

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

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PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

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PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

DIRECTORS' REPORT

Provident Yes Car Credit 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 activities and review of business

The principal activity of the company is to act as a holding and investment company.

As at 31 December 2013, the company has net liabilities of £75,140,000 (2012: £75,139,000), therefore the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support to the company, therefore the financial statements have been prepared on a going concern basis. The directors expect that the current trends experienced by the company will continue for the foreseeable future.

Results

The statement of comprehensive income for the year is set out on page 4. The sustained loss for the year of £1,000 (2012: £2,000) has been deducted from reserves.

Dividends

The directors are unable to recommend the payment of a dividend in respect of the year ended 31 December 2013 (2012: £nil).

Directors

The directors of the company at 31 December 2013, all of whom were directors for the whole of the year then ended and up to the date of signing of this report, were:

K J Mullen
E G Versluys
A C Fisher

Principal risks and uncertainties and financial risk management

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

Key performance indicators (KPIs)

Given the straightforward nature of the business, 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

The company has taken advantage of the exemption for small companies from preparing a strategic report.

Auditor information

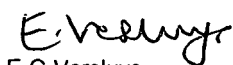
In accordance with section 418 of the Companies Act 2006, each person who is a director at the date of this report confirmed that:

- i) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ii) he/she has taken all reasonable steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Deloitte LLP will continue as auditor to the company for the next financial year.

BY ORDER OF THE BOARD



E G Versluys
Director
Bradford
31 March 2014

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

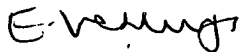
The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

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 and apply accounting policies;
- 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 IFRSs 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.

BY ORDER OF THE BOARD



E G Versluys
Director
Bradford
31 March 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PROVIDENT YES CAR CREDIT LIMITED**

We have audited the financial statements of Provident Yes Car Credit Limited for the year ended 31 December 2013 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in shareholder's equity, the statement of cash flows, the statement of accounting policies, the financial and capital risk management report and the related notes 1 to 10 of the financial statements. 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.

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 statement of directors' responsibilities, 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.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report.



Peter Birch FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
31 March 2014

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

STATEMENT OF COMPREHENSIVE INCOME


For the year ended 31 December	Note	2013 £'000	2012 £'000
Administrative costs		(1)	(2)
Loss before taxation	1	(1)	(2)
Tax credit	4	-	-
Loss and total comprehensive income for the year		(1)	(2)

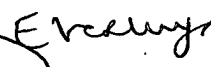
All of the above operations relate to continuing operations.

BALANCE SHEET

As at 31 December	Note	2013 £'000	2012 £'000
ASSETS			
Non-current assets			
Investments	5	-	-
Current assets			
Financial assets:			
- trade and other receivables	6	1	1
- cash and cash equivalents		20	20
		21	21
Total assets		21	21
LIABILITIES			
Current liabilities			
Financial liabilities:			
- trade and other payables	7	(75,161)	(75,160)
NET LIABILITIES		(75,140)	(75,139)
SHAREHOLDER'S EQUITY			
Share capital	8	8,001	8,001
Share premium		1,101	1,101
Retained losses		(84,242)	(84,241)
TOTAL SHAREHOLDER'S EQUITY		(75,140)	(75,139)

The financial statements on pages 4 to 11 were approved by the board of directors on 31 March 2014 and signed on its behalf by:


 K J Mullen
 Director


 E G Versluys
 Director

PROVIDENT YES CAR CREDIT LIMITED
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STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Share capital £'000	Share premium £'000	Retained losses £'000	Total £'000
At 1 January 2012	8,001	1,101	(84,239)	(75,137)
Loss and total comprehensive income for the year	-	-	(2)	(2)
At 31 December 2012	8,001	1,101	(84,241)	(75,139)
At 1 January 2013	8,001	1,101	(84,241)	(75,139)
Loss and total comprehensive income for the year	-	-	(1)	(1)
At 31 December 2013	8,001	1,101	(84,242)	(75,140)

STATEMENT OF CASH FLOWS

There have been no changes to the company's cash and cash equivalents in 2013 or 2012.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

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.

As at 31 December 2013, the company has net liabilities of £75,140,000 (2012: £75,139,000). Accordingly, the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support to the company, therefore the financial statements have been prepared on a going concern basis. The directors expect that the current trends experienced by the company will continue for the foreseeable future.

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.

Principal accounting policies

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

The following new standards, amendments to standards and interpretations are mandatory and were applied by the company for the first time in the financial year commencing 1 January 2013:

(a) New and amended standards adopted by the company:

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across all IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. IFRS 13 has been adopted from its effective date of 1 January 2013. There has been no material impact on the measurement of fair values in the company.

There are no other IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2013 that would have had a material impact on the company.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2013 and not early adopted:

'Offsetting financial assets and financial liabilities (amendments to IAS 32)' clarifies the requirements for offsetting financial instruments. The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 'Financial instruments: Presentation'. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to a net settlement. The amendment will be adopted from its effective date of 1 January 2014 and will not have a material impact on the company.

PROVIDENT YES CAR CREDIT LIMITED
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STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Principal accounting policies (continued)

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was originally issued in November 2009, reissued in October 2010, and then amended in November 2013. The current version of IFRS 9 does not include a mandatory effective date. This will be added when all phases of the project are complete and a final version of IFRS 9 is issued. The company continues to assess the updates to the project and will adopt the standard in line with the mandatory effective date when determined, subject to endorsement by the EU.

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

Investments

Investments are stated at cost less, where appropriate, provisions for impairment.

