

THOMAS MILLER CLAIMS MANAGEMENT LIMITED

REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020



Company number: 04246831

**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

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**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P M Bond	Resigned and re-appointed 05 February 2020
R N Cowans	
C E Fenton	
A Gamblin	
S E J Hunt	Resigned and re-appointed 05 February 2020
P A Jackson	
B M Kesterton	Appointed 01 December 2020
A A J MacKinnon	Resigned 05 February 2020
H J Wynn-Williams	Resigned 01 December 2020

**COMPANY SECRETARY**

K P Halpenny

**REGISTERED OFFICE**

90 Fenchurch Street  
London  
EC3M 4ST

**AUDITOR**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the year ended 31 December 2020.

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

**Principal activity**

The company's principal activity during the year was the provision of marine and marine related claims management services. This activity will continue in 2021.

**Results and dividends**

The profit and loss account for the year is set out on page 8. The loss on ordinary activities after taxation amounted to £1,992,388 (2019 - profit of £380,971).

No dividend has been proposed by the directors (2019 - £62,752).

**Brexit**

We continue to monitor the risks associated with the UK's exit from the Brexit transition period as of 31st December 2020. We do not consider there to be an impact on the company results due to the nature of its business activities - which have been largely unaffected during the year.

**Directors and their interests**

The present membership of the board of directors is shown on page 2, all of whom held office throughout the year, except as noted.

C E Fenton, B M Kesterton and H J Wynn-Williams are directors of the ultimate parent company, Thomas Miller Holdings Ltd.

**Directors' indemnity**

The majority shareholder, Thomas Miller Holdings Ltd., has made qualifying third party indemnity provisions for the benefit of its subsidiaries' directors that remain in force at the date of this report.

**Auditor**

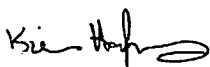
Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) 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 the information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

By order of the board



K P Halpenny  
Company Secretary  
6 May 2021

90 Fenchurch Street  
London  
EC3M 4ST

## **THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 judgements and accounting estimates that are reasonable and prudent; 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 THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Thomas Miller Claims Management Limited:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss 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 which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 17.

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 Financial Reporting Council's (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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS MILLER CLAIMS MANAGEMENT LIMITED (continued)**

### **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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and
- reading minutes of meetings of those charged with governance.

### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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:

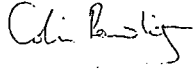
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS MILLER CLAIMS MANAGEMENT LIMITED (continued)**

**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.



Colin Rawlings FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor

London UK

06.05.2021



**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Turnover	1, 3	2,746,757	2,789,899
Administrative expenses		(2,491,885)	(2,482,996)
Operating profit	4	254,872	306,903
Amounts written off investments		(2,236,325)	-
Intra-group dividends received		37,339	134,196
(Loss) / profit on ordinary activities before taxation		(1,944,114)	441,099
Tax charge on (loss) / profit on ordinary activities	7	(48,274)	(60,128)
(Loss) / profit on ordinary activities after taxation		(1,992,388)	380,971

All amounts derive from continuing operations.

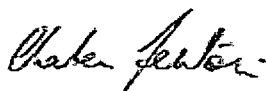
The notes on pages 10 to 16 form an integral part of these financial statements.

**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	8	2,706	1,056
Investment in subsidiary	9	60,122	60,172
		<u>62,828</u>	<u>61,228</u>
<b>Current assets</b>			
Debtors			
- due within one year	10	1,272,289	1,252,199
- due after one year	10	4,435	5,220
Cash at bank		339,843	653,801
		<u>1,616,567</u>	<u>1,911,220</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(121,174)</u>	<u>(658,114)</u>
<b>Net current assets</b>		<u>1,495,393</u>	<u>1,253,106</u>
<b>Total net assets</b>		<u>1,558,221</u>	<u>1,314,334</u>
<b>Capital and reserves</b>			
Called up share capital	13	2,336,275	100,000
Profit and loss account		(778,054)	1,214,334
<b>Shareholders' funds</b>		<u>1,558,221</u>	<u>1,314,334</u>

The financial statements of Thomas Miller Claims Management Limited (registered number 04246831) were approved by the board of directors and authorised for issue on 6 May 2021. They were signed on its behalf by:



