

Company Registration No. 06649961 (England and Wales)

**WE FIGHT ANY CLAIM LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

# WE FIGHT ANY CLAIM LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr P C Bentley	(Appointed 1 May 2019)
	Mr R J Thomas	(Appointed 1 May 2019)
	Mr D Cowdery	(Appointed 11 December 2019)

<b>Company number</b>	06649961
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<b>Registered office</b>	Cradoc House Heol Y Llyfrau Aberkenfig BRIDGEND UK CF32 9PL
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<b>Auditor</b>	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
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# **WE FIGHT ANY CLAIM LIMITED**

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# **WE FIGHT ANY CLAIM LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 OCTOBER 2019**

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The directors present the strategic report and financial statements for the year ended 31 October 2019.

#### **Fair Review of the Business**

The year ended 31 October 2019 saw a major change for claims management companies with the deadline for making PPI claims coming into force on 29 August 2019. This galvanised the public to ensure all their outstanding claims were filed before the deadline and, as a result, We Fight Any Claim Ltd (WFAC) saw a substantial increase in complaints made.

The effect of this surge of complaints to beat the regulatory deadline has resulted in a severe backlog of complaints in progress among lenders and matters are now taking months rather than weeks to resolve. It is not yet apparent when this backlog is likely to be cleared although it is probable that this will take place during 2021.

Due to these delays WFAC has seen a reduced income stream during the latter part of 2019 which is anticipated to continue throughout 2020 and beyond.

The delay in recognising income has resulted in a loss for WFAC in 2019 so to compensate for this, and to ensure profits are generated throughout runoff, WFAC has taken steps to reorganise its operational structure accordingly.

Staff levels and overhead costs have been significantly reduced and WFAC now finds itself well positioned to deal with any future processing delays.

In addition, the effects of the uncertainty created by the COVID 19 pandemic have been substantially mitigated by the establishment of home-based staff and well-structured IT support.

#### **Principal risks and uncertainties**

The company is prudent in its financial management and carefully monitors financial risk. The company has little credit risk and has retained more than sufficient cash balances to fund its operations therefore having low exposure to cash flow and liquidity risks.

The company's reports and financial controls were maintained throughout the year. Income is recognised as it falls due, based on a no win, no fee model, and expenditure is included within the financial statements on an accruals basis.

The company's strategy is to ensure there is adequate management resource to identify and minimise risk so as not to affect the financial performance of the business.

As a Claims Management company, the risks currently facing WFAC are:-

- The closure of the PPI claims market to new complainants from August 2019
- The time taken to process outstanding complaints by lenders
- The continued disruption caused by the COVID 19 pandemic
- Other regulatory risks, which may vary as a consequence of Government policy.

The COVID 19 pandemic has severely disrupted the ability of lenders to complete their processing in a timely manner and the effects on the economy may result in further difficulties, both in the processing of claims and the ability of our customers to discharge their obligations.

WFAC prides itself on its excellent commitment to quality and ensures that all regulatory requirements are met with the highest of standards. Regulatory risks are monitored to ensure that current standards are maintained.

## WE FIGHT ANY CLAIM LIMITED

### STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 OCTOBER 2019**

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#### Key performance indicators

The company produces and monitors a number of Key Performance Indicators (KPI's) on a weekly and monthly basis. The main financial KPI's used by the company are provided below:

KPI's	2019	2018
Turnover	<b>£23,526k</b>	£32,633k
Gross Margin	<b>69.75%</b>	73.40%
Operating profit	<b>£1,090k</b>	£3,844k
Cash at bank and in hand	<b>£439k</b>	£1,475k
Working Capital Ratio	<b>1.57</b>	1.40

In addition to the above, the company also monitors non-financial KPI's on a weekly and monthly basis. These include outbound call success rates, return rates for PPI information packs and the final success rates of PPI claims. This information is used to reduce cost throughout all areas of the business.

On behalf of the board

Mr D Cowdery

**Director**

16 December 2020

# **WE FIGHT ANY CLAIM LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 OCTOBER 2019**

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The directors present their annual report and financial statements for the year ended 31 October 2019.

#### **Principal activities**

The principal activity of the company continued to be that of the supply of support services in connection with the settlement of financial disputes.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Chorton	(Resigned 1 May 2019)
Mr D J Wilmot	(Resigned 31 December 2018)
Mrs G L Cocchiara	(Appointed 1 May 2019 and resigned 30 June 2020)
Mr P C Bentley	(Appointed 1 May 2019)
Mrs L H Farr	(Appointed 1 May 2019 and resigned 11 December 2019)
Mr R J Thomas	(Appointed 1 May 2019)
Mr D Cowdery	(Appointed 11 December 2019)

#### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Auditor**

On 7 September 2020 Group Audit Service Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

#### **Statement of disclosure to 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 of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr D Cowdery  
**Director**

16 December 2020

## **WE FIGHT ANY CLAIM LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 OCTOBER 2019***

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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). 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;
- 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.

# **WE FIGHT ANY CLAIM LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF WE FIGHT ANY CLAIM LIMITED**

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#### **Opinion**

We have audited the financial statements of We Fight Any Claim Limited (the 'company') for the year ended 31 October 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2019 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.

#### **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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our 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.



## **WE FIGHT ANY CLAIM LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WE FIGHT ANY CLAIM LIMITED**

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#### **Matters on which we are required to report by exception**

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 material misstatements in the strategic report and the directors' report.

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.

#### **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.

#### **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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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.

**Ian Thomas BSc FCA DChA (Senior Statutory Auditor)**  
**for and on behalf of Azets**  
**Chartered Accountants**  
**Statutory Auditor**

17 December 2020

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

## WE FIGHT ANY CLAIM LIMITED

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 OCTOBER 2019

	Notes	2019 £	2018 £
Turnover	3	23,525,858	32,633,312
Cost of sales		(7,115,832)	(8,680,899)
<b>Gross profit</b>		<b>16,410,026</b>	<b>23,952,413</b>
Administrative expenses		(17,500,262)	(20,108,345)
<b>Operating (loss)/profit</b>	<b>4</b>	<b>(1,090,236)</b>	<b>3,844,068</b>
Other interest receivable and similar income	7	69	28
Amounts written off loans	8	1,455,990	-
<b>Profit before taxation</b>		<b>365,823</b>	<b>3,844,096</b>
Tax on profit	9	205,133	(730,571)
<b>Profit for the financial year</b>		<b>570,956</b>	<b>3,113,525</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# WE FIGHT ANY CLAIM LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	10		7,052		5,800
Investments	11		257,100		257,100
			<u>264,152</u>		<u>262,900</u>
<b>Current assets</b>					
Debtors	14	14,361,222		15,252,693	
Cash at bank and in hand		438,610		1,474,688	
		<u>14,799,832</u>		<u>16,727,381</u>	
<b>Creditors: amounts falling due within one year</b>	15	(9,448,971)		(11,945,065)	
<b>Net current assets</b>			<u>5,350,861</u>		<u>4,782,316</u>
<b>Total assets less current liabilities</b>			<u>5,615,013</u>		<u>5,045,216</u>
<b>Provisions for liabilities</b>	17		(1,199)		(2,358)
<b>Net assets</b>			<u><u>5,613,814</u></u>		<u><u>5,042,858</u></u>
<b>Capital and reserves</b>					
Called up share capital	19		100		100
Profit and loss reserves			<u>5,613,714</u>		<u>5,042,758</u>
<b>Total equity</b>			<u><u>5,613,814</u></u>		<u><u>5,042,858</u></u>

The financial statements were approved by the board of directors and authorised for issue on 16 December 2020 and are signed on its behalf by:

Mr D Cowdery  
**Director**

**Company Registration No. 06649961**

## **WE FIGHT ANY CLAIM LIMITED**

### **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2019**

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	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 November 2017</b>	100	1,929,233	1,929,333
<b>Year ended 31 October 2018:</b>			
Profit and total comprehensive income for the year	-	3,113,525	3,113,525
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 October 2018</b>	100	5,042,758	5,042,858
<b>Year ended 31 October 2019:</b>			
Profit and total comprehensive income for the year	-	570,956	570,956
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 October 2019</b>	100	5,613,714	5,613,814
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# WE FIGHT ANY CLAIM LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	23		(679,556)		2,886,874
Income taxes paid			(417)		(154,421)
<b>Net cash (outflow)/inflow from operating activities</b>			(679,973)		2,732,453
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,689)		(267)	
Proceeds on disposal of subsidiaries		-		(100)	
Receipts arising from loans made		(95,484)		-	
Interest received		69		28	
<b>Net cash used in investing activities</b>			(98,104)		(339)
<b>Financing activities</b>					
Repayment of borrowings		(248,689)		(1,683,240)	
<b>Net cash used in financing activities</b>			(248,689)		(1,683,240)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(1,026,766)		1,048,874
Cash and cash equivalents at beginning of year			1,465,376		416,502
<b>Cash and cash equivalents at end of year</b>			438,610		1,465,376
<b>Relating to:</b>					
Cash at bank and in hand			438,610		1,474,688
Bank overdrafts included in creditors payable within one year			-		(9,312)

# **WE FIGHT ANY CLAIM LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

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### **1 Accounting policies**

#### **Company information**

We Fight Any Claim Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cradoc House, Heol Y Llyfrau, Aberkenfig, BRIDGEND, UK, CF32 9PL.

