ordinary share

10. ULTIMATE CONTROLLING ENTITY

The Company's immediate and ultimate parent undertaking is Helphire Group plc, a company incorporated in the UK. Helphire Group plc is both the smallest and the largest group for which group accounts are prepared. The financial statements of the Group are publicly available and may be obtained from the Company Secretary, Helphire Group plc, Pinesgate West, Lower Bristol Road, Bath, BA2 3DP or at www.helphire.co.uk

11. TRANSACTIONS WITH RELATED PARTIES

During 2012 the intercompany balances with other Group companies were transferred to Helphire Group plc and Helphire Limited (Formerly HAS Accident Management Solutions Limited), following which those balances were respectively waived. On 30 January 2012, the company sold its trade and net assets to Helphire Limited (formerly HAS Accident Management Solutions Limited), for their net book value.

The Company incurred inter-company interest charges from Helphire Group plc of £336,804 (2011 £nil). During the year the Company made loans to other Group companies, totalling £nil (2011 £nil), the Company received loans from other Group companies totalling £nil (2011 £nil).

	2012 £	2012 £	2011 £	2011 £
	Included in Receivables	Included in Payables	Included in Receivables	Included in Payables
Helphire Group plc	-	-	21,408,755	-
Helphire Limited (formerly HAS Accident Management Solutions Limited)	1	-	-	11,408,694
Swift Finance (GB) Limited	-	-	3,703,695	-
Albany Assistance Limited	-	-	-	4,911,761
Angel Assistance Limited	-	-	-	23,322,530
	<u>1</u>	<u>-</u>	<u>25,112,450</u>	<u>39,642,985</u>

HELPHIRE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

12. CONTINGENT LIABILITY

The Company has entered into cross guarantees to the Helphire Group's bank in respect of the borrowings of its parent and fellow subsidiary undertakings. At 30 June 2012 the total contingent liability in respect of all Group borrowings was £74m (2011 £79m)