Director

C E Fenton



Director

P A Jackson

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020**

	Share Capital £	Profit and loss account £	2020 Total £	2019 Total £
Opening shareholder's funds	100,000	1,214,334	1,314,334	996,115
Shares issued	2,236,275	-	2,236,275	-
(Loss) / profit for the financial year	-	(1,992,388)	(1,992,388)	380,971
Dividends declared	-	-	-	(62,752)
Net increase / (decrease) in shareholder's funds	2,236,275	(1,992,388)	243,887	318,219
<b>Closing shareholder's funds / (deficit)</b>	<u>2,336,275</u>	<u>(778,054)</u>	<u>1,558,221</u>	<u>1,314,334</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

## THOMAS MILLER CLAIMS MANAGEMENT LIMITED

### NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020

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

#### 1.1 General information and basis of accounting

Thomas Miller Claims Management Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2. The nature of the company's principal activity is set out in the directors' report on page 3.

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

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The company as a "qualifying entity" is exempt from producing a cash flow statement in accordance with FRS 102.1.12(b). The full voting rights of the company are owned by its ultimate parent undertaking (note 17) whose published, publicly available, accounts include a consolidated cash flow statement.

#### 1.2 Going concern

The balance sheet shows net current assets of £1,495,393 as at 31 December 2020 (2019 - £1,253,106). The company expects that cash generated from its operating activities in 2021 will be sufficient to finance its day-to-day working capital requirements.

The Thomas Miller group has performed a liquidity stress test for the 21 month period ending December 2022 in light of the COVID-19 pandemic, including the cessation of certain business and the significant loss of incentive fees on three major contracts which indicates headroom before any mitigating actions. Thomas Miller have identified mitigating actions which include reducing costs, deferring capital expenditure and suspending dividends. Taking account of these potential mitigating actions, this analysis demonstrates that the group could continue as a going concern for at least the next year given the financial and liquidity strength of the insurance companies managed by Thomas Miller and the notice periods contained in the contracts. Accordingly, Thomas Miller considers the results of this test continue to support the view that the group is able to continue as a going concern for the next twelve months.

The Directors' assessment has taken into account the resources of the company and that of the wider Thomas Miller Group under the parent company, Thomas Miller Holdings Ltd. Where necessary, Thomas Miller Holdings Ltd. has indicated it will provide financial support for a period of not less than 12 months after the date of the approval of these financial statements.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully in the current economic environment.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Consolidated financial statements

The company has taken advantage of the exemption available under section 401 of the Companies Act 2006, not to produce consolidated financial statements.

#### 1.4 Tangible fixed assets

Depreciation is provided to write off the cost less estimated residual value of all tangible fixed assets over the estimated useful economic lives of the assets. The rates generally applicable are:

Office machinery, fixtures and fittings	Straight-line over 3 years
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#### 1.5 Investment in subsidiary undertakings

Investments in subsidiary undertakings held as fixed assets are stated at cost less any provision for impairment.

## THOMAS MILLER CLAIMS MANAGEMENT LIMITED

### NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)

#### 1.6 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 1.7 Turnover

Turnover represents amounts chargeable to clients for professional services provided during the year excluding value added tax.

Services provided to clients, which at the balance sheet date have not been billed to clients, are recognised as turnover. Turnover recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Turnover is only recognised where the company has a contractual right to receive consideration for work undertaken. Unbilled turnover is included in accrued income.

#### 1.8 Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

#### 1.9 Operating leases

Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

### 2. Critical accounting judgements and key source of estimation uncertainty

There are no areas of critical accounting judgement. The following item includes estimates that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### Valuation of work in progress

The valuation of work in progress requires management to use estimates to quantify the costs incurred on individual cases. In addition management are required to assess the expected net realisable value on cases by reference to the outcomes of previous matters. The carrying value of the work in progress at 31 December 2020 is £190,667 (2019 - £82,719) as shown in note 10 Debtors as "accrued income". This work in progress is expected to be invoiced to clients as sales revenue in the coming year. Due to the experienced approach applied by management when making their estimates, no significant write off is anticipated.

### 3. Turnover

	2020 £	2019 £
Turnover by location of client:		
United Kingdom and Europe	1,912,224	1,808,747
Americas	783,464	914,818
Australasia	51,069	66,334
	<u>2,746,757</u>	<u>2,789,899</u>

All turnover derives from the principal activities of the company.

