MONEYBARN NO.1 LIMITED
(Company Number 4496573)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

MONEYBARN NO.1 LIMITED
(Company Number 4496573)

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MONEYBARN NO.1 LIMITED
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DIRECTORS' REPORT

The immediate parent of Moneybarn No.1 Limited (the 'company') is Moneybarn Group Limited which in turn is owned by Duncton Group Limited. The company became a wholly-owned subsidiary of Provident Financial plc on 20 August 2014 when Duncton Group Limited was acquired by Provident Financial plc. Provident Financial plc is a public limited company, listed on the London Stock Exchange, which, together with its subsidiaries, forms the Provident Financial group (the group).

Principal activities and review of business

The principal activity of the company is the provision of finance for the purchase of motor vehicles by individuals via conditional sale agreements.

As at 31 December 2014 the company had net liabilities of £10,996,000 (2013: £10,216,000). Due to the company's year-end position, the ultimate 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.

Results

The statement of comprehensive income for the year is set out on page 8. The loss for the year of £780,000 (2013: profit of £97,000) has been deducted from (2013: added to) reserves.

Transition to IFRS

Following the acquisition of Duncton Group Limited by Provident Financial plc on 20 August 2014, the company has adopted International Financial Reporting Standards (IFRS) as its principal accounting basis for producing statutory financial statements. This accounting basis is consistent with the financial statements of Provident Financial plc.

The financial statements for the year ended 31 December 2014 are presented in accordance with IFRS, with the prior year comparatives also restated from UK GAAP. The effect on the financial position and financial performance is explained in note 18. The cash flows of the business are not affected by the transition from UK GAAP to IFRS .

Dividends

The directors are unable to recommend the payment of a dividend in respect of the year ended 31 December 2014 (2013: £nil).

Directors

The directors of the company during the year ended 31 December 2014, all of whom were directors for the whole year then ended, except where stated, were:

P S Crook	Chairman	(Appointed 20 August 2014)
J R Crosby		(Resigned 20 August 2014)
E J fforde		(Resigned 20 August 2014)
A C Fisher		(Appointed 20 August 2014)
O D Harris		(Resigned 20 August 2014)
D A Hoare		(Resigned 20 August 2014)
S Hodgson		(Appointed 20 August 2014)
S D K Law		
P Minter		

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 he is aware, there is no relevant audit information of which the company's auditor is unaware; and
(ii) he has taken all reasonable steps that ought to have been 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.

Auditors
Following the change in ownership of the company, Grant Thornton UK LLP resigned as statutory auditor. Deloitte LLP were appointed as auditor, and a resolution proposing their reappointment will be proposed at the forthcoming annual general meeting of the group.

BY ORDER OF THE BOARD

E G Versluys
Company Secretary
Bradford
11 March 2015

MONEYBARN NO.1 LIMITED
(Company Number 4496573)

STRATEGIC REPORT

Business review
The company recorded strong growth and margins and delivered further growth in the receivables book in 2014. Profit before taxation and exceptional costs amounted to £3.6m (2013: £0.7m). The exceptional costs in 2014 of £5.0m reflect costs associated with Provident Financial plc's acquisition of Duncton Group Limited on 20 August 2014 including the costs of settling the company's borrowings from Octopus Investments (and write down of associated capitalised expenses).

During the year, the company wrote 9,911 new contracts (2013: 9,213) and increased the portfolio of conditional sales financing contracts from 17,069 to 21,266. This growth was achieved from:

- the enhanced availability of funding through the provision of a borrowing facility provided by the group following the acquisition of Duncton Group Limited by Provident Financial plc; and
- increasing the maximum finance to value ratio of new contracts.

The company has continued to invest in upgrading its computer systems both to win new business and to improve operational efficiency. This has involved research and development in order to develop a system capable of managing materially greater volumes.

Revenue grew by 30.4% to £34.3m (2013: £26.3m), primarily as a result of the receivables growth with revenue margins being broadly stable. Amounts receivable from customers grew by 27.9% to £156.6m (2013: £122.4m).

Finance costs grew by 13.8% to £13.2m (2013: £11.6m) compared with a growth in year-end receivables of 27.9% due to the lower cost of funding provided by Provident Financial plc from August 2014.

Operating costs grew by 28.6% to £16.2m (2013: £12.6m) as a result of business growth. Administrative expenses remained broadly stable year-on-year.

Regulation
In April 2014, the regulator of the consumer credit industry passed from the Office of Fair Trading (OFT) to the Financial Conduct Authority (FCA). The company has in place an interim permission from the FCA for consumer credit.

Full application to the FCA will be made during the application window between 1 March 2015 and 31 May 2015 and the company has been following a detailed plan in preparation for its application.

Principal risks and uncertainties and financial risk management
In December each year the board approves detailed budgets and forecasts for the year ahead. It also approves outline projections for the subsequent four years. An update to the budget is approved in June each year. Actual performance against these budgets is monitored in detail within the company’s management accounts and this is supplemented with a rolling forecast of the full-year outturn. The executive committee meets each month to review the prior month performance of the company. This includes the management accounts and key financial and non-financial performance indicators. The company’s management accounts also form part of the papers for each board meeting.

