

Registrar's Copy

## **Inventive Finance Limited**

Report and Financial Statements

Year Ended

31 December 2010

Company Number 6021856

WEDNESDAY



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# **Inventive Finance Limited**

**Annual report and financial statements  
for the year ended 31 December 2010**

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## **Contents**

### **Page**

2	Report of the directors
3	Statement of directors' responsibilities
4	Independent auditor's report
6	Profit and loss account
7	Balance sheet
8	Cash flow statement
9	Notes forming part of the financial statements

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## **Directors**

R R House Jnr  
J C Davis  
I McKenzie

## **Secretary and registered office**

Shoosmiths Secretaries Limited, Witan Gate House, 500-600 Witan Gate West, Milton Keynes, MK9 1SH

## **Company number**

6021856

## **Auditors**

BDO LLP, Kings Wharf, 20-30 Kings Road, Reading, Berkshire, RG1 3EX

# Inventive Finance Limited

## Report of the directors for the year ended 31 December 2010

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The directors present their report together with the audited financial statements for the year ended 31 December 2010

### Principal activities

The principal activity of the company was the provision of short-term loans to individuals to fund the purchase of mobile telephones. This was discontinued in the year ended 31 December 2007.

As required by FRS 18 21 and as permitted by the Companies Act 2006, the directors have prepared the financial statements on the basis that the company is no longer a going concern. The directors have reviewed the company's assets and consider the value at which they are disclosed in the financial statements to be equal to the net realisable value.

### Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year of £12,868 (2009 £8,740 loss).

The directors do not recommend a final ordinary dividend (2009 £Nil).

On 31 December 2010, Dollar Financial Corp and its wholly owned subsidiary, Dollar Financial U K Limited entered into a share purchase agreement with CCRT International Holdings B V and CompuCredit Holdings Corporation to purchase all of the outstanding capital stock of Purpose UK Holdings Limited, an intermediate parent company which indirectly owns the majority shareholding of the company.

The purchase price was agreed at US \$195 million subject to certain adjustments and fulfilment of certain conditions as of the deal closing date.

The directors are considering the intentions for the future of the company.

### Directors

The directors of the company during the year were

G P Coutros (resigned 15 April 2010)

R R House Jnr

I McKenzie

J C Davis (appointed 22 March 2010)

### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

The directors' report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

### On behalf of the Board



J C Davis  
Director

Date

8/3/2011

# **Inventive Finance Limited**

## **Statement of directors' responsibilities**

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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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

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.

# Inventive Finance Limited

## Independent auditor's report

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### TO THE MEMBERS OF INVENTIVE FINANCE LIMITED

We have audited the financial statements of Inventive Finance Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards (United Kingdom Accounting Practice). As described in note 1, they have not been prepared on a going concern basis.

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 auditors*

As explained more fully in the statement of directors' responsibilities, 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 (APB's) Ethical Standards for Auditors.

#### *Scope of the audit of the financial statements*

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### *Opinion on 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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### *Emphasis of Matter: Financial statements prepared other than on a going concern basis*

Without qualifying our opinion, we draw attention to the disclosures made in Note 1 of the financial statements concerning the company's inability to continue as a going concern and the basis on which the financial statements are prepared. The company ceased trading on 31 August 2007 and accordingly is not regarded as a going concern. There is no immediate intention for the company to be wound up. The Directors have not prepared the financial statements on a going concern basis.

## Inventive Finance Limited

### Independent auditor's report (Continued)

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

In our opinion the information given in the directors' report for the financial year for which the 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

*BDO LLP*

Andrea Porter (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Reading  
United Kingdom  
Date *9 March 2011*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Inventive Finance Limited

## Profit and loss account for the year ended 31 December 2010

	Note	2010 £	2009 £
Other operating income		-	58
Administrative expenses		(2,900)	(6,498)
<b>Operating loss</b>	2	<b>(2,900)</b>	<b>(6,440)</b>
Interest payable and similar charges	4	(13,838)	(16,827)
<b>Loss on ordinary activities before taxation</b>		<b>(16,738)</b>	<b>(23,267)</b>
Tax on loss on ordinary activities	5	(3,870)	(14,527)
<b>Loss for the financial year after taxation</b>	9	<b>(12,868)</b>	<b>(8,740)</b>

All amounts relate to activities which have been discontinued

All recognised gains and losses in the current year and prior year are included in the profit and loss account

The notes on pages 9 to 11 form part of these financial statements

# Inventive Finance Limited

## Balance sheet at 31 December 2010

<i>Company Number 6021856</i>	<b>Note</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2009</b>
		£	£	£	£
<b>Current assets</b>					
Debtors	6	8,728		4,858	
Cash at bank and in hand		1,103		2,617	
<b>Net current assets</b>			9,831		7,475
<b>Creditors amounts falling due within one year</b>	7		(210,647)		(195,423)
<b>Net liabilities</b>			(200,816)		(187,948)
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss account	9		(200,916)		(188,048)
<b>Shareholders' deficit</b>	10		(200,816)		(187,948)

The financial statements were approved by the Board of Directors and authorised for issue on

 8/13/2011

**J C Davis**  
Director

The notes on pages 9 to 11 form part of these financial statements



## Inventive Finance Limited

### Cash flow statement for the year ended 31 December 2010

	Note	2010 £	2009 £
Net cash outflow from operating activities	13	(9,770)	(11,222)
Return on investments and servicing of finance	14	(13,838)	(16,827)
		<hr/>	<hr/>
Cash outflow before use of liquid resources & financing		(23,608)	(28,049)
Financing	14	22,094	27,469
		<hr/>	<hr/>
Increase in cash	15	(1,514)	(580)
		<hr/>	<hr/>

The notes on pages 9 to 11 form part of these financial statements

# Inventive Finance Limited

## Notes forming part of the financial statements for the year ended 31 December 2010

### 1 Accounting policies

#### *Basis of Preparation*

The financial statements have been prepared on a break up basis in accordance with applicable United Kingdom accounting standards. All operations were discontinued in the year ended 31 December 2007.

