

Company Registration No. **4806915**

CAR BENEFIT ENERGY FINANCE LIMITED

Annual Report and financial statements
For the year ended 31 December 2014

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CAR BENEFIT ENERGY FINANCE LIMITED

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CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

OFFICERS AND PROFESSIONAL ADVISERS**DIRECTORS**

Dennis Studholme

Martin Maguire

Gerry O'Neill (resigned 3 April 2015)

Neil Davies

Paul Taylor

COMPANY SECRETARY

Paul Taylor

REGISTERED OFFICE

The Barracks

400 Bolton Road

Bury

Lancashire

BL8 2DA

BANKERS

Bank of Scotland

19-21 Spring Gardens

Manchester

M2 1FB

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

101 Barbirolli Square

Lower Mosley Street

Manchester

M2 3PW

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 December 2014. This report has been prepared in accordance with the small companies regime, Companies Act 2006.

ACTIVITIES

The principal activity of the company is the sale of motor vehicles and provision of the associated credit facilities under the terms of credit sale agreements.

DIVIDENDS AND TRANSFERS TO RESERVES

The profit for the financial year is £154,308 (2013 - £334,883). The directors have declared a dividend of £296,468 (2013 - £539,757) which has been transferred from reserves.

DIRECTORS AND THEIR INTERESTS

The directors of the company who were in office during the year and up to the date of signing the financial statements are shown on page 1.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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;
- 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.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

DIRECTORS' REPORT (continued)

DISCLOSURE OF INFORMATION TO AUDITORS

In accordance with Section 418 of the Companies Act 2006, each of the persons who are directors at the date when this Directors' report is approved, has confirmed that:

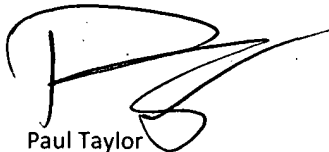
(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the Board



Paul Taylor
Company Secretary

19 May 2015

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAR BENEFIT ENERGY FINANCE LIMITED**REPORT ON THE FINANCIAL STATEMENTS****Our opinion**

In our opinion, Car Benefit Energy Finance Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

What we have audited

Car Benefit Energy Finance Limited's financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAR BENEFIT ENERGY FINANCE LIMITED (continued)**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT**Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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 performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Daniel Brydon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

19 May 2015

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2014

	Note	2014 £	2013 £
TURNOVER	2	106,470	305,180
Cost of sales		<u>89,364</u>	<u>164,266</u>
GROSS PROFIT		195,834	469,446
Administrative expenses		<u>(15,136)</u>	<u>(53,222)</u>
OPERATING PROFIT	4	180,698	416,224
Interest receivable and similar income	5	15,954	19,449
Interest payable and similar charges	6	<u>(58)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		196,594	435,673
Tax on profit on ordinary activities	7	<u>(42,286)</u>	<u>(100,790)</u>
PROFIT FOR THE FINANCIAL YEAR	16	<u>154,308</u>	<u>334,883</u>

All activities relate to continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical costs equivalents.

There have been no recognised gains and losses for the year or the prior year other than the profit for the year or prior year and accordingly a Statement of total recognised gains and losses has not been prepared.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

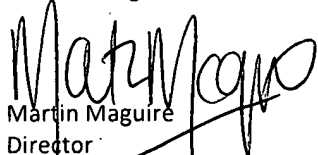
BALANCE SHEET

As at 31 December 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	29,454	48,414
CURRENT ASSETS			
Stock	10	-	8,322
Debtors			
- Amounts falling due within one year	11	103,925	431,851
Cash at bank and in hand		100,040	100,000
		203,965	540,173
CREDITORS: amounts falling due within one year	12	(114,024)	(323,710)
NET CURRENT ASSETS		89,941	216,463
TOTAL ASSETS LESS CURRENT LIABILITIES		119,395	264,877
DEFERRED TAX ASSET/ (LIABILITY)	13	1,964	(1,358)
NET ASSETS		121,359	263,519
CAPITAL AND RESERVES			
Called up share capital	14	1	1
Profit and loss account	15	121,358	263,518
TOTAL SHAREHOLDERS' FUNDS	16	121,359	263,519

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements on pages 6 to 15 were approved by the board of directors on 19th May 2015 and were signed on its behalf by



Martin Maguire

Director

Car Benefit Energy Finance Limited

Registered number 4806915

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

1. ACCOUNTING POLICIES

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies are set out below and have been consistently applied to all the years presented unless otherwise stated.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Car Benefit Holdings Limited and is included in the consolidated financial statements of Car Benefit Holdings Limited, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Car Benefit Holdings Limited group.