Financial instruments

In accordance with IAS 39, 'Financial instruments: Recognition and measurement', loans and receivables are measured at amortised cost using the effective interest rate method.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

FINANCIAL AND CAPITAL RISK MANAGEMENT

Provident Yes Car Credit Limited (the company) is a wholly-owned subsidiary of Provident Financial plc which, together with its subsidiaries, forms the Provident Financial group (the group).

The overall group internal control and risk management framework is the responsibility of the group Board with certain responsibilities in respect of internal control and risk management being delegated to various sub-committees who report directly to the Board. An overview of the group's risk management framework can be found in the annual report of Provident Financial plc.

The group operates with a centralised treasury function and therefore the funding requirements of the company are met wholly or partially via funding from Provident Financial plc or one of its subsidiaries. In addition, the allocation of capital is managed on a group basis by the centralised treasury function. Accordingly, it is inappropriate to consider the management of liquidity risk and capital risk on a stand-alone company basis.

(a) Liquidity risk

Liquidity risk is the risk that the company will have insufficient liquid resources available to fulfil its operational plans and/or meet its financial obligations as they fall due. The company is funded by way of an intercompany loan from the ultimate parent undertaking, Provident Financial plc.

Liquidity risk is managed by the group's centralised treasury department through daily monitoring of expected cash flows in accordance with a board approved group funding and liquidity policy. This process is monitored regularly by the group treasury committee.

The group's funding and liquidity policy is designed to ensure that the group is able to continue to fund the growth of the business. The group therefore maintains committed borrowing facilities and access to retail deposit funding to meet forecast borrowing requirements, including contractual maturities, at all times for at least the following 12 months. As at 31 December 2013, the group's committed borrowing facilities had a weighted average maturity of 3.2 years (2012: 3.7 years) and the headroom on these committed facilities amounted to £235.2m (2012: £191.9m).

The group is less exposed than other mainstream lenders to liquidity risk as the loans issued by the Consumer Credit Division, the group's largest business, are of short-term duration (typically around one year) whereas the group's borrowings extend over a number of years.

A maturity analysis of the undiscounted contractual cash flows of the group's bank and other borrowings, including derivative financial instruments settled on a net and gross basis, is set out in the annual report of Provident Financial plc.

(b) Capital risk

As at 31 December 2013, the company has net liabilities of £75,140,000 (2012: £75,139,000). Accordingly, the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support to the company. The directors expect that the current level of business will be sustained for the foreseeable future.

PROVIDENT YES CAR CREDIT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

1 Loss before taxation

The loss before taxation is stated after charging:

	2013	2012
	£'000	£'000
Auditor's remuneration:		
- fees payable to the company's auditor for the audit of the financial statements	1	2

2 Employee information

The company has no employees (2012: no employees).

3 Directors' emoluments

The emoluments of the directors are paid by the ultimate parent company, Provident Financial plc, which makes no recharge to the company (2012: no recharge). The directors of the company are also directors of a number of subsidiary companies and it is not possible to make an accurate apportionment of their services in relation to the company.

Retirement benefits accrue to one director (2012: one director) under a defined benefit scheme and to two directors (2012: two directors) under a money purchase scheme.

Three directors (2012: three directors) exercised share options over shares of the company's ultimate parent company, Provident Financial plc, in the year.

4 Tax credit

The standard rate of UK corporation tax reduced from 24% to 23% with effect from 1 April 2013. Further changes were enacted in Finance Act 2013 which further reduce the rate to 21% from 1 April 2014, and from 21% to 20% with effect from 1 April 2015.

The rate of tax credit assessed for the year is in line with (2012: in line with) the average standard rate of corporation tax in the UK of 23.25% (2012: 24.50%).

PROVIDENT YES CAR CREDIT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Investments

	Investment in subsidiaries £'000
Cost	
At 1 January 2013 and 31 December 2013	67,789
Accumulated impairment losses	
At 1 January 2013 and 31 December 2013	(67,789)
Net book value	
At 31 December 2013 and 1 January 2013	-

The company's subsidiary undertaking, which is incorporated, registered and operates solely in the UK, is as follows:

<u>Name of subsidiary</u>	<u>Class of shares held</u>	<u>Percentage of shares held</u>
Yes Car Credit Limited	Ordinary	99.95%

The principal activity of the company's subsidiary undertaking is that of an intermediate holding company.

Following the closure of the Yes Car Credit car retail operations on 14 December 2005, Yes Car Credit Limited made a provision against its investment which resulted in that business having net liabilities. As there are no further trading operations to make good that deficit, the company has made a full impairment provision against the value of its investment in Yes Car Credit Limited.

6 Trade and other receivables

	2013 £'000	2012 £'000
Amounts receivable from fellow subsidiary undertakings	1	1

Amounts receivable from fellow subsidiary undertakings are unsecured, have no fixed date of repayment and do not accrue interest.

7 Trade and other payables

	2013 £'000	2012 £'000
Amounts payable to ultimate parent company	75,161	75,160

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

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Share capital

	Number	2013 £'000	Number	2012 £'000
Authorised - ordinary shares of £1 each	55,000,000	55,000	55,000,000	55,000
Allotted, called up and fully paid - ordinary shares of £1 each	8,000,844	8,001	8,000,844	8,001

9 Related party disclosures

	Outstanding balance	
	2013	2012
	£'000	£'000
Amounts receivable from Direct Auto Finance Insurance Services	1	1
Amounts payable to Provident Financial plc	(75,161)	(75,160)

The outstanding balance represents the gross intercompany balance.

10 Parent undertaking and controlling party

The immediate parent undertaking is Provident Limited.

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