As required by FRS 18 21 and as permitted by the Companies Act 2006, the directors have prepared the financial statements on the basis that the company is no longer a going concern. The directors have reviewed the company's assets and consider the value at which they are disclosed in the financial statements to be equal to the net realisable value.

### 2 Operating loss

The operating loss is stated after charging

	2010 £	2009 £
Auditors' remuneration	3,000	5,860

### 3 Directors

No directors received remuneration from the company in the current or previous year.

### 4 Interest payable and similar charges

	2010 £	2009 £
Intercompany loan interest	13,838	16,827

### 5 Taxation

#### **Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows

	2010 £	2009 £
<i>UK corporation tax</i>		
Group relief in relation to losses surrendered	(3,875)	(4,717)
Adjustments in respect of previous periods	5	(9,810)
Taxation on loss on ordinary activities	(3,870)	(14,527)

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

	2010 £	2009 £
Loss on ordinary activities before tax	(16,738)	(23,267)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009: 28%)	(4,687)	(6,515)
Effects of		
Expenses not deductible for tax purposes	812	1,798
Depreciation in excess of capital allowances	-	-
Adjustments in respect of previous periods	5	(9,810)
Current tax credit for the year	(3,870)	(14,527)

# Inventive Finance Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (Continued)

<b>6</b>	<b>Debtors</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Amounts owed by group undertakings	<b>8,728</b>	<b>4,858</b>
		<hr/>	<hr/>
	All amounts shown fall due for repayment within one year		
<b>7</b>	<b>Creditors amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Amounts owed to group undertakings	<b>207,647</b>	<b>189,423</b>
	Accruals	<b>3,000</b>	<b>6,000</b>
		<hr/>	<hr/>
		<b>210,647</b>	<b>195,423</b>
		<hr/>	<hr/>
<b>8</b>	<b>Share Capital</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Allotted, called up and fully paid 100 ordinary shares of £1 each	<b>100</b>	<b>100</b>
		<hr/>	<hr/>
<b>9</b>	<b>Reserves</b>		<b>Profit and loss account £</b>
	At 1 January 2010		<b>(188,048)</b>
	Loss for the year		<b>(12,868)</b>
			<hr/>
	At 31 December 2010		<b>(200,916)</b>
			<hr/>
<b>10</b>	<b>Reconciliation of movement in shareholders' deficit</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Opening shareholders' deficit	<b>(187,948)</b>	<b>(179,208)</b>
	Loss for the year	<b>(12,868)</b>	<b>(8,740)</b>
		<hr/>	<hr/>
	Closing shareholders' deficit	<b>(200,816)</b>	<b>(187,948)</b>
		<hr/>	<hr/>

## 11 Related party disclosures

The company has taken advantage of the exemption under FRS 8 "Related party disclosures" from disclosing transactions with wholly owned fellow group entities

## 12 Ultimate parent company

The directors regard CompuCredit Holdings Corporation, a company incorporated in the USA, as the ultimate parent company and the ultimate controlling party

CompuCredit Holdings Corporation is the smallest and largest group of undertakings for which group accounts are drawn up. Copies of its group accounts, which include the company, are available from its registered office CompuCredit Holdings Corporation, Five Concourse Parkway, Suite 400, Atlanta GA 30328, USA

The immediate parent company is MEM Capital Limited, a company incorporated in the UK

# Inventive Finance Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (Continued)

13	Reconciliation of operating profit to net cash outflow from operating activities	2010 £	2009 £		
	Operating profit	(2,900)	(6,440)		
	(Increase) in debtors	(3,870)	(4,858)		
	(Decrease)/increase in creditors	(3,000)	76		
	Net cash outflow from operating activities	(9,770)	(11,222)		
14	Analysis of cash flows	2010 £	2009 £		
	Returns on investments and servicing of finance				
	Interest paid	(13,838)	(16,827)		
	Financing				
	Loan repayments	22,094	27,469		
15	Reconciliation of net cash flow to movement in net debt	2010 £	2009 £		
	Cash inflow from changes in cash	(1,514)	(580)		
	Cash inflow from changes in debt	(18,224)	(27,469)		
	Movement in net debt from cash flows	(19,738)	(28,049)		
	Movement in net debt from non cash flows	3,870	14,527		
	Movement in net debt in the period	(15,868)	(13,522)		
	Opening net debt	(186,806)	(173,284)		
	Closing net debt	(202,674)	(186,806)		
16	Analysis of net debt	At 1 January 2010 £	Cash Flows £	Non-cash Movement £	At 31 December 2010 £
	Cash in hand, at bank	2,617	(1,514)	-	1,103
	Debt due within one year	(189,423)	(18,224)	3,870	(203,777)
		(186,806)	(19,738)	3,870	(202,674)

The non-cash movement relates wholly to £3,870 of inter group tax relief during the year