STRATEGIC REPORT (CONTINUED)

Principal risks and uncertainties and financial risk management (continued)
The principal risk faced by the business is the possibility that customers will fail to honour their contracts and the market value of the underlying vehicle will be insufficient security to cover the customer's outstanding liabilities. To mitigate this risk, the group has developed strong underwriting, loan to value and credit control policies, as well as efficient disposal processes.

The Executive Committee of Moneybarn (consisting of Duncton Group Limited and its subsidiaries) is responsible for managing the day-to-day strategic risks of the Moneybarn group. Moneybarn is managed as a consolidated business, and the committees and risk management policies operate across the group. The Executive Committee delegates some of its responsibilities to sub-committees, set out below.

The group's internal control and risk management framework has developed significantly since the acquisition by Provident Financial plc (the 'acquisition').

Prior to the acquisition, risks were managed by three committees which reviewed the key operations of the business:

- The Executive Committee which was responsible for the day to day running and development of the business.
- The Pricing Committee which was responsible for setting product pricing and reviewing proposed product changes.
- The Credit Committee which was responsible for reviewing credit performance and approving changes to the underwriting rules.

The Pricing Committee reported to the Executive Committee, and both the Executive Committee and the Credit Committee reported to the Board.

In late 2014, following the acquisition, work was undertaken to restructure the committee framework to make it more appropriate for the new ownership structure, and for a growing business regulated by the FCA.

The Executive Committee remains in place, and its responsibilities are unchanged. The following committees all report to the Executive Committee which in turn reports to the board:

- Pricing, Product and Credit Risk Committee, which reviews credit performance, approves underwriting rule changes, assesses new products or product changes and approves pricing changes.
- Compliance and Policy Committee which reviews and approves the company policies, and reviews and acts upon the feedback from internal audits.
- Operations Committee which oversees the performance of the new business and customer services departments.
- Collections and Recoveries Committee, which oversees the performance of the collections and recoveries departments.

In addition, the Risk Advisory Committee oversees overall risk management and meets every quarter to:

- Consider and monitor the ongoing effectiveness of the company's risk management framework, including systems and controls, risk policies and risk appetite.
- Review the Moneybarn risk register.
- Consider the appropriateness of risk specific classifications and proposed mitigants as set out in the risk register.

The Risk Advisory Committee reports to the board.

Information on the management of specific financial risks including credit, market, liquidity, interest rate, and capital risks is provided on page 16 and 17.

STRATEGIC REPORT (CONTINUED)

Going concern
As at 31 December 2014 the company had net liabilities of £10,996,000 (2013: £10,216,000). Due to the company's year-end position, the ultimate 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.

BY ORDER OF THE BOARD

E G Versluys
Company Secretary
Bradford
11 March 2015

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 (IFRS) 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 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

E G Versluys
Company Secretary
Bradford
11 March 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONEYBARN NO.1 LIMITED

We have audited the financial statements of Moneybarn No.1 Limited for the year ended 31 December 2014 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in shareholder's equity, the cash flow statement, the statement of accounting policies, the financial and capital risk management report and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Peter Birch FCA (Senior Statutory Auditor)
for and behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom
11 March 2015

MONEYBARN NO.1 LIMITED
(Company Number 4496573)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December	Note	2014 £'000	2013 £'000
Revenue	1	34,272	26,293
Finance costs	2	(13,189)	(11,613)
Operating costs		(16,235)	(12,610)
Administrative costs		(6,295)	(1,326)
Total costs		(35,719)	(25,549)
(Loss)/profit before taxation	3	(1,447)	744
Profit before taxation and exceptional costs	3	3,577	744
Exceptional costs	3	(5,024)	-
Tax credit/(charge)	4	667	(647)
(Loss)/profit and total comprehensive income for the year		(780)	97

All of the above operations relate to continuing operations.

MONEYBARN NO.1 LIMITED
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BALANCE SHEET

	Note	31 December 2014 £'000	31 December 2013 £'000	1 January 2013 £'000
ASSETS				
Non-current assets				
Intangible assets	6	183	30	-
Property, plant and equipment	7	122	454	1,208
Amounts receivable from customers	9	101,901	76,285	48,799
Deferred tax assets	11	95	2,629	2,832
		102,301	79,398	52,839
Current assets				
Financial assets:				
- cash and cash equivalents		1,418	5,372	3,331
- trade and other receivables	10	1,065	1,318	1,559
Amounts receivable from customers	9	54,655	46,092	31,419
Inventories		926	89	59
Current tax assets		3,403	-	-
		61,467	52,871	36,368
Total assets		163,768	132,269	89,207
LIABILITIES				
Current liabilities				
Financial liabilities:				
- bank and other borrowings	13	(360)	(56,114)	(37,128)
- trade and other payables	12	(172,832)	(5,653)	(5,681)
Current tax liabilities		-	(444)	-
		(173,192)	(62,211)	(42,809)
Non-current liabilities				
Financial liabilities:				
- bank and other borrowings	13	(1,572)	(80,274)	(56,711)
		(1,572)	(80,274)	(56,711)
Total liabilities		(174,764)	(142,485)	(99,520)
NET LIABILITIES		(10,996)	(10,216)	(10,313)
SHAREHOLDER'S EQUITY				
Share capital	14	-	-	-
Retained deficit		(10,996)	(10,216)	(10,313)
TOTAL SHAREHOLDER'S DEFICIT		(10,996)	(10,216)	(10,313)

