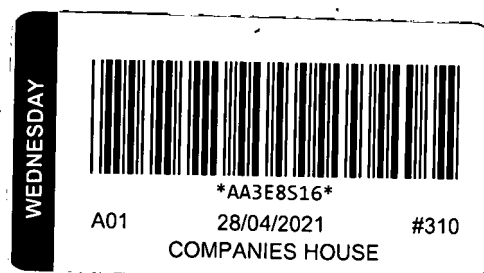


Company Registration No. 10586114

DWF Adjusting Limited

**Annual Report and
Financial Statements**

For the year ended 30 April 2020



Contents

	Page
Statutory Information	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8

Statutory Information

Incorporation No.
10586114

Registered Office
1 Scott Place
2 Hardman Street
Manchester
United Kingdom
M3 3AA

Directors
C J Stefani
Sir N G Knowles (appointed 29 May 2020)
M I Doughty (appointed 29 May 2020)
A R Leatherland (resigned 29 May 2020)

Directors' Report

The directors present their report and unaudited financial statements of DWF Adjusting Limited (the 'Company') for the year ended 30 April 2020. As the Company would qualify as small were it not a member of an ineligible group, no Strategic Report is presented.

Directors

The directors who served during the year and thereafter are as follows:

C J Stefani
Sir N G Knowles (appointed 29 May 2020)
M I Doughty (appointed 29 May 2020)
A R Leatherland (resigned 29 May 2020)

Directors' third party indemnity provisions

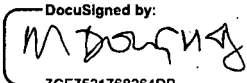
Qualifying third-party indemnity provisions are in place for the benefit of its directors throughout the year and remain in force at the date of this report.

Exemption from audit

For the year ending 30 April 2020 the Company was entitled to and has claimed exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question with accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

As the Company would qualify as small were it not a member of an ineligible group, this report takes advantage of the available small companies' exemptions.

Approved by the board of directors and signed on their behalf by:

DocuSigned by:

Director Signature: 7CE7521768264DB.....

Director Name: Matthew Doughty

Date: 22 April 2021

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework*. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- follow applicable UK Accounting Standards; 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.

Statement of Comprehensive Income

For the year ended 30 April 2020

	Notes	2020 £	2019 £
Revenue	2	640,398	320,767
Direct costs		(429,119)	(268,237)
Gross profit		211,279	52,530
Administrative expenses		(161,113)	(85,759)
Operating profit/(loss)		50,166	(33,229)
Profit/(loss) before taxation		50,166	(33,229)
Tax	4	-	-
Profit/(loss) for the financial year		50,166	(33,229)

Notes 1 to 10 are an integral part of these financial statements.

There were no items of other comprehensive income.

Statement of Financial Position

As at 30 April 2020

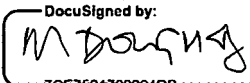
	Notes	2020 £	2019 £
Current assets			
Trade and other receivables	5	783,092	238,018
Cash at bank and in hand		1	1
Total current assets		783,093	238,019
Total assets		783,093	238,019
Current liabilities			
Trade and other payables	6	766,155	265,601
Accruals and deferred income		-	5,646
Total current liabilities		766,155	271,247
Total liabilities		766,155	271,247
Net current assets/(deficit) & net assets/(deficit) attributable to the shareholder		16,938	(33,228)
Equity			
Share capital	8	1	1
Retained earnings/(accumulated losses)		16,937	(33,229)
Total equity		16,938	(33,228)

Notes 1 to 10 are an integral part of these financial statements.

Exemption from audit

For the year ending 30 April 2020 the Company was entitled to and has claimed exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question with accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements and related notes 1 to 10 were approved by the board of directors, authorised for issue and are signed on its behalf by:

DocuSigned by:

 Director Signature: 7CE7521788264DB...

