

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

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YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

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YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

DIRECTORS' REPORT

Yes Car Credit (Holdings) 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 that of an intermediate holding company. As at 31 December 2018, the company has net current liabilities of £1,789,000 (2017: £1,787,000).

Due to the company's year-end position, the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support for the company for a period of at least twelve months from the date of approval of the financial statements.

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 retained profit for the year of £39,000 (2017: £17,000) has been added to reserves.

Dividends

The directors are unable to recommend the payment of a dividend in respect of the year ended 31 December 2018 (2017: £nil).

Directors

The directors of the company at 31 December 2018 and at the date of signing of this report, except where stated, were:

K J Mullen (resigned 26 April 2019)
S Thomas (appointed 3 December 2018)
A C Fisher (resigned 3 December 2018)
P Watts (resigned 31 March 2018)
C Davies (appointed 26 April 2019)

On 31 March 2018 P Watts resigned from her 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 company is not trading, the company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Exemption from preparing strategic report

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

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

DIRECTORS' REPORT

(CONTINUED)

Auditor information

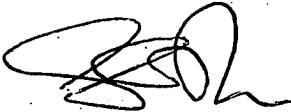
In accordance with section 418 of the Companies Act 2006, each person who is a director at the date of this report confirmed that:

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



S Thomas
Director
Bradford
11 September 2019

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

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 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.

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Yes Car Credit (Holdings) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit 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 which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in shareholders' equity;
- the statement of cash flow;
- the statement of accounting policies;
- the financial and capital risk management report and
- the related notes 1 to 11.

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
YES CAR CREDIT (HOLDINGS) 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

We have nothing to report in respect of these matters.

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

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.

S. Cumberbatch

Stewart Cumberbatch FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
11 September 2019

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December	Note	2018 £'000	2017 £'000
Impairment released in respect of investments	5	41	19
Administrative costs		(2)	(2)
Profit before taxation	1	39	17
Tax charge	4	-	-
Profit and total comprehensive income for the year		39	17

All of the above operations relate to continuing operations.

BALANCE SHEET

As at 31 December	Note	2018 £'000	2017 £'000
ASSETS			
Non-current assets			
Investments	5	8,867	8,826
Current assets			
Financial assets:			
- trade and other receivables	6	1	1
- cash and cash equivalents		20	20
		21	21
Total assets		8,888	8,847
LIABILITIES			
Current liabilities			
Financial liabilities:			
- trade and other payables	7	(1,810)	(1,808)
NET ASSETS		7,078	7,039
SHAREHOLDERS' EQUITY			
Share capital	8	30,720	30,720
Retained losses		(23,642)	(23,681)
TOTAL SHAREHOLDERS' EQUITY		7,078	7,039

The financial statements on pages 7 to 13 were approved by the board of directors on 11 September 2019 and signed on its behalf by:



S Thomas
Director

YES CAR CREDIT (HOLDINGS) LIMITED**(Company Number 00194214)****STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	Share capital £'000	Retained losses £'000	Total £'000
At 1 January 2017	30,720	(23,698)	7,022
Profit and total comprehensive income for the year	-	17	17
At 31 December 2017	30,720	(23,681)	7,039
At 1 January 2018	30,720	(23,681)	7,039
Profit and total comprehensive income for the year	-	39	39
At 31 December 2018	30,720	(23,642)	7,078

STATEMENT OF CASH FLOWS

There have been no changes to the company's cash and cash equivalents in 2018 and 2017. A statement of cash flows is therefore not presented.

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

STATEMENT OF ACCOUNTING POLICIES

General information

The company is a limited liability company limited by shares incorporated in England. The address of its registered office is No.1 Godwin Street, Bradford, West Yorkshire, BD1 2SU.

As at 31 December 2018, the company has net current liabilities of £1,789,000 (2017: £1,787,000). Due to the company's year-end position, its 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. Accordingly, the financial statements have been prepared on a going concern basis.

Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) 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 IFRSs.

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 IFRSs, which have been consistently applied to all the years presented are set out below.

IFRS 9 'Financial instruments', has been adopted by the company from the mandatory adoption date of 1 January 2018. Adoption of this standards has not had a material impact on the company.

There have been no other new or amended standards adopted by the company in the financial year beginning 1 January 2018 which 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 IFRS 9, 'Financial instruments', trade and other receivables, trade and other payables and cash and cash equivalents are measured at amortised cost and assessed for impairment. Investments are classified as non-financial assets.

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.

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

FINANCIAL AND CAPITAL RISK MANAGEMENT REPORT

Yes Car Credit (Holdings) 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 2018, the group's committed borrowing facilities had a weighted average maturity of 2.3 years (2017: 2.3 years) and the headroom on these committed facilities amounted to £327.4m (2017: £66.2m).

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.

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

1 Profit before taxation

Profit before taxation is stated after charging:

	2018 £'000	2017 £'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 2018 (2017: none).

3 Directors' emoluments

The emoluments of the directors for services to the company during 2018 were £nil (2017: £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

	2018 £'000	2017 £'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 (2017: in line with) the average standard rate of corporation tax in the UK of 19.00% (2017: 19.25%).

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)
(CONTINUED)

5 Investments

	2018 £'000	2017 £'000
Cost		
At 1 January	32,142	32,142
At 31 December	32,142	32,142
Accumulated impairment losses		
At 1 January	23,316	23,335
Release of impairment provision	(41)	(19)
At 31 December	23,275	23,316
Net book value		
At 31 December	8,867	8,826

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

Name of Subsidiary	Class of Shares held	Principal activity	Registered Office
Provfin Limited	Ordinary	Intermediate holding company	No. 1, Godwin Street, West Yorkshire, BD1 2SU

Following the closure of the Yes Car Credit car retail operations on 14 December 2005, Provfin Limited made a provision against its investment which resulted in that business having a lower net asset value than the carrying amount of the company's investment. The company therefore created a provision to reduce the carrying value of its investment in Provfin Limited down to net asset value. A reduction in the provision of £41,000 (2017: £19,000) has been credited to the statement of comprehensive income during the year to bring the investment in line with the net assets of Provfin Limited as at 31 December 2018.

YES CAR CREDIT (HOLDINGS) LIMITED
(Company Number 00194214)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

6 Trade and other receivables

	2018	2017
	£'000	£'000
Amounts receivable from fellow subsidiary undertakings	1	1

7 Trade and other payables

	2018	2017
	£'000	£'000
Amounts owed to ultimate parent company	1,810	1,808

Amounts owed to the ultimate parent company are unsecured, 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.

8 Share capital

		2018		2017
	Number	£'000	Number	£'000
Authorised - ordinary shares of £1 each	100,000,000	100,000	100,000,000	100,000
Allotted, called up and fully paid - ordinary shares of £1 each	30,720,000	30,720	30,720,000	30,720

9 Related party transactions

	Outstanding balance	
	2018	2017
	£'000	£'000
Amounts payable to Provident Financial plc	1,810	1,808
Amounts receivable from other group undertakings	1	1

The outstanding balance represents the gross intercompany balance.

10 Parent undertaking and controlling party

The company's immediate parent undertakings are Provident Financial Management Services Limited which holds 0.065% of the issued share capital and Provident Financial plc which holds 99.935% of the issued share capital. 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 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.

11 Parent undertaking and controlling party

On 22 February 2019, Non-Standard Finance plc announced the terms of a firm all share offer to acquire the entire issued share capital of the ultimate parent of the company, Provident Financial plc. The offer lapsed on the 5 June 2019.