The financial statements on pages 8 to 28 were approved by the board of directors on 11 March 2015 and signed on its behalf by:

Peter Minter
Director

Simon Law
Director

MONEYBARN NO.1 LIMITED
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STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Called-up share capital £'000	Retained deficit £'000	Total £'000
At 1 January 2013	-	(10,313)	(10,313)
Profit and total comprehensive income for the year		97	97
At 31 December 2013	-	(10,216)	(10,216)
At 1 January 2014	-	(10,216)	(10,216)
Loss and total comprehensive income for the year	-	(780)	(780)
At 31 December 2014	-	(10,996)	(10,996)

STATEMENT OF CASH FLOWS

For the year ended 31 December	Note	2014 £'000	2013 £'000
Cash flows from operating activities			
Cash generated from/(used in) operations	17	140,998	(29,950)
Finance costs paid		(9,912)	(11,028)
Tax paid		(646)	-
Net cash generated from/(used in) operating activities		130,440	(40,978)
Cash flows from investing activities			
Purchase of intangible assets	6	(213)	(30)
Purchase of property, plant and equipment	7	(44)	(79)
Proceeds from disposal of property, plant and equipment	7	319	581
Net cash generated from investing activities		62	472
Cash flows from financing activities			
Proceeds from bank and other borrowings		-	53,890
Repayment of borrowings		(134,456)	(11,343)
Net cash (used in)/generated from financing activities		(134,456)	42,547
Net (decrease)/increase in cash, cash equivalents and overdrafts		(3,954)	2,041
Cash and cash equivalents at beginning of year		5,372	3,331
Cash and cash equivalents at end of year		1,418	5,372

STATEMENT OF ACCOUNTING POLICIES

General information
The company is a limited liability company incorporated and domiciled in the UK. The address of its registered office is The New Barn, Bedford Road, Petersfield, Hampshire, GU32 3LJ.

The principal activity of the company is the provision of finance for the purchase of motor vehicles by individuals via conditional sale agreements.

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. These financial statements are the Company's first financial statements prepared in accordance with IFRS and IFRS 1, 'First time Adoption of International Financial Reporting Standards' has been applied. An explanation of how the transition to IFRS has affected the comparative total comprehensive income and the opening and comparative balance sheet of the company is provided in note 18.

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 company's accounting policies are chosen by the directors to ensure that the financial statements present a true and fair view. In accordance with section 400 of the Companies Act 2006 consolidated accounts are not presented since the company is a wholly owned subsidiary undertaking of Provident Financial plc, a company incorporated in the United Kingdom.

Principal accounting policies
These are the company's first financial statements prepared in accordance with IFRS. The impact of the transition to IFRS is set out in note 18.

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

The following new standards, amendments to standards and interpretations are mandatory and were applied by the company for the first time in the financial year commencing 1 January 2014:

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

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

'Recoverable amount disclosures (amendments to IAS 36 (May 2013))' are narrow-scope amendments to IAS 36 'Impairment of assets'. The amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment has not had a material impact on the company.

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Principal accounting policies (continued)
(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2014 and not early adopted:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The final version of the standard was issued in July 2014. The standard primarily impacts the classification and measurement of financial assets and liabilities and introduces the 'expected credit loss' model for the measurement of the impairment of financial assets so it is no longer necessary for a credit event to have occured before a credit loss is recognised. The company has begun to assess the impact of the standard and will adopt the standard in line with the mandatory effective date of 1 January 2018, subject to endorsement by the EU.

IFRS 12, ‘Disclosures of interests in other entities’, includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. All subsidiaries within the group are wholly-owned therefore the adoption of IFRS 12 is not expected to have a material impact on the company.

IFRS 13, ‘Fair value measurement’, aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The adoption of IFRS 13 is not expected to have a material impact on the company.

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

Revenue

Hire purchase agreements to customers (conditional sale):
Interest income on conditional sale contracts is recognised in the income statement for all conditional sales using an effective interest rate method (EIR), such that a constant periodic rate of return is earned on the net investment in the conditional sale agreements. The EIR is the rate that discounts estimated future cash flows of the amount of finance provided in the conditional sale agreement back to the present value of the amount, taking account of directly attributable incremental issue costs (broker commissions). Under IAS 39 interest earned is reduced to reflect the impairment of receivables, and a corresponding adjustment is made to the impairment charge.

Operating lease (contract hire):
Rental income under contract hire is recognised on a straight-line basis over the period of the contract.

Interest and administration charges:
Interest and administration charges and other fees charged to customers arising on settlement or default are recognised as the event occurs and are exclusive of VAT.

Finance costs
Finance costs principally comprise the interest on both intra-group and third party loan arrangements, and are recognised on an effective interest rate basis.

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Amounts receivable from customers
Customer receivables are initially recognised at the amount of finance agreed with the customer in the conditional sale agreement plus directly attributable acquisition costs. After initial recognition, customer receivables are subsequently measured at amortised cost. Amortised cost is the amount of the customer receivable at initial recognition less customer repayments, plus revenue earned calculated using the effective interest rate, less deduction for impairment.

In addition, the company raises an incurred but not yet reported provision to cover impairment events that have taken place but are not as yet evidenced by a missing payment trigger.

To the extent that the net present value of estimated future cash flows differs by +/- 1%, it is estimated that the amounts receivable from customers would be approximately £1,565,560 (2013 £1,223,770) higher/lower.

Intangible assets
Intangible assets, which comprises computer software represent the costs incurred to acquire the specific software and bring it into use.

Computer software is amortised on a straight-line basis over its estimated useful economic life which is generally estimated to be between three and five years.

The residual values and economic lives of intangible assets are reviewed by management at each balance sheet date.

Amortisation is charged to the income statement as part of administrative costs.

Property, plant and equipment
Property, plant and equipment is shown at cost less subsequent depreciation and impairment.

Cost represents invoiced cost plus any other costs that are directly attributable to the acquisition of the items. Repairs and maintenance costs are expensed as incurred.

Depreciation is calculated to write down assets to their estimated realisable value over their useful economic lives. The following are the principal bases used:

	%	Method
Software development costs	33.3	Straight line
Contract hire vehicles	25	Straight line
Motor vehicles	Variable	Reducing balance

The residual values and useful economic lives of all assets are reviewed, and adjusted if appropriate, at each balance sheet date.

All property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds the higher of the asset's value in use or its fair value less costs to sell.

Gains and losses on disposal of property, plant and equipment is determined by comparing any proceeds with the carrying amount of the asset and are recognised within administrative costs in the income statement.

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)
Contract hire vehicles are depreciated over 4 years using an estimated residual value. Motor vehicles are depreciated over the estimated useful life of the asset, generally between 3 to 5 years dependant on vehicle class, expected annual mileage and use.

Depreciation is charged to the income statement as part of administrative costs.

Inventories
Inventories consist of vehicles brought back into stock after the termination of the conditional sale agreements with customers, valued at the expected auction proceeds.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand.

Borrowings
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Taxation
The tax credit/charge represents the sum of current and deferred tax. Current tax is calculated based on taxable profit for the year using tax rates that have been enacted or substantially enacted by the balance sheet date. Taxable profit differs from profit before taxation as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax is also provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the company and it is probable that the temporary difference will not reverse in the future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Key assumptions and estimates
In applying the accounting policies set out above, the company makes significant estimates and assumptions that affect the reported amounts of assets and liabilities as follows:

Amounts receivable from customers
The company assesses whether there is objective evidence that amounts receivable from customers have been impaired at each balance sheet date. The principal criteria for determining whether there is objective evidence of impairment are deliquency in contractual payments, a bankruptcy or entering into forbearance arrangements.

Customer balances are deemed to be impaired as soon as a customer misses one monthly contractual payment. Impairment is calculated as the difference between the carrying value of receivables and the present value of estimated future cash flows discounted at the original effective interest rate. Estimated future cash flows are based on the historical performance of customer balances falling into different arrears stages and are regularly assessed.

FINANCIAL AND CAPITAL RISK MANAGEMENT

The overall financial and risk management framework is the responsibility of the board with certain responsibilities in respect of internal control and risk management being delegated to various sub-committees who report directly to the board.

The company also operates within a group treasury framework and is subject to group treasury policies including counterparty, liquidity, interest rate, market and capital risk.

(a) Liquidity risk
The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet forseeable needs and to invest cash assets prudently and profitably. Regular cash flow forecasts are undertaken to monitor the cash position and to determine the liquidity of the company. The directors then ensure that there are sufficient liquid funds available to ensure there is no risk of the company being unable to pay its debts as they fall due.

A maturity analysis of the undiscounted contractual cash flows of the company's borrowings is shown below. This shows the future cash payable under current drawings and reflects both the interest payable and the repayment of the borrowing on maturity.

2014	<1 year £'000	1-2 years £'000	2-5 years £'000	>5 years £'000	Total £'000
Borrowings:					
Amounts owed to ultimate parent undertaking	161,496	-	-	-	161,496
Other borrowings	360	360	1,080	132	1,932
Trade and other payables	11,336	-	-	-	11,336
Total	173,192	360	1,080	132	174,764

2013	<1 year £'000	1-2 years £'000	2-5 years £'000	>5 years £'000	Total £'000
Borrowings:					
Other borrowings	54,377	42,152	39,399	460	136,388
Trade and other payables	5,653	-	-	-	5,653
Total	60,030	42,152	39,399	460	142,041

(b) Interest rate risk
The company's funding is provided by a mixture of retained earnings, intra-group borrowings, other borrowings and bank borrowings. Intra-group borrowings form the largest part of the company's borrowings. Provident Financial plc has a mix of fixed and variable rate funding lines. If base rates increase materially there is a risk that increased cost of funds will be passed to the company by Provident Financial plc and there is therefore a risk that the cost of funding customer contracts could differ during their term from the cost of funding assumed in pricing the contracts. This risk is not hedged.

(c) Market risk
Market risk is the risk of loss due to adverse market movements caused by active trading positions taken in interest rates, foreign exchange markets, bonds and equities. The group's policies do not permit it or the company to undertake position taking or trading books of this type and therefore neither it or the company does so.

FINANCIAL AND CAPITAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk
As at 31 December 2014 the company had net liabilities of £10,996,000 (2013: £10,216,000). Due to the company's year-end position, the ultimate parent undertaking, Provident Financial plc, has confirmed its continued support for the company, therefore the financial statements have been prepared on a going concern basis. The company manages capital risk by focussing on capital efficiency and effective risk management.

