

Registered number  
5418233

V12 Personal Finance Limited

Report and Accounts

31 December 2013

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**V12 Personal Finance Limited**  
**Report and accounts**  
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**V12 Personal Finance Limited**  
**Company Information**

**Directors**

N J Davies  
J R Morris - resigned 31 March 2014  
A W Penman - resigned 2 January 2013  
J M Jarvis - resigned 2 January 2013  
P A Lynam -appointed 2 January 2013  
J M Bowers - appointed 2 January 2013

**Secretary**

J R Morris

**Auditors**

KPMG Audit plc  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

**Bankers**

Royal Bank of Scotland plc.  
280 Bishopsgate  
London  
EC2M 4RB  
1 Princess Street  
London

**Registered office**

One Arlestone Way  
Shirley  
Solihull  
West Midlands  
B90 4LH

**Registered number**

5418233

**V12 Personal Finance Limited****Registered number:** 5418233**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2013.

**Principal activities**

The company's principal activity during the period is that of provision of revolving credit and fixed rate finance. On 2nd January 2013, the company sold its assets & trade to Secure Trust Bank plc and settled all of its liabilities. Any new loans originated during the year ended 31 December 2013 have been assigned to Secure Trust Bank plc with no profit or loss arising on the assignment for this company.

**Review of the business**

The company is effectively dormant as it now assigns any new loans immediately to Secure Trust Bank plc.

**Results & dividends**

The results for the period are set out on page 6. No interim dividend was paid or proposed (P/E 31/12/2012: £Nil). The directors do not recommend a payment of a final dividend (P/E 31/12/2012: £Nil).

**Key performance indicators**

As the company has sold its assets & trade to Secure Trust Bank plc, the directors do not believe that there are any key performance indicators that are relevant for this company.

**Principal risk & uncertainty**

The company does not face any business risks now as it has sold its assets & trade to Secure Trust Bank plc with any new loans assigned to Secure Trust immediately on their origination.

**Directors**

The following persons served as directors during the year:

N J Davies

J R Morris - resigned 31 March 2014

A W Penman - resigned 2 January 2013

J M Jarvis - resigned 2 January 2013

P A Lynam -appointed 2 January 2013

J M Bowers - appointed 2 January 2013

**Political and charitable donations**

During the year, the company made no political contributions (P/E 31/12/2012:£Nil) and no charitable contributions (P/E 31/12/2012:£Nil).

**V12 Personal Finance Limited****Registered number:** 5418233**Directors' Report****Directors' responsibilities**

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

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

**Disclosure of information to auditors**

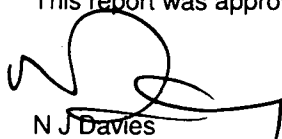
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- 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 auditor is aware of that information.

**Third party indemnity provisions**

The directors of the company have an insurance policy in place to provide them with indemnity cover. This policy was in force during the financial period and also at the date of approval of the

This report was approved by the board on 5 March 2014 and signed on its behalf.



N J Davies  
Director

**V12 Personal Finance Limited**  
**Independent auditors' report**  
**to the members of V12 Personal Finance Limited**

We have audited the accounts of V12 Personal Finance Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts**

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](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on the accounts**

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.


**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**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 accounts 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.



Peter Lomax  
(Senior Statutory Auditor)  
for and on behalf of  
KPMG Audit plc  
Accountants and Statutory Auditors

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

~~5 March~~ 2014

23 April

**V12 Personal Finance Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2013**

	Notes	2013 £	2012 £
Turnover	2	-	3,328,594
Cost of sales		-	(2,797,342)
<b>Gross profit</b>		<hr/> -	<hr/> 531,252
Distribution costs		-	(821,790)
Administrative expenses		-	(300,930)
<b>Operating loss</b>	3	<hr/> -	<hr/> (591,468)
<b>Loss on ordinary activities before taxation</b>		<hr/> -	<hr/> (591,468)
Tax on loss on ordinary activities	4	-	113,230
<b>Loss for the financial year</b>		<hr/> -	<hr/> (478,238)

**Continuing operations**

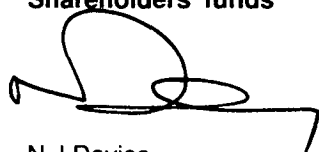
None of the company's activities were acquired or discontinued during the above two financial years.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the loss for the above two financial years.

**V12 Personal Finance Limited**  
**Balance Sheet**  
**as at 31 December 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	5	-	39,974
<b>Current assets</b>			
Debtors	6	526,095	33,434,421
Cash at bank and in hand		61,238	1,118,172
		<u>587,333</u>	<u>34,552,593</u>
<b>Creditors: amounts falling due within one year</b>	7	(587,332)	(29,513,977)
<b>Net current assets</b>		<u>1</u>	<u>5,038,616</u>
<b>Total assets less current liabilities</b>		<u>1</u>	<u>5,078,590</u>
<b>Creditors: amounts falling due after more than one year</b>	8	-	(5,078,589)
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
<b>Shareholders' funds</b>	11	<u>1</u>	<u>1</u>



N J Davies  
Director

Approved by the board on 5 March 2014



**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**1 Accounting policies**

***Basis of preparation***

The accounts are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

***Cash flow statement***

The company has taken advantage of the exemption in Financial Reporting Standard No 1 Cash Flow Statements (revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a small company.