Director Name: Matthew Doughty

Date: 22 April 2021

Statement of Changes in Equity

For the year ended 30 April 2020

	Share capital £	Retained earnings £	Total equity £
Balance at 1 May 2019	1	(33,229)	(33,228)
Profit for the year and total comprehensive income	-	50,166	50,166
Balance at 30 April 2020	1	16,937	16,938

	Share capital £	Accumulated losses £	Total equity £
Balance at 1 May 2018	1	-	1
Loss for the year and total comprehensive expense	-	(33,229)	(33,229)
Balance at 30 April 2019	1	(33,229)	(33,228)

Notes 1 to 10 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2020

1 Accounting policies

1.1 General information and basis of accounting

DWF Adjusting Limited (the 'Company') is a private limited company incorporated and domiciled in the United Kingdom under the Companies Act 2006 and is registered in England. The registered address is 1 Scott Place, 2 Hardman Street, Manchester, M3 3AA.

DWF Adjusting Limited principally engaged in the provision of legal related support services in the United Kingdom. There were no significant changes in these activities during the year.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, except where FRS 101 requires an alternative treatment.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - iii. Paragraph 79(a)(iv) of IAS 1;
 - iv. Paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - v. Paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B–D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134–136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

The Company's ultimate controlling party, DWF Group plc, includes the Company in its consolidated financial statements. The consolidated financial statements of DWF Group plc are prepared in accordance with International Financial Reporting Standards, are publicly available and may be obtained from 20 Fenchurch Street, London, EC3M 3AG.

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 financial statements are also presented in pounds sterling.

Notes to the Financial Statements

For the year ended 30 April 2020 (continued)

1 Accounting policies (continued)

1.2 Going concern

These financial statements have been prepared on the going concern basis, as the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company's forecasts and projections, taking account of the current economic uncertainty and continued financial support from DWF Group plc and its group undertakings, show that the Company will be able to continue to trade for the foreseeable future.

1.3 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, unbilled revenue, cash and cash equivalents, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Unbilled revenue

Services provided to client, which at the period end date have not been billed, are recognised as unbilled revenue and included in trade and other receivables.

Unbilled revenue is valued at selling price less provision for any foreseeable under recovery when the outcome of the matter can be assessed with reasonable certainty. Provision is made for such factors as historical recoverability rates, contingencies, and agreements with client. In respect of contingent fee engagements, unbilled revenue is only recognised once the contingent event occurs.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.4 Impairment

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of profit or loss in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes to the Financial Statements

For the year ended 30 April 2020 (continued)

1 Accounting policies (continued)

1.6 Revenue

Revenue is measured based on the consideration specified in a contract with a client and excludes amounts collected on behalf of third parties. Revenue represents the fair value of the consideration receivable in respect of professional services provided during the period, exclusive of disbursements and value added taxes.

A contract with a client is recognised when a contract is signed and legally enforceable by the Company; this will be prior to the commencement of work for a client and therefore before any time is accrued by the Company. A single performance obligation is identified on a contract by contract basis; where contracts are entered into at the same time with the same client at differing rates, these may be considered a single contract for the purposes of revenue recognition.

The single performance obligation is satisfied over time. The Company bills in stage payments to reflect the period over which the obligation is satisfied. Typically, bills are raised a month in arrears resulting in a contract asset, but this does vary between client contracts.

The Company does not provide extended terms on its services and therefore no significant financing components are identified by the Company. The Company applies the revenue constraint in respect of variable consideration by estimating the amount from clients on unbilled items. This assessment is based on historical recoverability rates, contingencies, agreements with clients and amounts considered irrecoverable by fee earners. Revenue is only recognised on contingent matters from the point at which it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur, and it is measured by consideration of historical recoverability rates and agreements with clients.

1.7 Taxation

The tax expense represents the sum of current and deferred tax relating to the Company. The current tax expense is based on taxable profits of the company. Current tax is the expected tax payable or receivable on taxable income or loss of the period, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustments to tax payable in respect of previous periods.

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

1.8 Adoption of new and revised standards

The following standards or amendments have been adopted in the year:

- IFRS 16, 'Leases'
- Amendments to IAS 19, 'Plan Amendment, Curtailment or Settlement';
- Amendments to IAS 28, 'Long-term Interests in Associates and Joint Ventures';
- Amendments to IFRS 9, 'Prepayment Features with Negative Compensation'
- IFRIC 23 'Uncertainty Over Income Tax Treatments'
- 'Annual Improvements to IFRS Standards 2015 - 2017 Cycle'

The above interpretations and new or revised standards have not had any material impact on the amounts reported in these financial statements or the disclosures required.