(e) Credit risk
Credit risk is the risk that the company will suffer loss in the event of a default by a customer, a bank counterparty or the UK Government. A default occurs when the customer, bank or the UK Government fails to honour repayments as they fall due.

(i) Amounts receivable from customers
The company’s maximum exposure to credit risk on amounts receivable from customers as at 31 December 2014 is the carrying value of amounts receivable from customers of £156,556,000 (2013: £122,377,000).

The board is responsible for setting the credit policy of the company. The board meets quarterly, or more frequently if required, and is responsible for ensuring that the approach to lending is within sound risk and financial parameters and that key metrics are reviewed to ensure compliance with policy.

A customer’s risk profile and amount of finance provided by way of conditional sales contract is evaluated at the point of application. Historical payment patterns of customers are used to assess the applicant’s potential default risk and their ability to manage a specific finance amount and monthly payments. The company also incorporate data from the applicant, such as income and employment, and data from external credit bureau in assessing the customer's risk profile.

Arrears management is a combination of central letters, inbound and outbound telephony, SMS, e-mail and outsourced debt collection agency activities. Contact is made with the customer to discuss the reasons for non-payment and specific strategies are employed to support the customer in returning to a good standing, which can involve recovery of the vehicle for which the loan was placed.

(ii) Counterparty risk
The company’s maximum exposure to credit risk on bank counterparties as at 31 December 2014 was £1.4m (2013: £5.4m).

Counterparty credit risk arises as a result of cash deposits placed with banks. Counterparty credit risk is managed by the group’s treasury committee and is governed by a board-approved counterparty policy which ensures that the group’s cash deposits and derivative financial instruments are only made with high-quality counterparties with the level of permitted exposure to a counterparty firmly linked to the strength of its credit rating. In addition, there is a maximum exposure limit for all institutions, regardless of credit rating. This is linked to the group’s regulatory capital base in line with the group’s regulatory reporting requirements on large exposures to the Prudential Regulation Authority (PRA).

NOTES TO THE FINANCIAL STATEMENTS

1 Revenue

	2014 £'000	2013 £'000
Interest income	33,839	25,965
Fee income	433	328
Total revenue	34,272	26,293

Revenue comprises interest and fee income of £38.0m (2013: £28.9m) net of the amortisation of deferred broker commissions of £3.7m (2013: £2.6m).

Management regard the business as one operating segment. All revenue is from UK operations.

2 Finance costs

	2014 £'000	2013 £'000
Interest payable to other group undertakings	4,204	-
Interest payable on bank and other borrowings	8,985	11,613
Total finance costs	13,189	11,613

3 (Loss)/profit before taxation

	2014 £'000	2013 £'000
(Loss)/profit before taxation is stated after charging/(crediting):		
Amortisation of intangible assets:		
- computer software (note 6)	60	-
Depreciation of property, plant and equipment (note 7)	123	304
Profit on disposal of property, plant and equipment (note 7)	(66)	(52)
Impairment of amounts receivable from customers (note 9)	4,860	4,310
Exceptional costs	5,024	-

The company is not party to any operating lease contracts.

Fellow subsidiary undertakings have recharged certain administrative costs to the company of £11,290,000 (2013: £8,461,000) in respect of services provided.

	2014 £'000	2013 £'000
Auditors' remuneration		
Fees payable to the company's auditor for the audit of the financial statements	53	-
Total auditors' remuneration	53	-

The 2013 audit fee was borne by Moneybarn Limited.

The exceptional costs for the year arose as a result of the sale of Duncton Group Limited to Provident Financial plc which completed on 20 August 2014 and the subsequent refinancing of the company's previous loan facilities with Octopus Limited through a borrowing facility from Provident Financial plc.

Exceptional costs	2014 £'000	2013 £'000
Professional fees	65	-
Early termination costs on financing	4,571	-
Capitalised arrangement fees written off	388	-
Total	5,024	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Tax credit/(charge)

	2014	2013
Tax credit/(charge) in the income statement	£'000	£'000
Current tax	3,201	(444)
Deferred tax (note 11)	(2,723)	193
Impact of change in UK tax rate	189	(396)
Total tax credit/(charge)	667	(647)

The standard rate of UK corporation tax reduced from 23% to 21% with effect from 1 April 2014 and will reduce from 21% to 20% with effect from 1 April 2015.

As the changes in the UK statutory corporation tax were enacted in the 2013 Finance Act, deferred tax balances at 31 December 2013 were remeasured at 20% on the basis that the temporary difference on which the deferred balances were calculated were expected to reverse after 1 April 2015. In 2014, movements in the deferred tax balances at 31 December 2014 have then been remeasured at 20% as the temporary differences on which the deferred tax has been calculated are expected to reverse after 1 April 2015. A tax credit of £189,000 in 2014 (2013: charge of £396,000) represents the income statement adjustment as a result of this change.

The rate of tax on the loss before tax (2013: profit before tax) for the year is higher than (2013: higher than) the average standard rate of corporation tax in the UK of 21.50% (2013: 23.25%). This can be reconciled as follows:

	2014	2013
	£'000	£'000
(Loss)/profit before taxation	(1,447)	744
(Loss)/profit before taxation multiplied by the average standard rate of corporation tax in the UK of 21.50% (2013: 23.25%)	311	(173)
Effects of:		
- adjustment in respect of permanent differences	(14)	-
- impact of change in UK tax rate	189	(396)
- adjustment in respect of prior years	181	19
- timing difference on contract purchase income	-	(97)
Total tax credit/(charge)	667	(647)

5 Employee information and directors' remuneration

The company has no employees, the cost of the directors is borne by Moneybarn Limited and recharged by way of a management charge.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Intangible assets

	Computer software	
	2014	2013
	£'000	£'000
Cost		
At 1 January	30	-
Additions	213	30
At 31 December	243	30
Accumulated amortisation		
At 1 January	-	-
Charged to the income statement	60	-
At 31 December	60	-
Net book value at 31 December	183	30
Net book value at 1 January	30	-

7 Property, plant and equipment

	Equipment and vehicles	
	2014	2013
	£'000	£'000
Cost		
At 1 January	1,132	2,528
Additions	44	79
Disposals	(771)	(1,475)
At 31 December	405	1,132
Accumulated depreciation		
At 1 January	678	1,320
Charged to the income statement	123	304
Disposals	(518)	(946)
At 31 December	283	678
Net book value at 31 December	122	454
Net book value at 1 January	454	1,208

Disposals in the year had a net book value of £253,000 (2013: £529,000) and related proceeds of £319,000 (2013: £581,000). The profit on disposals was £66,000 (2013: £52,000).

8 Financial instruments

The following table sets out the carrying value of the company's financial assets and liabilities in accordance with the categories of financial instruments set out in IAS 39. Assets and liabilities outside the scope of IAS 39 are shown within non-financial assets/liabilities:

31 December 2014	Loans and receivables £'000	Amortised cost £'000	Non-financial assets/ liabilities £'000	Intangible assets £'000	Total £'000
Assets					
Cash and cash equivalents	1,418	-	-	-	1,418
Trade and other receivables	1,065	-	-	-	1,065
Amounts receivable from customers	156,556	-	-	-	156,556
Property, plant and equipment	-	-	122	-	122
Intangible assets	-	-	-	183	183
Deferred tax assets	-	-	95	-	95
Inventories	-	-	926	-	926
Current tax assets	3,403	-	-	-	3,403
Total assets	162,442	-	1,143	183	163,768
Liabilities					
Bank and other borrowings	-	(1,932)	-	-	(1,932)
Trade and other payables	-	-	(172,832)	-	(172,832)
Total liabilities	-	(1,932)	(172,832)	-	(174,764)

31 December 2013	Loans and receivables £'000	Amortised cost £'000	Non-financial assets/ liabilities £'000	Intangible assets £'000	Total £'000
Assets					
Cash and cash equivalents	5,372	-	-	-	5,372
Trade and other receivables	1,318	-	-	-	1,318
Amounts receivable from customers	122,377	-	-	-	122,377
Property, plant and equipment	-	-	454	-	454
Intangible assets	-	-	-	30	30
Deferred tax assets	-	-	2,629	-	2,629
Inventories	-	-	89	-	89
Total assets	129,067	-	3,172	30	132,269
Liabilities					
Bank and other borrowings	-	(136,388)	-	-	(136,388)
Trade and other payables	-	-	(5,653)	-	(5,653)
Current tax liabilities	-	-	(444)	-	(444)
Total liabilities	-	(136,388)	(6,097)	-	(142,485)

8 Financial instruments (continued)

1 January 2013

	Loans and receivables £'000	Amortised cost £'000	Non-financial assets/ liabilities £'000	Intangible assets £'000	Total £'000
Assets					
Cash and cash equivalents	3,331	-	-	-	3,331
Trade and other receivables	1,559	-	-	-	1,559
Amounts receivable from customers	80,218	-	-	-	80,218
Property, plant and equipment	-	-	1,208	-	1,208
Inventories	-	59	-	-	59
Deferred tax assets	-	-	2,832	-	2,832
Total assets	85,108	59	4,040	-	89,207
Liabilities					
Bank and other borrowings	-	(93,839)	-	-	(93,839)
Trade and other payables	-	(5,681)	-	-	(5,681)
Total liabilities	-	(99,520)	-	-	(99,520)

9 Amounts receivable from customers

Amounts receivable from customers are held at amortised cost and are equal to the expected future cash flows discounted at the effective interest rate. The average effective interest rate for the year ended 31 December 2014 was 29% (2013: 29%).

Amounts from customers comprises £151.7m (2013: £118.4m) of customer receivables plus deferred broker commissions of £4.9m (2013: £4.0m).

Ageing analysis of amounts receivable from customers	31 December 2014 £'000	31 December 2013 £'000	1 January 2013 £'000
Amounts due within one year	54,655	46,092	31,419
Amounts due in more than one year	101,901	76,285	48,799
Total	156,556	122,377	80,218

Credit quality of amounts receivable from customers	31 December 2014 £'000	31 December 2013 £'000	1 January 2013 £'000
Neither past due nor impaired	122,741	96,832	67,210
Impaired	33,815	25,545	13,008
Total	156,556	122,377	80,218

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 Amounts receivable from customers (continued)

The company has no balances past due, but not impaired, as a provision is made when payment is missed. Impairment is deducted from the carrying value of amounts receivable from customers. An analysis of the impairment provision is shown below:

	2014	2013
	£'000	£'000
At 1 January	24,341	23,274
Impairment charge	4,860	4,310
Amounts written off during the year	(2,059)	(3,243)
At 31 December	27,142	24,341

Interest income of £6,949,000 (2013: £3,779,000) has been recognised during the year on amounts receivable from customers which have been impaired.