***Turnover***

Turnover represents interest receivable on credit instalment agreements. Interest is recognised in respect of "interest free" periods, including that on the buy now pay later product, to the extent that it is expected that the customer will incur interest charges relating to this "interest free" period.

Unearned finance charges are carried in the balance sheet as a deduction from loans and advances to customers. Unearned finance charges are recognised as income over the term of the agreement in proportion to the capital amount outstanding.

Subsidy payments received from retailers in respect of buy now pay later products or interest free period products, are spread over the expected life of the loan, including any interest free period to present an effective return on a level yield basis for all agreements.

Certain direct and incremental costs incurred in generating each financing agreement at its inception, are spread over the term of the loans.

***Depreciation***

Tangible fixed assets are initially recorded at cost, which represents the purchase price plus any incidental costs of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer & office equipment	over 3-4 years
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**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

***Deferred taxation***

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted at 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 the transaction 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 stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in the year different to those recognised in the financial statements. Deferred tax assets are recognised only when regarded as recoverable, and therefore recognised only when, on the bases 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 balances are not discounted.

***Impairment of loan book***

The company has a systematic provision methodology for recognising the impairment of its retail loan book. The methodology takes into account a number of factors such as the level of arrears and the historic collections experience. This methodology is supplemented with manual intervention for loans where the known value of impairment is in excess of the systematic provision.

The company reviews this provision methodology regularly as part of its management of the loan book to ensure that its provision is appropriate in the context of most recent trends.

<b>2 Analysis of turnover</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
By activity:		
Retail Credit	-	<u>3,328,594</u>
By geographical market:		
UK	-	<u>3,328,594</u>
 <b>3 Operating profit</b>	 <b>2013</b>	 <b>2012</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	-	(1,507,211)
Depreciation of assets held under finance leases and hire purchase contracts	-	1,519,383
Operating lease rentals - plant and machinery	-	678,833
Operating lease rentals - land buildings	-	<u>105,205</u>

**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

<b>4 Taxation</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Deferred tax:		
Origination and reversal of timing differences	-	(113,230)
		-
Tax on loss on ordinary activities	<u>-</u>	<u>(113,230)</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before tax	<u>-</u>	<u>(591,468)</u>
Standard rate of corporation tax in the UK	23%	24%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	-	(141,952)
Effects of:		
Expenses not deductible for tax purposes	-	128,070
Utilisation of tax losses	-	13,882
Current tax charge for period	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

A number of further changes to the UK Corporation tax system were announced in the March 2013 UK Budget Statement.

Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012. A further reduction to the main rate is proposed to reduce the rate to 21% by 1 April 2014. These further changes will have no impact on this company as it is effectively dormant.

**5 Tangible fixed assets**

	<b>Plant and machinery</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2013	77,680
Disposals	<u>(77,680)</u>
At 31 December 2013	<u>-</u>
<b>Depreciation</b>	
At 1 January 2013	37,706
On disposals	<u>(37,706)</u>
At 31 December 2013	<u>-</u>
<b>Net book value</b>	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>39,974</u>

**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

<b>6 Debtors</b>		<b>2013</b>	<b>2012</b>	
		<b>£</b>	<b>£</b>	
Trade debtors		-	33,120,851	
Amounts owed by group undertakings		526,095	-	
Deferred tax asset (see note 9)		-	254,405	
Prepayments and accrued income		-	59,165	
		<u>526,095</u>	<u>33,434,421</u>	
Amounts due after more than one year included in:				
Trade debtors		<u>-</u>	<u>8,851,610</u>	
<b>7 Creditors: amounts falling due within one year</b>		<b>2013</b>	<b>2012</b>	
		<b>£</b>	<b>£</b>	
Bank loans and overdrafts		587,332	28,134,733	
Trade creditors		-	984,488	
Amounts owed to group undertakings		-	389,198	
Accruals and deferred income		-	5,558	
		<u>587,332</u>	<u>29,513,977</u>	
<b>8 Creditors: amounts falling due after one year</b>		<b>2013</b>	<b>2012</b>	
		<b>£</b>	<b>£</b>	
Amounts owed to group undertakings		<u>-</u>	<u>5,078,589</u>	
<b>9 Deferred taxation</b>		<b>2013</b>	<b>2012</b>	
		<b>£</b>	<b>£</b>	
Accelerated capital allowances		-	(115,309)	
Tax losses carried forward		-	(139,096)	
Undiscounted provision for deferred tax		-	(254,405)	
		<b>2013</b>	<b>2012</b>	
		<b>£</b>	<b>£</b>	
At 1 January		(254,405)	(141,175)	
Deferred tax charge in profit and loss account		-	(113,230)	
Balance sold with trade & assets		254,405		
		<u>-</u>	<u>(254,405)</u>	
At 31 December		<u>-</u>	<u>(254,405)</u>	
<b>10 Share capital</b>	<b>Nominal value</b>	<b>2013 Number</b>	<b>2013 £</b>	<b>2012 £</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	1	1	1

