

DF Eurozone (UK) Limited

Annual Report and Financial Statements

For the year ended 30 June 2015

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COMPANIES HOUSE

Directors

E Erickson
K Kaye
M Prior

Company Secretary

L Biondi

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Four Brindley Place
Birmingham
B1 2HZ
United Kingdom

Bankers

The Royal Bank of Scotland
Corporate Banking
East Midlands
PO Box 7895
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Cumberland Place
Nottingham NG1 7ZS

Solicitors

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Nottingham
NG1 6FZ

Registered Office

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Castle Marina
Nottingham NG7 1LD

Registered No. 08440244

Directors' report

The directors present their report and audited financial statements for the year ended 30 June 2015.

Results and dividends

The profit for the year, after tax, amounted to €6,835,000 (2014: €11,464,000). The directors do not recommend a dividend.

Principal activities and review of the business

During the prior year, the principal activity of the Company was that of a holding and administration company for its trading subsidiary, OK Money Spain SL. Following the sale of OK Money Spain SL on 19 June 2014 there has been no trading activity. The activity of the Company in the current year is to collect interest on loans issued to companies within the Sterling Mid-Holdings Limited group.

Directors

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

E Erickson	
P Fileccia	(appointed 12 December 2014, resigned 10 April 2015)
J Jackson	(resigned 17 April 2015)
M L Prior	
J Bray	(resigned 10 December 2014)
S Corepal	(resigned 14 November 2014)
K Kaye	(appointed 30 April 2015)

Insurance

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

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Going concern

After considering the Company is a non-trading holding company with shareholder's funds of €37,149,000, and that the directors do not anticipate any changes in the activities of the Company in the following 12 months, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual accounts.

Directors' report (continued)

Auditor

Deloitte LLP were appointed as external auditor on 30th April 2015 and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and taken advantage of the exemption in not preparing the Strategic Report.

On behalf of the Board



K Kaye
Director

Date: 31/3/16

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 period. 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 judgments and accounting estimates that are reasonable and prudent;
- 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 auditors' report to the members of DF Eurozone (UK) Limited

We have audited the financial statements of DF Eurozone (UK) Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

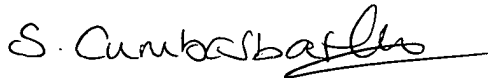
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of DF Eurozone (UK) Limited (continued)

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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Stewart Cumberbatch FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Chartered Accountants and Statutory Auditor
Birmingham
United Kingdom

Date: 31 March 2016

Profit and loss account

for the year ended 30 June 2015

		2014 (16 month period)
	2015	€000
Notes	€000	€000
Interest receivable from group companies	936	229
Profit on disposal of investment	-	11,547
Foreign exchange gain/(loss)	5,899	(312)
Profit on ordinary activities before tax	6,835	11,464
Tax charge	3 -	-
Profit for the financial year / period	7 6,835	11,464

All amounts relate to continuing activities.

The accompanying notes on pages 9 to 12 form an integral part of these financial statements.

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of €6,835,000 for the year ended 30 June 2015 (2014: € 11,464,000). As such, no statement of total recognised gains and losses presented.

Balance sheet

As at 30 June 2015

	Notes	2015 €000	2014 €000
Current assets			
Cash at bank and in hand		1	1
Debtors – amounts falling due within 1 year	4	4,541	4,181
Net current assets		<u>4,542</u>	<u>4,182</u>
Non-current assets			
Debtors – amounts falling due after more than 1 year	4	<u>32,607</u>	<u>26,132</u>
Net assets		<u>37,149</u>	<u>30,314</u>
Capital and reserves			
Called up share capital	5	9,945	9,945
Share premium	5,6	8,905	8,905
Profit and loss account	6	<u>18,299</u>	<u>11,464</u>
Shareholders' funds	6	<u>37,149</u>	<u>30,314</u>

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: 31/3/16

Notes to the financial statements

As at 30 June 2015

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Functional currency

The functional currency has been determined as Euros (EUR). This reflects the economic effects of the underlying transactions, events and conditions that were relevant to the entity upon incorporation and include the currency that dividend and interest income will be generated in and the currency that any interest cost will be paid in based on the subsidiary and intercompany loan structure planned at incorporation.

Going concern

After considering the Company is a non-trading holding company with shareholder's funds of €37,149,000, and that the directors do not anticipate any changes in the activities of the Company in the following 12 months, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual accounts.

Statement of cash flows

The Company is exempt from the requirements of FRS1 (revised) and therefore has not prepared a statement of cash flows. Its results are included within the group financial statements of its parent undertaking, Sterling Mid-Holdings Limited, and these financial statements are available on request from the Company Secretary at 1436 Lancaster Avenue, Berwyn, Pennsylvania 19312, USA.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by payments made in the period.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are taken to the Profit and Loss Account.