Accounting for credit agreements

Credit Agreements written by Car Benefit Energy Finance Limited in respect of the sale of motor vehicles and ancillary services are accounted for as Finance Lease debtors in accordance with SSAP 21. Finance income included in and associated with such Credit Agreements is recognised as turnover in the profit and loss account on an actuarial basis.

Maintenance services that form a composite part of the Credit Agreement are recognised as turnover evenly over the term of the agreement. To the extent that future predicted maintenance costs exceed contracted maintenance income a provision is made specific to each Credit Agreement.

Credit Agreements include a Guaranteed Residual Value buy back option. This option allows the customers to request Car Benefit Energy Finance Limited to repurchase the vehicle on the scheduled agreement end date for a guaranteed value, subject to age, mileage and vehicle condition. In the event that it can be predicted that the market value of the vehicle will be less than the Guaranteed Residual Value then an impairment of the debtor is made specific to each Credit Agreement. Vehicles which are repurchased are accounted for as stock at the lower of cost and net realisable value.

Excess mileage charges are recognised only on termination of the Credit Agreement.

Credit Agreements may be assigned by Car Benefit Energy Finance Limited to a third party funder. Under the provisions of FRS 5, unless the assignment is for a single, fixed, non-returnable amount the Credit Agreement continues to be recognised as an asset and a liability.

Accounting for contract hire agreements

Short term contract hire agreements are treated as operating leases and the vehicles treated as tangible fixed assets. Vehicles held for contract hire are depreciated over the remaining term of the original contract on a straight line basis to reduce its value to its expected residual value.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

1. ACCOUNTING POLICIES (continued)**Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in years different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted by the balance sheet date. Deferred tax assets and liabilities have not been discounted.

Revenue recognition

Turnover represents interest and maintenance income, contract hire income and fees for services, all of which fall within the company's ordinary activities excluding value added tax.

Revenue is recognised at the point where the company has performed all its contractual obligations. Income received in advance of contractual performance is deferred in the balance sheet until the contractual obligations have been met.

2. TURNOVER

The turnover, which includes £29,066 (2013: £148,639) from credit sale agreements and £33,539 (2013: £35,701) from operating leases, and pre-tax profit, all of which arises in the United Kingdom, is attributable to one activity, the principal activity of the company and so no further segmental analysis is required.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration for their services to this company in the current year or previous year. The directors are also directors of the immediate parent company Car Benefit Holdings Limited. There were no employees during the year (2013 – nil). Employee costs are borne by another entity in the group, and recharged across within the management fees charge.

None of the directors (2013 - none) are members of a money purchase pension scheme through this company.

4. OPERATING PROFIT

	2014 £	2013 £
Operating profit is after charging:		
Depreciation on owned assets	18,960	18,960
Management fees charged by a group company	11,436	47,772
Interest payable on funds used to fund credit sale agreements	1,954	11,701
Auditors' remuneration for audit services	2,900	3,563

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014 £	2013 £
Interest receivable from parent company	15,352	18,742
Bank interest receivable	602	707
Other interest receivable	-	-
	<u>15,954</u>	<u>19,449</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Other interest payable	58	-
	<u>58</u>	<u>-</u>

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

7. TAX ON PROFIT ON ORDINARY ACTIVITIES**i) Analysis of tax charge on ordinary activities:**

	2014 £	2013 £
Current tax		
UK corporation tax on profits of the period	45,608	104,838
Adjustment in respect of prior years	-	-
Deferred tax		
Origination and reversal of timing differences	(3,322)	(4,048)
	<u>42,286</u>	<u>100,790</u>
Tax on profit on ordinary activities	<u>42,286</u>	<u>100,790</u>

ii) Factors affecting tax charge for the year:

The tax for the period is higher (2013: higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2014 of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>196,594</u>	<u>435,673</u>
Profit on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	42,248	101,294
Effects of:		
Adjustment in respect of prior years		-
Difference between capital allowances and depreciation	3,322	3,544
Actual rate different from expected	<u>38</u>	<u>-</u>
Total current tax	<u>45,608</u>	<u>104,838</u>

iii) Factors affecting current and future tax charges:

On 21 March 2012, the UK Government announced a reduction in the rate of corporation tax to 24% with effect from 1 April 2012. This reduction was enacted under the Provisional Collection of Taxes Act 1968 on 26 March 2012. The Finance Act 2012, which passed into law on 3 July 2012, included legislation to reduce the main rate of corporation tax from 24% to 23% with effect from 1 April 2013. In addition, the Finance Act 2013, which was substantively enacted on 2 July 2013, included legislation to reduce the main rate of corporation tax to 21 per cent with effect from 1 April 2014 and 20 per cent with effect from 1 April 2015. The effect on deferred taxation is immaterial.

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

8. DIVIDENDS ON EQUITY SHARES

	2014 £	2013 £
Ordinary shares – final dividend of £296,468 (2013 - £539,757) per share	296,468	539,757
	<u>296,468</u>	<u>539,757</u>

9. TANGIBLE ASSETS

	Contract hire vehicles £
Cost	
At 1 January 2014	112,279
Additions	-
Disposals	-
	<u>112,279</u>
At 31 December 2014	<u>112,279</u>
Accumulated depreciation	
At 1 January 2014	63,865
Charge for the year	18,960
Disposals	-
	<u>82,825</u>
At 31 December 2014	<u>82,825</u>
Net book value	
At 31 December 2014	<u>29,454</u>
At 31 December 2013	<u>48,414</u>

10. STOCK

	2014 £	2013 £
Vehicles awaiting sale	<u>-</u>	<u>8,322</u>

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

11. DEBTORS

	2014 £	2013 £
Amounts falling due within one year:		
Credit agreements	6,640	163,800
Trade debtors	25,505	30,562
Amounts owed by group undertakings	71,780	237,489
	<hr/>	<hr/>
	103,925	431,851
	<hr/>	<hr/>

Credit agreement debtors are stated net of impairment provisions of £305 (2013: £115).

12. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Assigned credit agreements	-	81,564
Trade creditors	61,198	128,086
Amounts due to group undertakings	20,393	1,863
Other taxation and social security	2,654	5,422
Corporation tax payable	22,804	54,838
Accruals and deferred income	6,975	51,937
	<hr/>	<hr/>
	114,024	323,710
	<hr/>	<hr/>

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

13. DEFERRED TAX ASSET/(LIABILITY)

	2014 £	2013 £
Deferred tax		
Deferred tax has been fully provided in respect of:		
Capital allowances in excess of depreciation /(depreciation in excess of capital allowances)	1,964	(1,358)
	<hr/>	<hr/>
Movement in the year		
At 1 January	(1,358)	(5,406)
Deferred tax credited to profit and loss account (note 7)	3,322	4,048
	<hr/>	<hr/>
At 31 December	1,964	(1,358)
	<hr/>	<hr/>

14. CALLED UP SHARE CAPITAL

	2014 £	2013 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>
Called up, allotted and fully paid		
1 ordinary share of £1 each	1	1
	<hr/>	<hr/>

CAR BENEFIT ENERGY FINANCE LIMITED

Annual report and financial statements for the year ended 31 December 2014

NOTES TO THE ACCOUNTS

Year ended 31 December 2014

15. PROFIT AND LOSS ACCOUNT

	2014	2013
	£	£
At 1 January	263,518	468,392
Profit for the year	154,308	334,883
Dividends	(296,468)	(539,757)
	<hr/>	<hr/>
At 31 December	121,358	263,518
	<hr/>	<hr/>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Opening shareholders' funds	263,519	468,393
Profit for the year	154,308	334,883
Dividends paid	(296,468)	(539,757)
	<hr/>	<hr/>
Total shareholders' funds	121,359	263,519
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17. ULTIMATE PARENT COMPANY

The ultimate controlling party is Car Benefit Holdings Limited, a company incorporated in England and Wales. Car Benefit Holdings Limited has produced consolidated financial statements for the group which include the financial statements of the company and its subsidiary undertakings made up to 31 December 2014. Copies of the financial statements of Car Benefit Holdings Limited are available from Companies House, Maindy, Cardiff CF14 3UZ.