**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)**

**4. Profit on ordinary activities before taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation charges		
- owned assets	927	1,216
Rentals under operating leases	69,969	67,546
Auditor's remuneration		
- audit fees in relation to the audit of the company's annual accounts	13,925	13,519

**5. Directors' remuneration**

The directors of the company include a number of directors who are also directors of other companies within the Thomas Miller Holdings group. The directors do not consider it practicable or appropriate to allocate directors' services between individual subsidiary companies. The directors of the company received aggregate emoluments of £4,399,747 (2019 - £2,801,144) relating to their services to all companies within the Thomas Miller Holdings group.

The value of contributions paid, or treated as paid, by the company in respect of defined contribution schemes was £183,574 (2019 - £91,203).

The number of directors who:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Are members of a defined benefit scheme	4	5
Are members of a defined contribution scheme	4	5
Exercised options over shares in the parent company	3	3
Had awards receivable in the form of shares under a long-term incentive scheme	8	8

**6. Employee information (including directors)**

The average number of persons employed by the company during the year was 28 (2019 - 28).

The total payroll costs of these persons were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries (including bonuses)	1,321,964	1,255,856
Redundancy costs	-	15,676
Social security costs	126,835	120,427
Other pension costs - defined contribution schemes	182,500	172,181
	<b>1,631,299</b>	<b>1,564,140</b>

**THOMAS MILLER CLAIMS MANAGEMENT LIMITED**

**NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)**

**7. Tax charge on (loss) / profit on ordinary activities**

	2020 £	2019 £
The tax charge comprises:		
<b>Current tax</b>		
UK corporation tax	47,489	59,149
<b>Total current tax charge for the year</b>	47,489	59,149
<b>Deferred tax</b>		
Current year charge	1,399	1,094
Effect of changes in tax rates	(614)	(115)
<b>Total deferred tax charge (note 12)</b>	785	979
<b>Total tax charge on (loss) / profit on ordinary activities</b>	48,274	60,128

The standard rate of tax applied to the reported profit on ordinary activities is 19% (2019 - 19%). Finance Act 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 31 December 2020 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year end.

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date, as a result deferred tax balances as at 31 December 2020 continue to be measured at 19%. If all of the deferred tax was to reverse at the amended 25% rate the impact on the closing deferred tax position would be to increase the deferred tax asset by £1,401.

During the year beginning 1 January 2021, the net reversal of deferred tax assets is expected to reduce the corporation tax charge for the year by £4,435. There is no expiry date on timing differences.

The difference between the total charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2020 £	2019 £
<b>(Loss) / profit on ordinary activities before tax</b>	(1,944,114)	441,099
Loss on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(369,382)	83,810
<b>Effects of:</b>		
Expenses not deductible for tax purposes	425,364	1,930
Income not taxable	(7,094)	(25,497)
Impact of tax rate changes	(614)	(115)
<b>Total tax charge on (loss) / profit on ordinary activities</b>	48,274	60,128

THOMAS MILLER CLAIMS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)

8. Tangible fixed assets

	Office machinery, fixtures and fittings
	£
<b>Cost</b>	
At 1 January 2020	130,565
Additions	2,577
Disposals	(19,701)
At 31 December 2020	<u>113,441</u>
<b>Accumulated depreciation</b>	
At 1 January 2020	129,509
Provided in the year	927
Disposals	(19,701)
At 31 December 2020	<u>110,735</u>
<b>Net book value</b>	
At 31 December 2019	<u>1,056</u>
At 31 December 2020	<u>2,706</u>

9. Investments in subsidiary undertakings

Shares in subsidiary undertakings

	2020 £	2019 £
Cost and net book value:		
As at 1 January	60,172	60,176
Additions	2,236,275	-
Exchange movement	-	(4)
Impairment	(2,236,325)	-
As at 31 December	<u>60,122</u>	<u>60,172</u>

Details of the investments in which the company holds more than 20% of the nominal value of any class of share capital are set out below. All are held by the company and are incorporated in the United Kingdom and registered in England and Wales.

Name of company	Proportion of ordinary shares held	Nature of business
<b>Subsidiary undertakings</b>		
Thomas Miller (Australasia) Pty Ltd	100%	Insurance services
Thomas Miller Claims Management Pty Ltd	100%	Claims management
Thomas Miller Law Ltd	100%	Legal services
Thomas Miller Law Pty Ltd	100%	Legal services
Davies Johnson Law Ltd	100%	Legal services

Thomas Miller Law Pty Ltd ceased trading on 06 December 2019. The company continues to exist as a non-trading company while the directors consider alternatives for its future direction. The carrying value of this investment is £nil.

During the year the financing of some of the subsidiary companies was restructured by converting a loan to the subsidiaries from the ultimate parent company, Thomas Miller Holdings Ltd, into share capital, via this company as the immediate parent company. Expected future performance of the subsidiaries does not support the higher valuations of the investments and so they were immediately impaired to original value by a charge to the profit and loss account.

THOMAS MILLER CLAIMS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)

10. Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Amounts due from fellow subsidiary undertakings	515,230	610,781
Trade debtors	411,723	468,426
Other debtors	107,466	42,283
Prepayments	47,203	47,990
Accrued income	190,667	82,719
	<u>1,272,289</u>	<u>1,252,199</u>
<b>Amounts falling due after one year:</b>		
Deferred taxation (note 12)	<u>4,435</u>	<u>5,220</u>

11. Creditors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade creditors	-	8,005
Amounts owed to parent company	-	62,752
Amounts owed to fellow subsidiary undertakings	-	229,555
Other creditors	49,122	308,826
VAT creditor	27,446	-
Accruals	25,950	37,028
Deferred income	18,656	11,948
	<u>121,174</u>	<u>658,114</u>

12. Deferred taxation

The amounts of deferred taxation in the accounts are as follows:

	2020 £	2019 £
Capital allowances in excess of depreciation	<u>4,435</u>	<u>5,220</u>
Asset at start of year	5,220	6,199
Deferred tax charge in profit and loss account for the year	(785)	(979)
Asset at end of year	<u>4,435</u>	<u>5,220</u>

13. Share capital

	2020 £	2019 £
<b>Called up, allotted and fully paid:</b>		
Equity interests at 1 January 2020: 100,000 ordinary shares (2019 - 100,000) of £1	100,000	100,000
Shares issued during the year: 2,236,275 ordinary shares of £1	<u>2,236,275</u>	<u>-</u>
Equity interests at 31 December 2020: 2,336,275 ordinary shares (2019 - 100,000) of £1	<u>2,336,275</u>	<u>100,000</u>

During the year 2,236,275 ordinary shares of £1 were issued as part of the restructuring of the financing of the subsidiaries as noted in Note 9. Investments in subsidiary undertakings.



**THOMAS MILLER CLAIMS MANAGEMENT LIMITED****NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2020 (continued)****14. Leases**

## Operating leases

Annual commitments under non-cancellable operating leases are as follows:

	Motor vehicles 2020 £	Land and buildings 2020 £	Motor vehicles 2019 £	Land and buildings 2019 £
Within one year	20,057	44,700	25,269	44,700
Over one year but less than five years	-	55,875	20,057	100,575
	<u>20,057</u>	<u>100,575</u>	<u>45,326</u>	<u>145,275</u>

**15. Company status**

The company is incorporated in the United Kingdom and registered in England and Wales with limited liability.

**16. Related parties**

The company is exempt, under Financial Reporting Standard 102 (FRS 102) para 33.1A, from disclosing related party transactions as they are with other companies that are wholly owned within the group.

In the year to 31 December 2020, Marine Response Services Limited had collected £392,348 on behalf of the company (2019 - £441,221). As at 31 December 2020, all funds received have been paid to Thomas Miller Claims Management Limited. Marine Response Services Limited is owned by Thomas Miler (UK) Holdings Ltd, a fellow subsidiary of Thomas Miller Holdings Ltd.

**17. Ultimate controlling parties**

The company is wholly owned by Thomas Miller Holdings Ltd., a company registered in Bermuda and the ultimate controlling company. Thomas Miller Holdings Ltd. is the parent undertaking of the smallest and largest group in which the company is consolidated. Copies of the financial statements for Thomas Miller Holdings Ltd. may be obtained from the Company Secretary, Thomas Miller Holdings Ltd., 90 Fenchurch Street, London, EC3M 4ST.