The fair value of amounts receivable from customers is approximately £202.7m (31 December 2013: £152.3m and 1 January 2013: £96.8m). Fair value has been derived by discounting expected future cash flows at the company's weighted average cost of capital at the balance sheet date.

10 Trade and other receivables

	31 December 2014	31 December 2013	1 January 2013
Current assets	£'000	£'000	£'000
Amounts owed by fellow subsidiary undertakings	1,001	1,124	1,067
Prepayments and accrued income	64	194	492
Total	1,065	1,318	1,559

There are no amounts past due in respect of trade and other receivables that are not impaired.

Amounts owed by fellow subsidiary undertakings are unsecured and repayable on demand.

The maximum exposure to credit risk of trade and other receivables is the carrying value of each class of receivable set out above (31 December 2013 and 1 January 2013: carrying value).

11 Deferred tax

Deferred tax is calculated in full on temporary differences under the balance sheet liability method. Following the changes in corporation tax rates in 2013, deferred tax balances at 31 December 2013 were re-measured at 20% on the basis that the temporary differences on which the deferred tax was calculated were expected to reverse after 1 April 2015. In 2014, movements in the deferred tax balances have been measured at the statutory corporation tax rate for the year of 21.50% (2013: 23.25%). The deferred tax balances at 31 December 2014 have then been remeasured at 20% as the temporary differences on which deferred tax has been calculated are expected to reverse after 1 April 2015.

The movement in the deferred tax asset during the year can be analysed as follows:

Asset	2014 £'000	2013 £'000
At 1 January	2,629	2,832
(Charge)/credit to the income statement (note 4)	(2,723)	193
Impact of change in UK tax rate	189	(396)
At 31 December	95	2,629

2014				
Asset	Accelerated capital allowances £'000	Tax losses £'000	Other temporary differences £'000	Total £'000
At 1 January	96	-	2,533	2,629
Charge to the income statement	(2)	-	(2,721)	(2,723)
Impact of change in UK tax rate	-	-	189	189
At 31 December	94	-	1	95

2013				
Asset	Accelerated capital allowances £'000	Tax losses £'000	Other temporary differences £'000	Total £'000
At 1 January	93	226	2,513	2,832
Credit/(charge) to the income statement	18	(229)	404	193
Impact of change in UK tax rate	(15)	3	(384)	(396)
At 31 December	96	-	2,533	2,629

Deferred tax is a future tax liability or asset resulting from temporary differences or timing differences between the accounting value of assets and liabilities and their value for tax purposes. Deferred tax arises primarily in respect of property, plant and equipment which is depreciated on a different basis for tax purposes, transitional adjustments arising on adoption of IFRS and certain cost provisions for which tax deductions are only available when the costs are paid.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Trade and other payables

Current liabilities	31 December 2014 £'000	31 December 2013 £'000	1 January 2013 £'000
Trade payables	5	-	-
Amounts owed to fellow subsidiary undertakings	10,374	4,098	4,098
Amounts owed to ultimate parent undertaking	161,496	-	-
Other payables including taxation and social security	26	-	-
Accruals	931	1,555	1,583
Total	172,832	5,653	5,681

The fair value of trade and other payables equates to their book value (31 December 2013 and 1 January 2013: fair value equated to book value). Amounts owed to fellow subsidiary undertakings are unsecured, due for repayment in less than one year and do not accrue interest.

13 Bank and other borrowings

	31 December 2014 £'000	31 December 2013 £'000	1 January 2013 £'000
Current	360	56,114	37,128
Non-current	1,572	80,274	56,711
Total	1,932	136,388	93,839

Bank and other borrowings comprise £1.9m (31 December 2013: £3.4m and 1 January 2013: £5.0m) which is secured on customer receivables up to the maximum amount of the liability and accrues interest at 0.5% above LIBOR. The balance of £132.9m at 31 December 2013 and £88.8m 1 January 2013 was secured by fixed and floating charges over the assets of Moneybarn Group Limited and its subsidiary undertakings and accrued interest at 10% and was repaid in 2014 following the acquisition of Duncton Group Limited by Provident Financial plc. The repayment was funded by an intercompany loan from Provident Financial plc.

14 Share capital

	31 December 2014 Issued and fully paid	31 December 2013 Issued and fully paid	1 January 2013 Issued and fully paid
Ordinary shares of 100p each (£)	2	2	2
Number of shares	2	2	2

There are no shares issued and not fully paid at the end of the year (31 December 2013 and 1 January 2013: no shares).

15 Related party transactions

Details of the transactions between the company and other group undertakings, which comprise management recharges and interest charges or credits on intra-group balances, along with any balances outstanding at 31 December are set out below:

			2014			2013
	Management recharge	Interest charge	Outstanding balance	Management recharge	Interest charge	Outstanding balance
Company	£'000	£'000	£'000	£'000	£'000	£'000
Ultimate parent undertaking	-	4,204	(161,496)	7	-	-
Immediate parent undertaking	7	-	(194)	-	-	1,027
Other subsidiaries of the immediate parent undertaking	11,290	-	(9,179)	8,461	-	(4,001)
Total	11,297	4,204	(170,869)	8,468	-	(2,974)

A loan to P. Minter of £14,370 was outstanding at 31 December 2014 (2013: £28,286) with interest income for the company in the year of £2,191 (2013: £2,418).