#### **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.

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. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis.

The company has no external debt and the directors are confident that the company has the continued support of its shareholder and other related parties who will defer repayment of loan balances totalling £8,141,167 (2018 - £9,845,845) to enable the company to meet its day to day working capital requirements.

On the 29 August 2019 the deadline for PPI passed meaning no new claims can be filed. This galvanised the public to ensure all their outstanding claims were filed before the deadline and as a result the Company saw a substantial increase in complaints filed. This has resulted in a substantial backlog of claims which the Company continues to process and receive income, albeit at a reduced level.

To compensate for the reduced level of income and to ensure profits are generated, the Company has taken steps to reorganise its operational structure with staff levels and overhead costs being significant reduced.

Post year end, the Covid 19 pandemic impacted operations which the company quickly adapted to by establishing home based staff and a well structured IT support system. A second impact of the pandemic was to disrupt the ability of lenders to complete their processing in a timely manner, further delaying the processing of claims.

Following the measures taken by the Directors to reorganise its operational structure and reduce overheads, the company considers it is well positioned with sufficient resources in place to meet its obligations as they fall due and continue operating as a going concern.

#### **1.3 Turnover**

Turnover represents fees payable to the company for providing claims management services, excluding VAT.

Turnover is recognised upon receipt of an offer letter from the lender to pay compensation.

#### **1.4 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.

## **WE FIGHT ANY CLAIM LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

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#### **1 Accounting policies**

**(Continued)**

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:

Fixtures, fittings & equipment	10% straight line
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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.

#### **1.5 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities 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.

#### **1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.7 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## WE FIGHT ANY CLAIM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

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#### 1 Accounting policies

(Continued)

##### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade debtors, cash and bank balances and loans to related companies 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.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.



# WE FIGHT ANY CLAIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade creditors and loans from related 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 receipts 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.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.9 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.

### 1.10 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.

#### **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.

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.

### 1.11 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.

# WE FIGHT ANY CLAIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 1 Accounting policies

(Continued)

#### 1.12 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 leased asset are consumed.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019	2018
	£	£
<b>Turnover analysed by class of business</b>		
Claims management services	23,525,858	32,633,312

	2019	2018
	£	£
<b>Other significant revenue</b>		
Interest income	69	28

### 4 Operating (loss)/profit

	2019	2018
	£	£
Operating (loss)/profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	15,000	15,000
Depreciation of owned tangible fixed assets	1,437	1,281

## WE FIGHT ANY CLAIM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

**5 Employees**

	2019 £	2018 £
Wages and salaries	7,422,654	7,383,026

The company has no employees. The wages disclosed above are recharged from a connected company, Premiumstar Limited.

**6 Directors' remuneration**

	2019 £	2018 £
Remuneration for qualifying services	137,727	-

The remuneration disclosed above is recharged from a connected company, Premiumstar Limited.

**7 Interest receivable and similar income**

	2019 £	2018 £
<b>Interest income</b>		
Interest on bank deposits	69	28

Disclosed on the profit and loss account as follows:

Other interest receivable and similar income	69	28
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Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	69	28
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**8 Amounts written off loans**

	2019 £	2018 £
Other gains and losses	1,455,990	-

Gain recognised in relation to related party loan written off during the year

# WE FIGHT ANY CLAIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 9 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(204,786)	730,571
Adjustments in respect of prior periods	812	-
Total current tax	(203,974)	730,571
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,159)	-
Total tax (credit)/charge	(205,133)	730,571

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	365,823	3,844,096
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	69,506	730,378
Tax effect of expenses that are not deductible in determining taxable profit	-	193
Tax effect of income not taxable in determining taxable profit	(276,638)	-
Adjustments in respect of prior years	(560)	-
Rate changes	(25)	-
Expenses not deductible for tax purposes	2,584	-
Taxation (credit)/charge for the year	(205,133)	730,571

