

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

---

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**CONTENTS**

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3
Statement of comprehensive income	6
Balance sheet	6
Statement of changes in shareholder's equity	7
Statement of cash flows	7
Statement of accounting policies	8
Financial and capital risk management report	10
Notes to the financial statements	11

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**DIRECTORS' REPORT**

Greenwood Personal Credit Limited (the 'company') is a wholly-owned subsidiary of Provident Financial plc which, together with its subsidiaries, forms the Provident Financial group (the 'group'). The immediate parent of the company is Provident Financial Management Services Limited. Provident Financial plc is a public limited company, listed on the London Stock Exchange.

**Principal activity**

The principal activity of the company was to provide unsecured home credit loans to customers in the UK. The company ceased trading from 1 April 2014 and the directors do not expect to trade in the foreseeable future.

**Results**

The statement of comprehensive income for the year is set out on page 6. The profit for the year of £3,000 (2017: loss of £1,000) has been added to/deducted from retained earnings.

**Directors**

The directors of the company during the year ended 31 December 2018, all of whom were directors for the whole year then ended and to the date of this report, except where stated, were:

C D Gillespie	Chairman
T R Anson	
P A McLelland	(Resigned 9 February 2018)

**Principal risks and uncertainties and financial risk management**

The company participates in the group-wide risk management framework of Provident Financial plc. 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.

The financial and capital risk management policies of the company are set out on page 10.

**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.

**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 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.

**Auditor**

Deloitte LLP will continue as auditor to the company for the next financial year.

BY ORDER OF THE BOARD



C D Gillespie  
Director  
Bradford  
28 March 2019

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that the directors:

- properly select suitable accounting policies and apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs 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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF**  
**GREENWOOD PERSONAL CREDIT LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Greenwood Personal Credit 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 shareholder's equity;
- the statement of cash flows;
- the statement of accounting policies;
- the financial and capital risk management report; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and 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 Financial Reporting Council's (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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF**  
**GREENWOOD PERSONAL CREDIT LIMITED (CONTINUED)**

**Other information (continued)**

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.

**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](http://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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF**  
**GREENWOOD PERSONAL CREDIT LIMITED (CONTINUED)**

**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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

**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  
29 March 2019

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**STATEMENT OF COMPREHENSIVE INCOME**


For the year ended 31 December	Note	2018 £'000	2017 £'000
Finance income	1	2	1
Administrative costs		1	(2)
<b>Profit/(loss) before taxation</b>	<b>2</b>	<b>3</b>	<b>(1)</b>
Tax charge	3	-	-
<b>Profit/(loss) and total comprehensive income/(expense) for the year attributable to the equity shareholder</b>		<b>3</b>	<b>(1)</b>

All of the above operations relate to continuing operations.

**BALANCE SHEET**

As at 31 December	Note	2018 £'000	2017 £'000
<b>ASSETS</b>			
<b>Current assets</b>			
Financial assets:			
- trade and other receivables	7	367	366
<b>Total assets</b>		<b>367</b>	<b>366</b>
<b>NET ASSETS</b>			
<b>SHAREHOLDER'S EQUITY</b>			
Share capital	8	17	17
Share premium account		1	1
Share-based payment reserve		-	2
Retained earnings		349	346
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>367</b>	<b>366</b>

The financial statements on pages 6 to 14 were approved by the board of directors on 28 March 2019 and signed on its behalf by:

  
C D Gillespie  
Director



**GREENWOOD PERSONAL CREDIT LIMITED**  
(Company Number 00125150)

**STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**

For the year ended 31 December	Note	Share capital £'000	Share premium £'000	Share- based payment reserve £'000	Retained earnings £'000	Total £'000
<b>At 1 January 2017</b>		17	1	2	347	367
Loss and total comprehensive loss for the year		-	-	-	(1)	(1)
<b>At 31 December 2017</b>		17	1	2	346	366
<b>At 1 January 2018</b>		17	1	2	346	366
Profit and total comprehensive income for the year		-	-	-	3	3
Transactions with owners:						
- share-based payment credit	5	-	-	(2)	-	(2)
<b>At 31 December 2018</b>		17	1	-	349	367

**STATEMENT OF CASH FLOWS**

For the year ended 31 December	Note	2018 £'000	2017 £'000
<b>Cash flows from operating activities</b>			
Cash used in operations	11	(2)	(1)
Finance income received		2	1
<b>Net cash generated from operating activities</b>		-	-
<b>Net increase in cash, cash equivalents and overdrafts</b>		-	-
Cash, cash equivalents and overdrafts at beginning of year		-	-
<b>Cash, cash equivalents and overdrafts at end of year</b>		-	-

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**STATEMENT OF ACCOUNTING POLICIES**

**General information**

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

**Basis of preparation**

The financial statements are prepared in accordance with IFRSs adopted for use in the European Union (EU), International Financial Reporting Interpretations Committee (IFRIC) interpretations and the Companies Act 2006. 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.

