

Registered number: 08502725

CFW OPERATIONS EUROPE LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2018



CFW OPERATIONS EUROPE LIMITED
REGISTERED NUMBER:08502725

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	6	720	-
		<u>720</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	7	224,917	1,271,213
Cash at bank and in hand	8	16,573	1,102
		<u>241,490</u>	<u>1,272,315</u>
Creditors: amounts falling due within one year	9	(99,065)	(1,159,471)
Net current assets		<u>142,425</u>	<u>112,844</u>
Total assets less current liabilities		<u>143,145</u>	<u>112,844</u>
Net assets		<u>143,145</u>	<u>112,844</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		143,045	112,744
		<u>143,145</u>	<u>112,844</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R Glaesmann
Director

Date: 8 July 2019

The notes on pages 2 to 7 form part of these financial statements.

CFW OPERATIONS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

CFW Operations Europe Limited is a private company limited by shares and incorporated in England and Wales. Registered number 08502725. Its registered head office is located at Riverbank House, 2 Swan Lane, London, EC4R 3TT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on a going concern basis. The director has prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

The company provides services to Franchisees of other group companies and is re-imbursed for their activities on a cost plus margin basis.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Office equipment	- 3 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and retained earnings.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.11 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

No significant judgements or estimates have been made in the preparation of these financial statements.

4. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £7,800 (2017 - 7,500).

5. Employees

The average monthly number of employees, including directors, during the year was 5 (2017 - 5).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2018	1,346
Additions	735
Disposals	(45)
At 31 December 2018	<u>2,036</u>
Depreciation	
At 1 January 2018	1,346
Charge for the year on owned assets	15
Disposals	(45)
At 31 December 2018	<u>1,316</u>
Net book value	
At 31 December 2018	<u><u>720</u></u>
At 31 December 2017	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	215,646	1,270,282
Other debtors	9,271	931
	<u>224,917</u>	<u>1,271,213</u>

Included within Other debtors is £100 (2017: £100) unpaid share capital.

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>16,573</u>	<u>1,102</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	4,213	22
Amounts owed to group undertakings	74,226	1,095,513
Corporation tax	7,500	7,459
Other taxation and social security	5,669	11,359
Other creditors	7,457	45,118
	<u>99,065</u>	<u>1,159,471</u>

10. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,648 (2017 - £Nil). Contributions totalling £483 (2017 - £Nil) were payable to the fund at the reporting date and are included in creditors

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Controlling party

The company was wholly owned and controlled by Curves International, Inc., a company incorporated in the United States of America. From 30 March 2018, CFW Operations Europe Limited is wholly owned and controlled by Curves DF Holdings, Inc., a company incorporated in the United States of America.

At the end of May 2019 the ownership of the company changed with the new immediate parent company being CFW International Management BV, a Dutch company. On 1 July 2019, shares of CFW International Management BV were sold by Curves DF Holdings Inc. to Curves Holding Co. Ltd, a Japanese entity, whose parent is, Koshidaka Holdings Co. LTD, a company incorporated in Japan and traded on the Tokyo Stock Exchange.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on **17 JULY 2019** by Mark Bishop FCA (Senior statutory auditor) on behalf of Grant Thornton UK LLP.