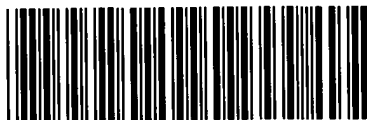


PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

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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 activity and review of business

The principal activity of the company is to act as a holding and investment company. As at 31 December 2017, the company has net liabilities of £75,148,000 (2016: £75,146,000). Due to the company's year-end position, the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support for the company for at least the next 12 months from the date of signing the financial statements.

As announced on 27 February 2018, the ultimate parent company, Provident Financial plc, announced its intention to raise £331m of capital by way of a rights issue. Following the General Meeting held on 21 March 2018, the shareholders of the ultimate holding company approved the proposed rights issue. This will protect the Group's capital position and will allow the ultimate parent company the ability to continue its financial support for the company. Accordingly the financial statements of the company have been prepared on a going concern basis of accounting. Further details on the basis of preparation are provided on page 9.

The directors expect that the present level of business will be sustained for the foreseeable future.

Results

The statement of comprehensive income for the year is set out on page 7. The loss for the year of £2,000 (2016: £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 2017 (2016: £nil).

Directors

The directors of the company at 31 December 2017 and the date of signing of this report, except where stated, were:

K J Mullen
A C Fisher
P Watts (Appointed 12 May 2017)

On 12 May E G Versluys resigned from her position of Company Director and Secretary and P Watts was appointed to the position of Company Secretary.

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 and financial statements 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

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.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

DIRECTORS' REPORT
(CONTINUED)

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 the 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



K J Mullen
Director
Bradford
29 March 2018

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

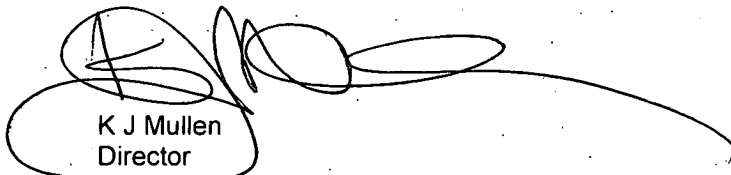
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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.

BY ORDER OF THE BOARD



K J Mullen
Director
Bradford
29 March 2018

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Provident Yes Car Credit Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of cash flow;
- the statement of accounting policies;
- the financial and capital risk management report and
- the related notes 1 to 9.

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.

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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

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 respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PROVIDENT YES CAR CREDIT LIMITED
(CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 our 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.

Report on other legal and regulatory requirements

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PROVIDENT YES CAR CREDIT LIMITED
(CONTINUED)

We have nothing to report in respect of these matters.

S. Cumberbatch

Stewart Cumberbatch FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
29 March 2018

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

STATEMENT OF COMPREHENSIVE INCOME

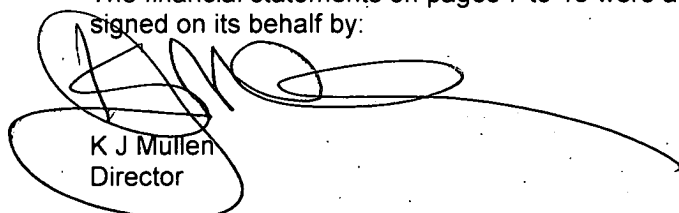
For the year ended 31 December	Note	2017 £'000	2016 £'000
Administrative costs		(2)	(2)
Loss before taxation	1	(2)	(2)
Tax charge	4	-	-
Loss and total comprehensive expense for the year		(2)	(2)

All of the above operations relate to continuing operations.

BALANCE SHEET

As at 31 December	Note	2017 £'000	2016 £'000
ASSETS			
Non-current assets			
Investments	5	-	-
Current assets			
Financial asset:			
- cash and cash equivalents		20	20
Total assets		20	20
LIABILITIES			
Current liabilities			
Financial liabilities:			
- trade and other payables	6	(75,168)	(75,166)
NET LIABILITIES		(75,148)	(75,146)
SHAREHOLDER'S EQUITY			
Share capital	7	8,001	8,001
Share premium		1,101	1,101
Retained losses		(84,250)	(84,248)
TOTAL SHAREHOLDER'S DEFICIT		(75,148)	(75,146)

The financial statements on pages 7 to 13 were approved by the board of directors on 29 March 2018 and signed on its behalf by:


K J Mullen
Director

PROVIDENT YES CAR CREDIT LIMITED

(Company Number 04253314)

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Share capital £'000	Share premium £000	Accumulated losses £'000	Total £'000
At 1 January 2016	8,001	1,101	(84,246)	(75,144)
Loss and total comprehensive expense for the year	-	-	(2)	(2)
At 31 December 2016	8,001	1,101	(84,248)	(75,146)
At 1 January 2017	8,001	1,101	(84,248)	(75,146)
Loss and total comprehensive expense for the year	-	-	(2)	(2)
At 31 December 2017	8,001	1,101	(84,250)	(75,148)

STATEMENT OF CASH FLOWS

There have been no changes to the company's cash and cash equivalents in 2017 or 2016. A statement of cash flows is therefore not presented.

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, West Yorkshire, BD1 2SU.

As at 31 December 2017, the company has net liabilities of £75,148,000 (2016: £75,146,000). Due to the company's year end position, its parent undertaking, Provident Financial plc, has confirmed its continued support for the company. Accordingly, the financial statements have been prepared on a going concern basis.

As announced on 27 February 2018, the ultimate parent company, Provident Financial plc, announced its intention to raise £331m of capital by way of a rights issue. Following the General Meeting held on 21 March 2018, the shareholders of the ultimate holding company approved the proposed rights issue. This will protect the Group's capital position and will allow the ultimate parent company the ability to continue its financial support for the company for at least next 12 months from the date of signing the financial statements. Accordingly the financial statements of the company have been prepared on a going concern basis of accounting.

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 financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates.

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 2017 that have had 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.

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.

Key assumptions and estimates

In applying the accounting policies set out above, there are no significant estimates or assumptions that affect the reported amounts of assets and liabilities.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

FINANCIAL AND CAPITAL RISK MANAGEMENT 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').

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 and financial statements 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 means 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 through its subsidiary, Vanquis Bank Limited, to meet forecast borrowing requirements, including contractual maturities, at all times for at least the following 12 months. As at 31 December 2017, the group's committed borrowing facilities had a weighted average maturity of 2.2 years (2016: 2.5 years) and the headroom on these committed facilities amounted to £66.2m (2016: £110.2m). In addition the group has additional funding capacity for Vanquis Bank to take retail deposits of £76.9m and cash resources held of £34.3m.

The group is less exposed than other mainstream lenders to liquidity risk as the loans issued by the home credit 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 and financial statements of Provident Financial plc.

(b) Capital risk

Capital risk is managed by the group's centralised treasury department. The group manages capital risk by focusing on capital efficiency and effective risk management. This aims to maintain sufficient, but not excessive, financial strength and optimise the debt to equity structure of the group. A more detailed explanation of the management of capital risk can be found in the annual report and financial statements of Provident Financial plc.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

NOTES TO THE FINANCIAL STATEMENTS

1 Loss before taxation

The loss before taxation is stated after charging:

	2017 £'000	2016 £'000
Auditor's remuneration:		
- fees payable to the company's auditor for the audit of the financial statements	2	2

2 Employee information

The company had no employees during 2017 (2016: no employees).

3 Directors' emoluments

The emoluments of the directors for services to the company during 2017 were £nil (2016: £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.

4 Tax charge

	2017 £'000	2016 £'000
Current tax- Current year	-	-

The standard rate of UK corporation tax reduced from 20% to 19% with effect from 1 April 2017.

The rate of tax credited on the profit before taxation for the year is in line with (2016: in line with) the average standard rate of corporation tax in the UK of 19.25% (2016: 20.00%).

PROVIDENT YES CAR CREDIT LIMITED

(Company Number 04253314)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Investments

	2017 £'000	2016 £'000
Cost		
At 1 January	-	67,789
Disposals	-	(67,789)
At 31 December	-	-
Accumulated impairment losses		
At 1 January	-	67,789
Disposals	-	(67,789)
At 31 December	-	-
Net book value		
At 31 December and 1 January	-	-

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 were no further trading operations to make good that deficit, the company had made a full impairment provision against the value of its investment in Yes Car Credit Limited.

On 9 March 2016, the company transferred its entire shareholding in Yes Car Credit Limited to the ultimate parent company, Provident Financial plc. The gain on disposal amounted to £1 and represented proceeds received of £1 less the net book value of £nil.

In 2015, and up to the date of disposal the company's subsidiary undertaking, which was incorporated, registered and operates solely in the UK, was as follows:

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

6 Trade and other payables

	2017 £'000	2016 £'000
Amounts owed to ultimate parent company	75,168	75,166

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 from the company's ultimate 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.

PROVIDENT YES CAR CREDIT LIMITED
(Company Number 04253314)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Share capital

		2017		2016
	Number	£'000	Number	£'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

8 Related party transactions

	Outstanding balance	
	2017	2016
	£'000	£'000
Amounts payable to Provident Financial plc	75,168	75,166

The outstanding balance represents the gross intercompany balance.

9 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, and also publically available.