**Principal accounting policies**

The company's principal accounting policies under IFRSs have been consistently applied to all the years presented. IFRS 9 'Financial Instruments' was effective from 1 January 2018 and replaces IAS 39 'Financial Instruments: Recognition and Measurement'. The standard has been applied and had no material impact on the company.

**Finance income**

Finance income comprises interest income earned from the ultimate parent undertaking on intercompany loans.

**Dividends**

Dividend distributions to the company's shareholder are recognised in the financial statements as follows:

Final dividend: when approved by the company's shareholders.

Interim dividend: when approved by the company's shareholders.

**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 entries represent 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 substantively enacted by the balance sheet date. Taxable profit differs from profit before taxation as reported in the statement of comprehensive income 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 substantively 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 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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

**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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
**(Company Number 00125150)**

**FINANCIAL AND CAPITAL RISK MANAGEMENT REPORT**

Greenwood Personal Credit Limited (the 'company') is a wholly-owned subsidiary of Provident Financial plc which, together with its subsidiaries, forms the Provident Financial group (the 'group').

The overall group internal control and risk management framework is the responsibility of the group board with certain responsibilities in respect of internal control and risk management being delegated to various sub-committees who report directly to the board. An overview of the group's risk management framework can be found in the annual report and financial statements of Provident Financial plc.

The group operates with a centralised treasury function and therefore the funding requirements of the company are met wholly or partially via funding from Provident Financial plc or one of its subsidiaries. In addition, the allocation of capital is managed on a group basis by the centralised treasury function. Accordingly, it is inappropriate to consider the management of liquidity risk on a stand-alone company basis.

**Liquidity risk**

Liquidity risk is the risk that the company will have insufficient liquid resources available to fulfil its operational plans and/or to meet its financial obligations as they fall due.

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 headroom on its committed borrowing facilities to fund growth and contractual maturities for at least the following 12 months. As at 31 December 2018, the group's committed borrowing facilities had a weighted average period to maturity of 2.3 years (2017: 2.2 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. The group's funding strategy is to maintain diversification in its funding and, as such, currently accesses three main sources of funding comprising: (i) the syndicated revolving bank facility; (ii) market funding, including retail bonds, institutional bonds and private placements; and (iii) retail deposits which fully funds the ring-fenced Vanquis Bank. The group will continue to explore further funding options as appropriate, including but not limited to the refinancing of the syndicated revolving bank facility and further private placements and institutional bond issuance.

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.

**GREENWOOD PERSONAL CREDIT LIMITED**  
(Company Number 00125150)

**NOTES TO THE FINANCIAL STATEMENTS**

<b>1</b>	<b>Finance income</b>	2018	2017
		£'000	£'000
	<b>Interest receivable from ultimate parent undertaking</b>	2	1

<b>2</b>	<b>Profit/(loss) before taxation</b>	2018	2017
		£'000	£'000
	Profit/(loss) before taxation is stated after charging/(crediting):		
	Employment credit (note 5)	(2)	-
	Auditor's remuneration:		
	- fees payable to the company's auditor for the audit of the financial statements	1	2

<b>3</b>	<b>Tax charge</b>	2018	2017
		£'000	£'000
	Tax charge in the statement of comprehensive income		
	Current tax	-	-
	<b>Total tax charge</b>	-	-

The rate of tax on the profit/loss 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%). This can be reconciled as:

	2018	2017
	£'000	£'000
Profit/(loss) before taxation	3	(1)
Profit/(loss) before taxation multiplied by the average standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	-	-
<b>Total tax charge</b>	-	-

**4 Directors' remuneration**

The emoluments of the directors are paid by the immediate parent company, Provident Financial Management Services Limited, which makes no recharge to the company (2017: no recharge). The directors of the company are also directors of a fellow subsidiary company and it is not possible to make an accurate apportionment of their services in relation to the company. The emoluments of these directors are disclosed in the financial statements of Provident Financial Management Services Limited.

