

WORLD ACCEPTANCE CORP  
Form 10-Q  
February 06, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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Form 10-Q

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(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 000-19599

WORLD ACCEPTANCE CORPORATION  
(Exact name of registrant as specified in its charter.)

South Carolina 57-0425114  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

108 Frederick Street  
Greenville, South Carolina 29607  
(Address of principal executive offices)  
(Zip Code)  
(864) 298-9800  
(registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period than the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated

filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check One):

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Large Accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if smaller reporting company)

Emerging growth company

If an emerging growth company, indicate by check mark if registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes

No

The number of outstanding shares of the issuer's no par value common stock as of February 1, 2018 was 9,081,230.

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WORLD ACCEPTANCE CORPORATION  
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Introductory Note: As used herein, the “Company,” “we,” “our,” “us,” or similar formulations include World Acceptance Corporation and each of its subsidiaries, unless otherwise expressly noted or the context otherwise requires that it include only World Acceptance Corporation. All references in this report to “fiscal 2018” are to the Company’s fiscal year ending March 31, 2018; all references in this report to “fiscal 2017” are to the Company’s fiscal year ended March 31, 2017; and all references to “fiscal 2016” are to the Company’s fiscal year ended March 31, 2016.

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## PART I. FINANCIAL INFORMATION

WORLD ACCEPTANCE CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)

	December 31, 2017	March 31, 2017
<b>ASSETS</b>		
Cash and cash equivalents	\$24,971,364	\$15,200,410
Gross loans receivable	1,229,304,362	1,059,804,132
Less:		
Unearned interest, insurance and fees	(341,926,224 )	(291,908,651 )
Allowance for loan losses	(96,473,630 )	(72,194,892 )
Loans receivable, net	790,904,508	695,700,589
Property and equipment, net	24,972,580	24,184,207
Deferred income taxes, net	36,326,357	39,025,069
Other assets, net	15,089,779	13,797,098
Goodwill	7,034,463	6,067,220
Intangible assets, net	6,791,985	6,614,182
Total assets	\$906,091,036	\$800,588,775
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
Liabilities:		
Senior notes payable	376,850,000	295,136,200
Income taxes payable	5,403,210	12,519,417
Accounts payable and accrued expenses	34,897,062	31,869,581
Total liabilities	417,150,272	339,525,198
Commitments and contingencies (Note 10)	—	—
Shareholders' equity:		
Preferred stock, no par value Authorized 5,000,000, no shares issued or outstanding	—	—
Common stock, no par value Authorized 95,000,000 shares; issued and outstanding 8,868,396 and 8,782,949 shares at December 31, 2017 and March 31, 2017, respectively	—	—
Additional paid-in capital	157,872,907	144,241,105
Retained earnings	362,132,935	344,605,347
Accumulated other comprehensive loss	(31,065,078 )	(27,782,875 )
Total shareholders' equity	488,940,764	461,063,577
Total liabilities and shareholders' equity	\$906,091,036	\$800,588,775

See accompanying notes to consolidated financial statements.



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WORLD ACCEPTANCE CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	Three months ended		Nine months ended	
	December 31,		December 31,	
	2017	2016	2017	2016
Revenues:				
Interest and fee income	\$ 123,258,794	118,257,234	\$ 357,291,502	349,281,636
Insurance income, net and other income	13,674,973	12,557,608	39,557,219	37,882,278
Total revenues	136,933,767	130,814,842	396,848,721	387,163,914

Expenses: