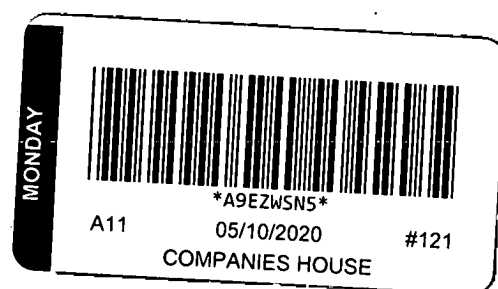


DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

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DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

DIRECTOR'S REPORT

Direct Auto Finance Limited (the 'company') is a wholly-owned subsidiary of Provident Financial plc which, together with its subsidiaries, forms the Provident Financial group (the 'group'). Provident Financial plc is a public limited company, listed on the London Stock Exchange.

Principal activity and review of business

The company is dormant and did not trade in the current or prior year or subsequent to the year end. The company previously formed part of the Yes Car Credit motor trading operations which were closed on 14 December 2005. Since that date the company has not traded.

As at 31 December 2019, the company has net liabilities of £18,759,000 (2018: £18,759,000). Due to the company's year-end position, its parent undertaking, Provident Financial plc, has confirmed its continued support for the company for a period of at least twelve months from the date of the approval of the financial statements. Accordingly the financial statements have been prepared on a going concern basis.

Results

The company did not trade during the year and therefore reported neither a profit nor a loss (2018: neither a profit nor a loss).

Dividends

The directors are unable to recommend the payment of a dividend (2018: £nil).

Directors

The directors of the company at 31 December 2019 and the date of signing of this report, except where stated, were:

M Le May
S G Thomas (resigned 31 March 2020)
N Kapur (appointed 1 April 2020)

Principal risks and uncertainties and financial risk management

The company participates in the group-wide management framework of Provident Financial plc. Details of the group's risk management framework together with the group's principal risks and uncertainties are set out in the annual report and financial statements of Provident Financial plc.

Post balance sheet events

Post balance sheet events have been disclosed in note 7 of the financial statements.

Key performance indicators (KPIs)

Given the company is not trading, the company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Exemption from preparing strategic report

In accordance with section 414B of the Companies Act 2006, the company has taken advantage of the exemption for small companies from preparing a strategic report.

Auditor information

The directors of the company have taken advantage of the exemption from audit conferred by section 480 of the Companies Act 2006.

BY ORDER OF THE BOARD



N Kapur
Director
Bradford
22 September 2020

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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 the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that the directors:

- properly select suitable accounting policies and apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

BALANCE SHEET

As at 31 December	Note	2019 £'000	2018 £'000
ASSETS			
Current assets			
- cash and cash equivalents		47	47
LIABILITIES			
Current liabilities			
<i>Financial liabilities:</i>			
- trade and other payables	3	(18,806)	(18,806)
NET LIABILITIES		(18,759)	(18,759)
SHAREHOLDER'S EQUITY			
Share capital	4	5,000	5,000
Share premium		300	300
Retained losses		(24,059)	(24,059)
TOTAL SHAREHOLDER'S DEFICIT		(18,759)	(18,759)

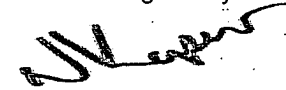
The company is entitled to exemption from audit under section 480 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with sections 386 and 388 of the Companies Act 2006; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of section 393 and which comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements on pages 3 to 7 were approved and authorised for issue by the director on 22 September 2020 and signed by:



N Kapur
Director

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

There have been no changes in shareholders' equity in either the current or prior financial years.

STATEMENT OF CASH FLOWS

There have been no changes in the company's cash and cash equivalents in the current or prior years. A statement of cash flows is therefore not presented.

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

STATEMENT OF ACCOUNTING POLICIES

General information

The company is a limited liability company incorporated in the UK. The address of its registered office is No.1 Godwin Street, Bradford, BD1 2SU.

The company previously formed part of the Yes Car Credit motor trading operations which were closed on 14 December 2005. Since that date the company has not traded.

As at 31 December 2019, the company has net liabilities of £18,759,000 (2018: £18,759,000). Due to the company's year-end position, its parent undertaking, Provident Financial plc, has confirmed its continued support for the company for a period of at least twelve months from the date of the approval of the financial statements. Accordingly the financial statements have been prepared on a going concern basis.

Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) adopted for use in the European Union (EU), International Financial Reporting Interpretations Committee (IFRIC) interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on a going concern basis under the historical cost convention. In preparing the financial statements, the directors are required to use certain critical accounting estimates and are required to exercise judgement in the application of the company's accounting policies. The company's accounting policies are chosen by the directors to ensure that the financial statements present a true and fair view.

Going Concern

In assessing whether the Company is a going concern, the directors have considered the ability of the Group to continue as a going concern due to the intercompany funding provided by the ultimate parent company Provident Financial plc. The directors of the Group have reviewed the latest budgets, as approved in July 2020, which includes capital and liquidity forecasts, on detailed projections for 2020 and 2021. This assessment has included consideration of the Group's principal risks and uncertainties, including that of Covid-19, and the likelihood of these risks materialising into losses.

Given the uncertain outlook as a result of Covid-19, additional stress testing has been performed through modelling a range of macro-economic scenarios. This initially assumes a severe but plausible downturn, with 'severe' being defined consistently with the Group's IFRS 9 'severe' macro-economic weighting. This assumes that unemployment in the UK reaches a peak unemployment rate of 14%. Further, more severe, scenarios have been modelled which would need to materialise to prevent the directors from adopting the going concern assumption. These scenarios are considered to be sufficiently remote to impact on the going concern assumption. The projections do not assume any further refinancing, or government support, and the Group's revised TCR has been assumed in all scenarios modelled.

Based on this review, the directors are satisfied that the group has the required resources to continue in business for a period of at least twelve months following the approval of the Company accounts. For this reason, the directors continue to adopt the going concern basis in preparing the Company accounts.

Due to the company's net liability position at the year end, the immediate and ultimate parent undertaking, Provident Financial plc, has confirmed its continued support for the company for a period of at least twelve months from the date of approval of the financial statements. Accordingly the financial statements of the company have been prepared on a going concern basis of accounting.

Principal accounting policies

The company's principal accounting policies under IFRS, which have been consistently applied to all the years presented are set out below.

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2019 that would have a material impact on the company.

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

STATEMENT OF ACCOUNTING POLICIES

(CONTINUED)

Financial instruments

In accordance with IFRS 9 'Financial instruments', cash and cash equivalents and trade and other payables are measured at amortised cost and assessed for impairment.

DIRECT AUTO FINANCE LIMITED
(Company Number 03412137)

NOTES TO THE FINANCIAL STATEMENTS

1 Employee information

The company had no employees during 2019 (2018: none).

2 Directors' emoluments

The emoluments of the directors for services to the company during 2019 were £nil (2018: £nil). The emoluments of the directors are borne by another subsidiary and it is not possible to make an accurate allocation in relation to these services to the company.

3 Trade and other payables

	2019	2018
	£'000	£'000
Amounts owed to parent company	18,795	18,795
Accruals	11	11
Total	18,806	18,806

Amounts owed to the parent company and fellow subsidiary undertakings are unsecured, have no fixed date of repayment and do not accrue interest. No interest has been charged on loans from the company's parent undertaking on the basis that had the company and its parent been acting at arm's length, these loans would not have been made. The company is considered to have no ability to service or repay such loans.

4 Share capital

		2019		2018
	Number	£'000	Number	£'000
Authorised - ordinary shares of £1 each	10,000,000	10,000	10,000,000	10,000
Allotted, called up and fully paid - ordinary shares of £1 each	5,000,025	5,000	5,000,025	5,000

5 Related party transactions

	Outstanding balance	
	2019	2018
	£'000	£'000
Amounts payable to Provident Financial plc	18,795	18,795

The outstanding balance represents the gross intercompany balance. There have been no transactions with related parties in 2019.

6 Parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Provident Financial plc, which is the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of Provident Financial plc may be obtained from the Company Secretary, Provident Financial plc, No.1 Godwin Street, Bradford, BD1 2SU.

7 Post balance sheet events

Covid -19

For January, February and the first three weeks of March, the Group made good progress against many of its key objectives and Key Performance Indicators (KPIs) were tracking in line, if not marginally ahead, of those seen in 2019. Then, from the 23 March 2020, the UK Government ordered that all non-essential travel and activities should cease immediately because of the threat posed by Covid-19. This meant that each of the Group's businesses had to adapt rapidly and introduce new ways of working. The response was swift and effective, enabling the Group to continue to support customers whilst ensuring the safety of colleagues. Covid-19 has not had a significant impact on the Company.