During the year one director exercised share awards under share incentive schemes (2017: four).

**GREENWOOD PERSONAL CREDIT LIMITED**  
(Company Number 00125150)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5 Employee information**

The company had no employees during 2018 (2017: no employees).

Employment credit:

	2018	2017
	£'000	£'000
Share-based payment credit	(2)	-
<b>Total employment credit</b>	<b>(2)</b>	<b>-</b>

All the above employee information excludes directors, whose remuneration is paid by Provident Financial Management Services Limited.

The share based payment credit of £2,000 in 2018 relates to residual employee benefits arising from schemes which were in place prior to the transfer of employees of the company to fellow subsidiary undertaking, Provident Personal Credit Limited, when the company ceased to trade in 2014.

**6 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 IFRS 9. Assets and liabilities outside the scope of IFRS 9 are shown within non-financial assets/liabilities:

	IFRS 9 2018	
	Amortised cost £'000	Total £'000
<b>Assets</b>		
Trade and other receivables	367	367
<b>Total assets</b>	<b>367</b>	<b>367</b>

Financial assets that were previously classified as loans and receivables under IAS 39 have been included within amortised cost under IFRS 9. However these assets were previously measured at amortised cost therefore there has been no change in the measurement basis following adoption of IFRS 9.

The carrying value for all financial assets represents the maximum exposure to credit risk.

In 2017, assets and liabilities were classified under IAS 39. These classifications have not been restated.

	IAS 39 2017	
	Loans and receivables £'000	Total £'000
<b>Assets</b>		
Trade and other receivables	366	366
<b>Total assets</b>	<b>366</b>	<b>366</b>

**GREENWOOD PERSONAL CREDIT LIMITED**  
(Company Number 00125150)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**7 Trade and other receivables**

	2018	2017
	£'000	£'000
Current assets		
Amounts owed by ultimate parent undertaking	367	366
<b>Total</b>	<b>367</b>	<b>366</b>

Amounts owed by ultimate parent undertaking are unsecured, repayable on demand or within one year and generally accrue interest at rates linked to LIBOR.

The maximum exposure to credit risk of trade and other receivables is the carrying value of each class of receivable set out above. There is no collateral held in respect of trade and other receivables (2017: £nil).

The fair value of trade and other receivables equates to their book value.

**8 Share capital**

		2018		2017	
		Authorised	Issued and fully paid	Authorised	Issued and fully paid
<b>Ordinary shares of 50p each</b>	<b>- £'000</b>	25	17	25	17
	<b>- number (000s)</b>	50	34	50	34

There are no shares issued and not fully paid at the end of the year (2017: no shares).

**9 Related party transactions**

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

	2018		2017	
	Interest credit	Outstanding balance	Interest credit	Outstanding balance
	£'000	£'000	£'000	£'000
Ultimate parent undertaking	(2)	367	(1)	366
<b>Total</b>	<b>(2)</b>	<b>367</b>	<b>(1)</b>	<b>366</b>

The outstanding balance represents the gross intercompany balance receivable by the company.

**10 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 £242.7m (2017: £500.2m). At 31 December 2018, the borrowings amounted to £242.7m (2017: £500.2m). No loss is expected to arise.

**GREENWOOD PERSONAL CREDIT LIMITED**  
(Company Number 00125150)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11 Reconciliation of profit/(loss) after tax to cash used in operations**

	Note	2018 £'000	2017 £'000
Profit/(loss) after taxation		3	(1)
Adjusted for:			
- finance income	1	(2)	(1)
- share-based payment credit	5	(2)	-
Changes in operating assets and liabilities:			
- trade and other receivables		(1)	1
<b>Cash used in operations</b>		<b>(2)</b>	<b>(1)</b>

**12 Parent undertaking and controlling party**

The immediate parent undertaking is Provident Financial Management Services Limited.

The ultimate parent undertaking and controlling party is Provident Financial plc, a company incorporated in the United Kingdom, 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.

**13 Post balance sheet events**

On Friday 22 February 2019, Non-Standard Finance plc announced terms of a firm all share offer to acquire the entire issued share capital of Provident Financial plc. Shareholders have given irrevocable undertakings, and letter of intent, to accept the offer, which at 28 March 2019, amount to just below 50% of the share capital. However, the transaction remains subject to a number of conditions set out in the offer.