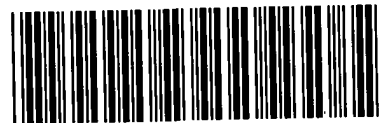


DTW ASSOCIATES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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DTW ASSOCIATES LIMITED

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DTW ASSOCIATES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	4		201,530		292,203
Tangible assets	5		44,031		57,257
Investments	6		1		1
			<u>245,562</u>		<u>349,461</u>
Current assets					
Stocks		165,564		246,466	
Debtors	7	2,235,332		2,143,232	
Cash at bank and in hand		568,401		424,976	
		<u>2,969,297</u>		<u>2,814,674</u>	
Creditors: amounts falling due within one year	8	(267,541)		(263,291)	
Net current assets			<u>2,701,756</u>		<u>2,551,383</u>
Total assets less current liabilities			<u>2,947,318</u>		<u>2,900,844</u>
Creditors: amounts falling due after more than one year	9	(2,631,763)		(2,453,001)	
Provisions for liabilities			-		(30,241)
Net assets			<u>315,555</u>		<u>417,602</u>
Capital and reserves					
Called up share capital	10	4,001,002		4,001,002	
Profit and loss reserves		(3,685,447)		(3,583,400)	
Total equity			<u>315,555</u>		<u>417,602</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

DTW ASSOCIATES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 22/9/2020 and are signed on its behalf by:



K A Baldwin
Director

Company Registration No. 05305220

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

DTW Associates Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ashford House, 41-45 Church Road, Ashford, Middlesex, TW15 2TQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account discounts and rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest receivable in respect of loans, buybacks and pawnbroking transactions are recognised on an accruals basis.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets are only capitalised when the cost can be measured accurately and it is probable that future economic benefits will attributable to the asset will flow to the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	4 years straight line
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% on cost
Fixtures and fittings	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. A provision is made for damaged, obsolete and low-moving stock where appropriate.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	17,500	13,500
	<u>17,500</u>	<u>13,500</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Total	45	49
	<u>45</u>	<u>49</u>

4 Intangible fixed assets

	Goodwill	Software	Total
	£	£	£
Cost			
At 1 January 2019	570,563	214,173	784,736
Additions	-	17,251	17,251
Disposals	(33,518)	-	(33,518)
	<u>537,045</u>	<u>231,424</u>	<u>768,469</u>
At 31 December 2019	537,045	231,424	768,469
Amortisation and impairment			
At 1 January 2019	329,807	162,726	492,533
Amortisation charged for the year	79,376	28,548	107,924
Disposals	(33,518)	-	(33,518)
	<u>375,665</u>	<u>191,274</u>	<u>566,939</u>
At 31 December 2019	375,665	191,274	566,939
Carrying amount			
At 31 December 2019	161,380	40,150	201,530
	<u>161,380</u>	<u>40,150</u>	<u>201,530</u>
At 31 December 2018	240,756	51,447	292,203
	<u>240,756</u>	<u>51,447</u>	<u>292,203</u>

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 January 2019	111,479	471,679	583,158
Additions	-	13,723	13,723
Disposals	(4,069)	(60,909)	(64,978)
At 31 December 2019	107,410	424,493	531,903
Depreciation and impairment			
At 1 January 2019	78,395	447,506	525,901
Depreciation charged in the year	10,771	9,225	19,996
Eliminated in respect of disposals	(4,069)	(53,956)	(58,025)
At 31 December 2019	85,097	402,775	487,872
Carrying amount			
At 31 December 2019	22,313	21,718	44,031
At 31 December 2018	33,084	24,173	57,257

6 Fixed asset investments

	2019 £	2018 £
Shares in group undertakings and participating interests	1	1

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019 & 31 December 2019	1
Carrying amount	
At 31 December 2019	1
At 31 December 2018	1

DTW ASSOCIATES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019****7 Debtors**

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	2,422	4,287
Other debtors	2,232,910	2,138,945
	<u>2,235,332</u>	<u>2,143,232</u>

Included within other debtors are amounts totalling £354,918 (2018: £931,627) which are due in more than one year.

8 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	59,033	117,710
Taxation and social security	37,580	35,477
Other creditors	170,928	110,104
	<u>267,541</u>	<u>263,291</u>

9 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	<u>2,631,763</u>	<u>2,453,001</u>

The amounts above represent a revolving credit facility with the immediate parent company which is due for repayment on 30 June 2021. The loan attracts interest at 15% per annum.

10 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
4,001,000 Ordinary A shares of £1 each	4,001,000	4,001,000
2 Ordinary B shares of £1 each	2	2
	<u>4,001,002</u>	<u>4,001,002</u>

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mr Darren Parsons.

The auditor was Stiles Accountants Limited, Statutory Auditor.

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
324,687	387,142
<u> </u>	<u> </u>

13 Events after the reporting date

Subsequent to the year end on 31st January 2020, the World Health Organisation announced a global health emergency in response to the COVID-19 outbreak. As COVID-19 cases increased in the UK, this resulted in a national lockdown which prevented the company from being able to trade at its full capacity. This resulted in one store closing while all others remained open on a restricted basis, with limited services offered only.

As of the approval date of the accounts, one store remains closed due to primarily selling currency, all other stores have recommenced a full range of services and continue to provide new loans and pledges to its customers. Cash & Cheque Express is now able to buy new stock in its stores with trade already improving and expected to continue growing through the summer and into the winter months. Auto Advance ceased all lending for 3 months during lockdown. Auto Advance restarted underwriting a small number of loans in June 2020 with increases expected in July and August. The forecast is that lending will be back to pre-COVID levels from Oct 2020 onwards. The Auto Advance revenue collection has been affected by a number of factors including FCA 3 month payment deferral for customers, an overall reduction in the loan book and general forbearance due to the pandemic.

At this stage it is not possible to quantify the losses as a result of COVID-19, however the company has been able to utilise government support in order to mitigate these while the company maintains the support of its parent. The directors expect the company to continue to trade for the foreseeable future and meet its liabilities as they fall due regardless of COVID-19.

14 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

DTW ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Parent company

The company is a wholly owned subsidiary of its immediate parent company Check Into Cash of UK, LLC, a company incorporated within the United States of America. The ultimate parent company is Creditcorp Inc, a private company also incorporated within the United States of America.

Consolidated accounts, which include the company, are produced by Creditcorp Inc, whose headquarters are situated at; 201 Keith Street SW, Suite 80, Cleveland TN 372311, United States of America.