

Registered Number: 02736661

Cash Centres Limited

Annual Report and Financial Statements

For the year ended 30 June 2017



Directors

S Cohen
K Kaye

Company Secretary

L Biondi

Auditor

Deloitte LLP
Statutory Auditor
Four Brindleyplace
Birmingham
United Kingdom
B1 2HZ

Bankers

The Royal Bank of Scotland
Corporate Banking
East Midlands
PO Box 7895
6th Floor
Cumberland Place
Nottingham
United Kingdom
NG1 7ZS

Solicitors

Eversheds
1 Royal Standard Place
Nottingham
United Kingdom
NG1 6FZ

Registered Office

Cardinal House, Abbeyfield Court
Abbeyfield Road
Nottingham
United Kingdom
NG7 2SZ

Directors' Report

The directors present their Annual Report together with the audited financial statements of Cash Centres Limited (the "Company") for the year ended 30 June 2017.

The Company qualifies as a small company in accordance with sections 381 to 383 of the Companies Act 2006 (the "Act") and the Directors' Report has therefore been prepared taking into consideration the entitlement to small companies exemptions provided in sections 414B (as incorporated to the Act by the Strategic Report and Directors' Report Regulations 2013) of the Act.

Directors

The directors who served the Company during the period and up to the date of this report are as follows:

E Erickson (resigned 8 July 2016)
K Kaye
C Walton (resigned 30 October 2017)
S Cohen

The directors have no declarable interest in the shares of the Company or of any other group company.

Disclosure of information to the auditor

Each person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Financial risk management objectives and policies

Details of the Company's credit risk management policies can be found in the Strategic Report on page 2 and form part of this report by cross-reference.

In addition to credit risk, the Company also considers liquidity risk, which is the risk that financial assets cannot be transformed into cash quickly enough to meet financial liabilities as they fall due. The Company mitigates this risk by ensuring, as far as practicably possible, financial liabilities are not incurred.

Dividends

The directors do not recommend a dividend (2016: £nil)

Insurance

The company has directors' and officers' liability insurance and it is intended to maintain such cover for the full term of their appointment.

Directors' Report (continued)

Going concern

The Company is a non-trading company with net assets of £1,150,000. The directors do not anticipate any changes in the activities of the company in the 12 months following the date of this report. For this reason, the directors have prepared the financial statements on the basis that the company is a going concern.

Future developments

Details of future developments can be found in the Strategic Report on page 2 and form part of this report by cross-reference.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by shareholders holding in aggregate 5% or more of the total allocated shares in the Company. They should be served no later than 30 June 2017.

Principal activities, review of the business

The Company did not trade during the current or the preceding year and accordingly no statement of comprehensive income is presented.

Principal risks and uncertainties

The main risk arising from the Company's activities is credit risk which is attributable to its intercompany loan receivables.

Credit risk is the risk of financial loss to the Company due to a counterparty's failure to honour its financial obligations and arises as the Company provides loans to other group companies. The Company mitigates the risk by assessing the likelihood of the borrower defaulting, taking in to account a variety of factors such as the financial position of the potential borrower, and refusing to lend if the risk of default is too high.

Future developments

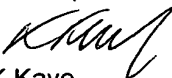
The directors expect the Company to be dormant in the forthcoming year.

Directors' Report (continued)

Subsequent events

Details of events that have occurred after the balance sheet date can be found in note 10 to the accounts, subsequent events, and form part of this report by cross-reference.

This report was approved by the board of directors and signed on its behalf by:



K Kaye
Director

Date: 21 DECEMBER 2017

Address of registered office:

Cardinal House, Abbeyfield Court
Abbeyfield Road
Nottingham
United Kingdom
NG7 2SZ

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Cash Centres Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Cash Centres Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Registered No. 02736661

Independent auditor's report (continued)

to the members of Cash Centres Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report (continued)

to the members of Cash Centres Limited

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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

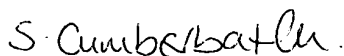
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Other matter

As the company was exempt from audit under section 477/479A/480 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.



Stewart Cumberbatch FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

Date: 21 December 2017

Balance Sheet

as at 30 June 2017

	Note	2017 £'000	2016 £'000
Current assets			
Debtors	4	9,822	9,856
		9,822	9,856
Creditors – amounts falling due within one year	5	(8,672)	(8,706)
Net current assets		1,150	1,150
Net assets		1,150	1,150
Capital and reserves			
Called up share capital	7	204	204
Profit and loss account		946	946
Shareholder's funds		1,150	1,150

The financial statements have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved and authorised for issue by the Board of Directors on the date shown below and were signed on its behalf by:



K Kaye
Director

Date: 21 DECEMBER 2017

The accompanying notes on pages 11 to 14 were an integral part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2017

	<i>Share Capital £'000</i>	<i>Profit and loss account £'000</i>	<i>Total £'000</i>
At 1 July 2016 and 1 July 2015	204	946	1,150
At 30 June 2017 and 30 June 2016	<u>204</u>	<u>946</u>	<u>1,150</u>

Notes to the financial statements

for the year ended 30 June 2017

1. Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

Basis of preparation

Cash Centres Limited is a private company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council and the Companies Act 2006.

The financial statements are presented in pound sterling which is the Company's functional currency.

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value, unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the criteria, as laid out in FRS 102 section 11.9, are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the criteria, as laid out in FRS 102 section 11.9, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of any impairment.

Debt instruments which do not meet the criteria, as laid out in FRS 102 section 11.9, are measured at fair value through profit and loss.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Notes to the financial statements (continued)

for the year ended 30 June 2017

1. Significant accounting policies (continued)

Going concern

As noted in the Directors' Report, the Company is a non-trading company. The directors do not anticipate any changes in the activities of the company in the 12 months following the date of this report. For this reason, the directors have prepared the financial statements on the basis that the company is a going concern.

Impairment of financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the Balance Sheet date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2. Critical accounting judgements and key sources of estimation uncertainty

The Directors believe there are no critical judgements or key sources of estimation uncertainty in applying the Company's accounting policies.

3. Operating result

There are no employees of the Company except for the directors. The directors of the Company are remunerated by other companies within the Sterling Mid-Holdings Limited group. The directors consider that the level of their qualifying services provided to the Company is inconsequential to its wider role within the group, in 2017 and 2016.

The Company's audit fee of £5,356 for the current year (2016: £nil) payable to Deloitte LLP was paid by DFC Global Corp. Non-audit services provided to the Company are £nil for the current year as well as for the previous year.

4. Debtors

	2017 £'000	2016 £'000
Amounts due from group undertakings – repayable on demand	9,822	9,856
	<u>9,822</u>	<u>9,856</u>

Notes to the financial statements (continued)

for the year ended 30 June 2017

5. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts due to group undertakings	8,672	8,706
	<u>8,672</u>	<u>8,706</u>

6. Financial instruments

The Company manages its capital to ensure that the Company has sufficient capital resources to continue as a going concern. The capital structure of the Company consists of debt, which are the borrowings from the parent, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in Statement of changes in equity on page 10.

The Company's activities expose it to a number of financial risks and uncertainties; primarily credit risk.

Carrying values by categories of financial instrument as at 30 June are as follows:

	2017 £'000	2016 £'000
Financial assets – loans and receivables		
Amounts due from group undertakings	9,822	9,856
Total	<u>9,822</u>	<u>9,856</u>

	2017 £'000	2016 £'000
Financial liabilities		
Amounts due to group undertakings	8,672	8,706
Total	<u>8,672</u>	<u>8,706</u>

7. Called up share capital

	2017 No.	2017 £'000	2016 No.	2016 £'000
<i>Authorised, allotted and fully paid</i>				
Ordinary shares of £1 each	204,300	<u>204</u>	204,300	<u>204</u>

8. Related party transactions

The Company is a wholly owned subsidiary of Sterling Mid-Holdings Limited, the group financial statements of which are publicly available.

Accordingly, the Company has taken advantage of the exemption in section 33 of FRS 102 from disclosing transactions with 100% members or investees of the Sterling Mid-Holdings Limited group.

Notes to the financial statements (continued)

for the year ended 30 June 2017

9. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Cash Centres Corporation Limited, a company incorporated in the United Kingdom.

The largest and smallest group for which financial statements are drawn up which incorporate the results of the Company is that headed by Sterling Mid-Holdings Limited, a company incorporated in the Bailiwick of Jersey. Copies of the group financial statements, which include the results of the Company, are available from 74 E Swedesford Road, Malvern, PA 19355.

The Company's ultimate parent undertaking and controlling party is Lone Star Fund VIII (Bermuda), L.P. a Bermuda limited partnership which is controlled by its general partner, Lone Star Partners VIII, L.P., a Bermuda limited partnership, which is controlled by its general partner Lone Star Management Co, VIII Ltd, a Bermuda exempted limited company.

10. Subsequent events

On August 31, 2017, Dollar Financial U.K. Limited (DFUK), entered into a Share Purchase Agreement (the "Purchase Agreement") with a company incorporated in England and Wales (the "Buyer"), pursuant to which DFUK will dispose of its European businesses through the sale of 100% of the equity in Instant Cash Loans Ltd., DMWSL 488 Ltd., and Dollar Financial Europe Ltd., and their respective subsidiaries (the "Transaction").

Completion of the Transaction is subject to customary closing conditions, including, but not limited to, regulatory approvals and notices in the UK and Sweden, and any applicable antitrust approvals. The Purchase Agreement contains termination rights for Seller and Buyer in certain circumstances, including if the closing conditions are not satisfied within 180 calendar days after the signing of the Purchase Agreement, or such other date as the parties may agree in writing. As of the date of approval of these Financial Statements, the regulatory approvals remain pending.