**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

<b>11 Reconciliation of movement in shareholders' funds</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At 1 January	1	478,239
Loss for the financial year	-	(478,238)
At 31 December	<u>1</u>	<u>1</u>

<b>12 Related party transactions</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>

**V12 Finance Group Limited**

Immediate parent company

During the year the company was not charged any management fees (P/E 31/12/2012: £135,000). At 31 December 2012 the balance due to the Parent on the inter-company trading account was £Nil (31/12/2012: £Nil).

In addition, it had incurred interest at a rate of £10% per annum, charged & paid on a 6-monthly basis, on the loan funding provided by V12 Finance Group Limited but as the balance was settled in full on 2 January 2013, there was no interest charged in the year (P/E 31/12/2012: £359,584). At 31 December 2013, there was no balance outstanding as it had been settled in full on 2 January 2013 (31/12/2012: £5,078,589).

Amount due to the related party - (5,078,589)

**V12 Retail Finance Limited**

Fellow subsidiary company

During the year the company was not charged any costs by its fellow subsidiary V12 Retail Finance Limited; commission fees for loan applications proposed £Nil (P/E 31/12/2012: £537,536), credit checking and search fees of £Nil (P/E 31/12/2012 - £471,770) and loan book management & servicing fees of £Nil (P/E 2012: £666,859). At 31 December 2013, the balance due to V12 Retail Finance Limited was £Nil (31/12/2012: £389,198) as the balance was repaid in full on 2 January 2013.

Amount due to the related party - (389,198)

**Secure Trust Bank plc**

Parent company

Following the acquisition of the entire share capital of the company's immediate parent company, V12 Finance Group Limited by Secure Trust Bank plc on 2 January 2013 and the sale of the assets & trade of the company to Secure Trust Bank plc for £33,460,366 on the same day, the company has assigned all new loans originated on its legal paperwork to Secure Trust Bank plc based on the value of the loan written for no profit or loss. In the year ended 31 December 2013, the value of the loans assigned was £43,934,514.

The company has collected customer repayments & made payments to retailers on behalf of Secure Trust Bank plc during the year. At 31 December 2013, the balance due to the company by Secure Trust Bank plc is £526,095.

Amount due from the related party 526,095

**V12 Personal Finance Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**13 Ultimate controlling party**

The company's entire share capital was owned by V12 Finance Group Limited, registered in England & Wales, for the entire period and at the balance sheet date. On 2nd January 2013 the entire share capital of V12 Finance Group Limited was sold to Secure Trust Bank PLC.

The ultimate controlling company of Secure Trust Bank PLC is Arbuthnot Banking Group PLC.

**V12 Personal Finance Limited**  
**Detailed profit and loss account**  
**for the year ended 31 December 2013**

	2013 £	2012 £
<b>Sales</b>	-	3,328,594
Cost of sales	-	(2,797,342)
<b>Gross profit</b>	<hr/> -	<hr/> 531,252
Distribution costs	-	(821,790)
Administrative expenses	-	(300,930)
<b>Operating loss</b>	<hr/> -	<hr/> (591,468)
<b>Loss before tax</b>	<hr/> - <hr/>	<hr/> (591,468) <hr/>

**V12 Personal Finance Limited**  
**Detailed profit and loss account**  
**for the year ended 31 December 2013**

	2013 £	2012 £
<b>Sales</b>		
Interest receivable and subsidy on interest free products	-	3,328,594
	<u>-</u>	<u>3,328,594</u>
<b>Cost of sales</b>		
Credit checking & search fees	-	493,921
Decrease in stocks	-	1,519,383
Interest payable	-	105,205
Customer refunds & dealer disputes	-	678,833
	<u>-</u>	<u>2,797,342</u>
	<u>-</u>	<u>2,797,342</u>
<b>Distribution costs</b>		
Impairment charge	-	821,790
	<u>-</u>	<u>821,790</u>
<b>Administrative expenses</b>		
General administrative expenses:		
Subscriptions	-	5,283
Bank charges	-	40,082
Software	-	43,889
Depreciation	-	12,172
	<u>-</u>	<u>101,426</u>
	<u>-</u>	<u>101,426</u>
Legal and professional costs:		
Management fees	-	135,000
Other legal and professional	-	64,504
	<u>-</u>	<u>199,504</u>
	<u>-</u>	<u>199,504</u>
	<u>-</u>	<u>300,930</u>
	<u>-</u>	<u>300,930</u>