Tax

The charge for tax is based on the result for the year and takes into consideration timing differences arising as a result of different treatments of certain items for tax and accounting purposes.

Notes to the financial statements (continued)

As at 30 June 2015

1. Accounting policies (continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

The Company's audit fee of €4,385 for the current year payable to Deloitte LLP was paid by Dollar Financial U.K. Limited. The fee for preceding year payable to Ernst & Young was paid by Sterling Mid-Holdings Limited. Non-audit fees provided to the Company are £nil for the current year as well as for the previous year.

There are no other 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 2015.

3. Tax

- (a) The tax charge for the current year and previous period is £nil
- (b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.75% (2014: 22.65%). The differences are explained below:

	2015 €000	2014 (16 month period) €000
Profit on ordinary activities before tax	6,835	11,464
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014: 22.65%).	1,418	2,596
<i>Effects of:</i>		
Non-taxable income	-	(2,565)
Utilisation of losses brought forward	(17)	-
Group relief received for no payment	(1,401)	(31)
Current tax for the year /period (note 3(a))	-	-

Notes to the financial statements (continued)

As at 30 June 2015

3. Tax (continued)

(a) There is no provided or un-provided deferred tax as at 30 June 2015.

(d) In July 2013, a reduction in the corporation tax rate to 23% to 21% with effect from 1 April 2014, and from 21% to 20% with effect from 1 April 2015 was substantively enacted into legislation.

In the Budget on 8 July 2015, the UK government proposed to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. These rate changes were substantively enacted on 26 October 2015.

4. Debtors

Current Debtors:	2015	2014
	€000	€000
<i>Amounts due from group undertakings falling due within 1 year</i>	<u>4,541</u>	<u>4,181</u>
Non-current Debtors:		
<i>Amounts due from group undertakings falling due after more than 1 year</i>	<u>32,607</u>	<u>26,132</u>

As at 30 June 2015 the amounts due from group undertakings included a loan due from OK Money Spain SL of €3,960,000 plus accrued interest, with a carrying value at that date of €4,541,000. The applicable interest rate is 9.25%. The loan and interest are repayable on demand.

On 18 June 2014 the company issued a loan to Sterling Mid-Holdings Limited for \$16,671,650 (equivalent to €12,290,000 on 18 June 2014) with the principal amount due 8 calendar years after the date of the note at a rate of 1.91% per annum. The carrying value at the balance sheet date, included accrued interest, was €15,245,000 after translating into Euros.

On 30 June 2014 the company issued a loan to Sterling Mid-Holdings Limited for \$19,000,000 (equivalent to €13,880,000 on 30 June 2014) with the principal amount due 8 calendar years after the date of the note at a rate of 1.91% per annum. The carrying value at the balance sheet date, included accrued interest, was €17,362,000 after translating into Euros.

5. Called up share capital

	<i>Number of Ordinary Shares in Circulation</i>	<i>Ordinary Shares in Circulation €000</i>	<i>Share Premium €000</i>	<i>Total Ordinary Share Capital €000</i>
At 1 July 2014 and 30 June 2015	<u>8,214,342</u>	<u>9,945</u>	<u>8,905</u>	<u>18,850</u>

Notes to the financial statements (continued)

As at 30 June 2015

6. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Share premium</i>	<i>Profit and loss account</i>	<i>Total share-holders' funds</i>
	€000	€000	€000	€000
New share capital subscribed	9,945	8,905	–	18,850
Profit for the period	–	–	11,464	11,464
At 30 June 2014	9,945	8,905	11,464	30,314
Profit for the year	–	–	6,835	6,835
At 30 June 2015	9,945	8,905	18,299	37,149

7. Related party transactions

In accordance with the exemptions offered by FRS 8 "Related Party disclosures" there is no disclosure in these financial statements of transactions with members or investees that are part of the Sterling Mid-Holdings Limited group.

8. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Sterling Mid-Holdings Limited, a company incorporated in Jersey.

The largest and smallest group for which financial statements are drawn up which incorporate the results of DF Eurozone (UK) Limited is that headed by Sterling Mid-Holdings Limited. Copies of the group financial statements, which include the results of the Company, are available from 1436 Lancaster Avenue, Berwyn, Pennsylvania 19312, USA.

The Company's ultimate parent undertaking and controlling party is Lone Star Fund VIII (Bermuda), L.P. a Bermuda partnership and affiliate of the private equity fund, Lone Star Funds, a firm incorporated in the United States of America.