A loan to J. fforde, who resigned as a director in the year, had interest income of £1,896 in 2014 (2013: £743) and associated expenditure in relation to the asset for which the loan was placed of £2,378 (2013: £nil). At 31 December 2014 the loan balance did not form part of related party transactions (2013: £26,796). Income relating to an operating lease with J. fforde in the year was £661 (2013: £1,410).

A loan to O. Harris, who resigned as a director in the year, had interest income of £3,487 in 2014 (2013: £4,487). At 31 December 2014 the loan balance did not form part of related party transactions (2013: £51,714). Income relating to an operating lease with O. Harris in the year was £987 (2013: £1,469). The company incurred expenditure of £3,644 (2013: £1,735) from transactions with Dunsfold Securities Limited, of which O. Harris was the sole director.

A loan to D. Hoare of £235 was outstanding at 31 December 2013. At 31 December 2014 the loan balance did not form part of related party transactions.

The directors believe that all related party transactions are on an arms length basis.

16 Contingent liabilities

The company is a guarantor in respect of: (i) borrowings made by the company's ultimate parent undertaking; and (ii) guarantees given by the company's ultimate parent undertaking in respect of borrowings of certain of its subsidiaries to a maximum of £1,013.0m (2013: £nil). At 31 December 2014, the borrowings amounted to £901.5m (2013: £nil). No loss is expected to arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Reconciliation of (loss)/profit after taxation to cash generated from/(used in) operations

	Note	2014 £'000	2013 £'000
(Loss)/profit after taxation		(780)	97
Adjusted for:			
- tax (credit)/charge	4	(667)	647
- finance costs		9,912	11,028
- amortisation of intangible assets	6	60	-
- depreciation of property, plant and equipment	7	123	304
- profit on disposal of property, plant and equipment	7	(66)	(52)
Changes in operating assets and liabilities:			
- amounts receivable from customers		(34,179)	(42,159)
- trade and other receivables		253	241
- inventories		(837)	(30)
- trade and other payables		167,179	(26)
Cash generated from/(used in) operations		140,998	(29,950)

18 Transition to IFRS

These are the company's first financial statements prepared in accordance with IFRS.

The principal accounting policies set out in the statement of accounting policies are compliant with IFRS and have been applied in preparing all periods covered in these financial statements.

IFRS 1 requires an entity to reconcile total comprehensive income and equity for prior periods and provide explanations for the adjustments needed.

Total comprehensive income
Reconciliation of the income statement of Moneybarn No.1 Limited for the year ended 31 December 2013

	Year ended 2013 £'000
Total comprehensive income under UK GAAP	1,840
IFRS revenue and impairment transition adjustments	(1,738)
Deferred tax impact of IFRS transition adjustments at 23.25%	404
Impact of rate change on deferred tax provision	(409)
Total comprehensive income under IFRS	97

18 Transition to IFRS (continued)

Balance sheet
Reconciliation of the Moneybarn No.1 Limited balance sheet as at 1 January 2013

	1 January 2013 £'000
Total equity under UK GAAP	(1,260)
IFRS revenue and impairment transition adjustments	(11,756)
Deferred tax impact of IFRS transition adjustments at 23%	2,703
Total equity under IFRS	(10,313)

Reconciliation of the Moneybarn No.1 Limited balance sheet as at 31 December 2013

	31 December 2013 £'000
Total equity under UK GAAP	580
IFRS revenue and impairment transition adjustments	(13,495)
Deferred tax impact of IFRS transition adjustments at 20%	2,699
Total equity under IFRS	(10,216)

IFRS revenue and impairment transition adjustments comprise:

(i) Under UK GAAP Moneybarn treated hire purchase contracts written before 1 January 2010 as operating leases under a true and fair override as the risks and rewards of ownership of the assets were considered to remain with Moneybarn. Under IFRS these contracts have been treated as finance leases, and the asset recognised as customer receivables.

(ii) Under UK GAAP Moneybarn capitalised and amortised over the average life of the finance provided under the conditional sales agreements costs considered to be associated with the inception of this finance, including commissions paid to intermediaries, credit bureau costs, internal origination costs and direct marketing costs. Under IFRS Moneybarn expenses these costs as incurred except intermediary costs for which the amortisation profile is different under IFRS.

(iii) Under UK GAAP Moneybarn provided against the risk of not collecting receivables in full by assessing the probable recoveries in the future and providing for the amounts not expected to be collected. Under IFRS those future expected recoveries are discounted to the balance sheet date using the original effective interest rate on the relevant portfolio of receivables. This change in policy results in a revised impairment charge for the year, and revised net receivables. In addition an Incurred But Not Reported provision is introduced to reflect the risk of reduced collections associated with changes in customer circumstances that have taken place but of which the company is not yet aware.

19 Parent undertaking and controlling party

The immediate parent undertaking is Moneybarn Group Limited. The ultimate parent undertaking and controlling party is Provident Financial plc, which is the largest and smallest 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.