1.9 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements under FRS 101 requires management to make judgments, estimates and assumptions which affect the financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis.

The key areas of judgement, estimate and assumptions relate to the fair value of unbilled revenue and impairment of trade receivables.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), 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 financial statements.

Notes to the Financial Statements

For the year ended 30 April 2020 (continued)

1 Accounting policies (continued)

1.9 Critical accounting judgements and key sources of estimation uncertainty (continued)

Unbilled revenue

The valuation of unbilled revenue is based on an estimate of the amount expected to be recoverable from clients on unbilled items based on the time spent at a rate which is defined by factors including time spent, the expertise and skills provided and expenses incurred. Provision is made for such factors as historical recoverability rates, contingencies, the outcomes of previous matters and agreements with clients.

Key sources of estimation uncertainty

Trade receivables provision

The valuation of amounts recoverable and not recoverable on trade debtors involves significant judgement. The estimation of provisions is established based on interactions between finance, the fee earner and clients, mindful of the specific circumstances of clients and individual matters and invoices and guided by calculation rules applied to the aged population of all trade debtors (excluding those already addressed by more specific provision). Bad debt provision amounting to £8,820 was provided at reporting date (2019: £1,340).

2 Revenue

All revenue relates to provision of services within the UK.

3 Employee information and directors' remuneration

The average number of persons employed by the Company (excluding directors) during the year, were as follows:

	2020	2019
Total staff	5	3

No director received remuneration for services to the Company in the year.

4 Taxation

	2020 £	2019 £
Profit/(loss) before taxation	50,166	(33,229)
Tax on profit/(loss) at standard UK corporation tax rate of 19% (2019: 19%)	9,532	(6,314)
Tax loss carried forward	-	6,314
Tax loss claimed from other group companies	(3,218)	-
Tax loss utilised	(6,314)	-
Total tax charge for the year	-	-

On 18 November 2019, the UK Government cancelled plans to reduce the corporation tax rate from 19% to 17% from 1 April 2020.

At the reporting date, the Company has unused tax losses of £nil (2019: £33,229) available for offset against future profits.

Notes to the Financial Statements

For the year ended 30 April 2020 (continued)

5 Trade and other receivables

	2020 £	2019 £
Trade receivables	343,923	169,019
Amounts recoverable from clients in respect of unbilled work performed	115,208	22,766
Unbilled disbursements	3,083	122
Amounts due from group undertakings	320,878	46,111
Trade and other receivables	783,092	238,018

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

All trade and other receivables are due within one year.

The bad debt charge to the income statement was £10,470 (2019: £1,340).

6 Trade and other payables

	2020 £	2019 £
Trade payables	11,064	-
Other payables	2,883	2,629
Other taxation and social security	73,038	31,931
Amounts due to group undertakings	679,170	231,041
Trade and other payables	766,155	265,601

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7 Employee benefits

Defined contribution plan

The Company participates in a group defined contribution pension plan.

The amounts charged to the income statement in respect of this scheme represents contributions payable in respect of the accounting period. The total pension cost for the defined contribution scheme during the year was £18,741 (2019: £6,492) and the outstanding balance was £2,733 (2019: £2,629).

8 Share capital

	2020 £	2019 £
Allotted and fully paid		
1 ordinary share of £1 each	1	1
Share capital	1	1

The Company has 1 class of ordinary share. The share carries full voting rights and have rights to dividends and capital distributions, but have no right to fixed income.

9 Related parties

The Company has taken the advantage of the exemption not to disclose the transactions between the wholly owned group companies.

Notes to the Financial Statements

For the year ended 30 April 2020 (continued)

10 Immediate and ultimate controlling party

The immediate parent undertaking is DWF (TG) Limited, a company registered in England and Wales. The registered address of DWF (TG) Limited is 1 Scott Place, 2 Hardman Street, Manchester, M3 3AA.

The ultimate controlling party and the smallest and largest group to consolidate these financial statements is DWF Group plc. Copies of the DWF Group plc consolidated financial statements are publicly available and may be obtained from the registered office, 20 Fenchurch Street, London, EC3M 3AG.