# WE FIGHT ANY CLAIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 10 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 November 2018	14,299
Additions	2,689
	<hr/>
At 31 October 2019	16,988
	<hr/>
<b>Depreciation and impairment</b>	
At 1 November 2018	8,499
Depreciation charged in the year	1,437
	<hr/>
At 31 October 2019	9,936
	<hr/>
<b>Carrying amount</b>	
At 31 October 2019	7,052
	<hr/>
At 31 October 2018	5,800
	<hr/>

### 11 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	12	100	100
Unlisted investments		257,000	257,000
		<hr/>	<hr/>
		257,100	257,100
		<hr/>	<hr/>

#### Movements in fixed asset investments

	Shares in group undertakings £	Other investments other than loans £	Total £
<b>Cost or valuation</b>			
At 1 November 2018 & 31 October 2019	100	257,000	257,100
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 October 2019	100	257,000	257,100
	<hr/>	<hr/>	<hr/>
At 31 October 2018	100	257,000	257,100
	<hr/>	<hr/>	<hr/>

## WE FIGHT ANY CLAIM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

#### 12 Subsidiaries

Details of the company's subsidiaries at 31 October 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
WFAC Lifestyle Limited	1	Dormant	Ordinary	100.00	0

Registered Office address:

1 Tintern House, William Brown Close, Llantarnam Industrial Park, Cwmbran, Gwent, NP44 3AB

#### 13 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	11,351,320	11,982,302
Equity instruments measured at cost less impairment	257,000	257,000
	<u>11,608,320</u>	<u>12,239,302</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	8,629,989	10,713,846
	<u>8,629,989</u>	<u>10,713,846</u>

#### 14 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,425,504	3,282,221
Gross amounts owed by contract customers	2,792,788	3,217,789
Other debtors	6,925,816	8,700,081
Prepayments and accrued income	217,114	52,602
	<u>14,361,222</u>	<u>15,252,693</u>

#### 15 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	16	-	9,312
Other borrowings	16	8,141,167	9,845,846
Trade creditors		340,661	612,567
Corporation tax		394,199	598,590
Other taxation and social security		424,783	632,629
Other creditors		120,661	86,137
Accruals and deferred income		27,500	159,984
		<u>9,448,971</u>	<u>11,945,065</u>

## WE FIGHT ANY CLAIM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

#### 16 Loans and overdrafts

	2019 £	2018 £
Bank overdrafts	-	9,312
Other loans	8,141,167	9,845,846
	<u>8,141,167</u>	<u>9,855,158</u>
Payable within one year	<u>8,141,167</u>	<u>9,855,158</u>

The other loans are interest free and unsecured.

#### 17 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	18	<u>1,199</u>	<u>2,358</u>

#### 18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated capital allowances	<u>1,199</u>	<u>2,358</u>
<b>Movements in the year:</b>		2019 £
Liability at 1 November 2018		2,358
Credit to profit or loss		(1,159)
Liability at 31 October 2019		<u>1,199</u>

#### 19 Share capital

	2019 £	2018 £
<b>Ordinary share capital Issued and fully paid</b>		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

# WE FIGHT ANY CLAIM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 20 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	137,727	481,267

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchases 2019 £	2018 £
Other related parties	13,547,350	14,547,261

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
<b>Amounts due to related parties</b>		
Key management personnel	-	9,845,845
Other related parties	8,261,828	86,037

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
<b>Amounts due from related parties</b>		
Key management personnel	95,484	-
Other related parties	5,752,774	6,591,307

### 21 Directors' transactions

Dividends totalling £0 (2018 - £0) were paid in the year in respect of shares held by the company's directors.

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Directors Loan Account	-	-	95,484	95,484
		-	95,484	95,484



## WE FIGHT ANY CLAIM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

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**22 Ultimate controlling party**

Joy Chorlton is considered the ultimate controlling party due to her 100% shareholding in the company.

**23 Cash (absorbed by)/generated from operations**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	570,956	3,113,525
<b>Adjustments for:</b>		
Taxation (credited)/charged	(205,133)	730,571
Investment income	(69)	(28)
Depreciation and impairment of tangible fixed assets	1,437	1,281
Amounts written off loans	(1,455,990)	-
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	986,955	(392,308)
Decrease in creditors	(577,712)	(566,167)
<b>Cash (absorbed by)/generated from operations</b>	<b>(679,556)</b>	<b>2,886,874</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.