Injury QED Limited

Report and Unaudited Financial Statements

Year ended 31 December 2022

Company Registration No. 06025278 (England and Wales)

Injury QED Limited

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Year ended 31 December 2022

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Injury QED Limited

Directors and Other Information

Directors:	K Barber R Barrington K Spencer
Secretary:	C Payne
Company number:	06025278
Registered office:	Markerstudy House 45 Westerham Road Sevenoaks Kent TN13 2QB

Injury QED Limited

Directors' Report

For the year ended 31 December 2022

The Directors present their report and the financial statements of Injury QED Limited ("the Company") for the year ended 31 December 2022.

Directors

The Directors who served the Company during the year and up to the date of signature of the financial statements were as follows:

K Barber
R Barrington
K Spencer
G J Rowe (resigned 31 August 2022)

Principal activity

The Company did not trade during the year, having ceased accepting new business instructions from 1 June 2019. Turnover generated in the prior year arose from instructions given in 2019. The Company continues to be in existence to recover amounts receivable that arose from the trade previously undertaken by the Company

The Company's principal activity prior to the cessation of trade was that of the provision of medical reports to solicitors and rehabilitation services directly to claimants.

Small company provisions

This report has been prepared in accordance with the provisions and exemptions applicable under the small companies regime.

By order of the Board

K Barber
Director
10 November 2023

Statement of Directors' Responsibilities

The Directors are responsible for preparing the directors' 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 Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS101"). 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 the 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Injury QED Limited

Statement of Comprehensive Income
Year ended 31 December 2022

	Notes	2022 £000	2021 £000
Other income		-	3
Administrative expenses		(197)	(318)
Loss before tax	4	**(197)**	**(315)**
Income tax expense	6	-	-
Loss for the financial year		**(197)**	**(315)**
Other comprehensive income, net of tax		-	-
Loss and total comprehensive income for the year		**(197)**	**(315)**

The notes on pages 7 to 11 form part of these financial statements.

Injury QED Limited

Statement of Financial Position
As at 31 December 2022

	Notes	2022 £000	2021 £000
Assets			
Non-current assets			
Trade and other receivables	7	1,294	1,649
		1,294	**1,649**
Current assets			
Trade and other receivables	7	5,920	5,829
Cash and cash equivalents		77	231
		5,997	**6,060**
Total assets		**7,291**	**7,709**
Liabilities			
Current liabilities			
Trade and other payables	8	988	1,209
Total liabilities		**988**	**1,209**
Net assets		**6,303**	**6,500**
Equity			
Share capital	9	-	-
Capital contribution reserve	9	3,546	3,546
Retained earnings	9	2,757	2,954
Total equity		**6,303**	**6,500**

For the year ending 31 December 2022, the Company was entitled to exemption from audit under section 479A of the *Companies Act 2006* relating to subsidiary companies that are members of a UK group.

No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the *Companies Act 2006.*

The Directors acknowledge their responsibilities for complying with the requirements of the *Companies Act 2006* with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the small companies regime.

These financial statements were approved by the Board of Directors and authorised for issue on 10 November 2022, and are signed on their behalf by:

K Barber
Director

The notes on pages 7 to 11 form part of these financial statements.

Injury QED Limited

Statement of Changes in Equity
Year ended 31 December 2022

	Share capital £000	Called up share capital £000	Profit and loss account £000	Total £000
At 1 January 2021	-	3,546	3,269	6,815
Loss and total comprehensive income for the year	-	-	(315)	(315)
At 31 December 2021	**-**	**3,546**	**2,954**	**6,500**
Loss and total comprehensive income for the year	-	-	(197)	(197)
At 31 December 2022	**-**	**3,546**	**2,757**	**6,303**

Total equity is attributable to the owners of the parent.

The notes on pages 7 to 11 form part of these financial statements.

1. General information

Injury QED Limited ("the Company") is a private company limited by shares, registered in England and Wales. The address of the registered office is 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB.

Details of the Company's principal activities are included in the Directors' Report.

2. Significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 101 *The Financial Reporting Standard 101 Reduced Disclosure Framework* ("FRS 101") and the requirements of the *Companies Act 2006* ("the Act") as applicable to companies subject to the small companies regime.

In preparing these financial statements, the Company applies the recognition and measurement requirements of UK-adopted International Accounting Standards ("IFRS"), amended where necessary in order to comply with the Act.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of derivative financial assets and financial liabilities at fair value through profit or loss, and in accordance with the Act, and are presented in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £1,000, except where otherwise indicated.

Going concern

The Company's ultimate parent entity, Venus Topco Limited ("VTL"), has guaranteed all liabilities at 31 December 2022 under section 479A of the Act. Therefore, providing support should the Company need it to meet its liabilities as they fall due.

VTL and its controlled entities ("the Group") is forecast to generate positive future cash flows, after servicing debt and capital expenditure, and the Directors are therefore confident that there will be sufficient positive cash flows to support the liquidity and solvency of the Company.

This assessment is based on management's analysis of liquidity stress testing and sensitivity analysis which considers a number of downside scenarios, including the potential impacts of the cost-of-living crisis and market changes. For these reasons, the Directors have adopted the going concern basis of accounting in preparing these financial statements.

Reduced disclosures

In accordance with FRS 101 the following exemptions from the requirements of IFRS have been applied in the preparation of the Company financial statements and, where relevant, equivalent disclosures have been made in the consolidated financial statements of the parent company:

- Presentation of a Company Cash Flow Statement and related notes;
- Disclosure of the objectives, policies and processes for managing capital;
- Inclusion of an explicit and unreserved statement of compliance with IFRS;
- Comparative period reconciliations for share capital;
- Related party disclosures in respect of two or more wholly owned members of the Group; and
- Disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date.

The financial statements of the Company are consolidated within the financial statements of Markerstudy Group Holdings Limited where equivalent disclosures are provided. The financial statements are publicly available from Markerstudy House, 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB.

Contract assets

Contract assets are recognised at the point that the Company delivers and completes its services. The contract asset is recognised at its expected value, being the estimate of the amount likely to be received in light of the range of possible outcomes of the specific court case. Contract assets are adjusted in light of further information as it becomes available, with the change being taken through turnover in the period in which the updated information becomes available. The contract asset is transferred to a trade receivable as and when confirmation of the amount due and payable is confirmed.

2. Significant accounting policies (continued)

Financial assets
Financial assets are recognised when the Company becomes party to the contractual provisions of the instrument.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the Company with maturities of less than three months.

Trade and other receivables
Trade receivables are initially measured at their transaction price. Other receivables are initially measured at fair value plus transaction costs. Receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets
An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

Trade receivables
For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

Impairment losses and any subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

Financial liabilities and equity
Financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

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.

Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

Trade and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Equity
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at fair value on initial recognition net of transaction costs.

2. Significant accounting policies (continued)

Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party. When there is no reasonable expectation of recovering a financial asset it is derecognised ('written off'). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss.

Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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 income statement, 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 there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. Critical accounting judgements and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Expected credit losses

The long-term nature of the contract assets requires the application of an impairment model based on the lifetime expected credit losses, which are losses that result from all possible default events over the expected life of the financial instrument. A default event in the context of the Company would be the failure of a solicitor. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information. The expected credit loss balance recognised at 31 December 2022 was £5,833k (2021: £5,930k).

In the opinion of the Directors there are no other sources of estimation uncertainty or critical judgements impacting amounts recognised in these financial statements.

4. Loss before tax

Loss before tax is stated after charging:

	2022 £000	2021 £000
Amortisation of intangible fixed assets	-	33
Fees payable for the audit of the financial statements	-	15
Fees payable to the auditor for tax advisory services	4	3

5. Employees and directors

There were no employees during the current or prior year. The Directors did not receive any remuneration from the Company during the year (2021: £Nil).

6. Income tax expense

Reconciliation of tax expense

The tax assessed on the loss for the year differs from the standard rate of corporation tax in the UK of 19% (2021: 19%) due to the following.

	2022 £000	2021 £000
Loss on ordinary activities before taxation	(197)	(315)
Tax at the standard corporate tax rate of 19% (2021: 19%)	(37)	(60)
Effect of:		
Expenses not deductible for tax purposes	-	53
Group relief surrendered	-	5
Remeasurement of deferred tax for changes in tax rates	-	(548)
Movement in deferred tax not recognised	37	550
Total tax expense	-	-

The Company has £2,321k (2021: £2,284k) of unrecognised deferred tax assets, of which £2,269k (2021: £2,232k) relates to unutilised tax losses.

7. Trade and other receivables

	2022 £000	2021 £000
Current		
Amounts due from group companies	5,507	4,851
Contract assets	413	978
	5,920	**5,829**
Non-current		
Contract assets	**1,294**	**1,649**

Amounts due from group companies are unsecured, interest free and repayable on demand. The Directors consider that the carrying value of amounts due from group companies approximates their fair value as the impact of discounting is not significant.

Contract assets are assessed for impairment based on expected credit losses, being an assessment of default events over the expected life of the contract. A default event in the context of the Company would be the failure of a solicitor managing the case.

The expected credit losses and the gross carrying value of the contract assets are as follows:

	2022 £000	2021 £000
Gross contract assets	7,540	8,557
Expected credit losses	(5,833)	(5,930)
	1,707	**2,627**

8. Trade and other payables

	2022 £000	2021 £000
Trade payables	52	134
Amounts due to group undertakings	708	576
Other tax and social security	71	438
Accruals and deferred income	103	61
Other creditors	54	-
	988	**1,209**

Amounts due to group companies are unsecured, interest free and repayable on demand.

The carrying value of trade and other payables approximates their fair value.

9. Equity

Share Capital

	2022 £000	2021 £000
100 ordinary shares of £1 each issued and fully paid	-	-

The ordinary shares carry one vote per share and carry the right to receive dividends when declared. They rank pari passu with each other in all respects including receipt of dividends and proceeds on the winding up of the Company.

Retained earnings
Cumulative profit and loss net of distributions to owners.

Capital contribution reserve
Capital contribution arising from the forgiveness of a loan owed to a fellow group undertaking.

10. Controlling party
The Company's immediate parent undertaking is Markerstudy Group Limited, a company registered in the United Kingdom. The Company's ultimate parent company is Venus Topco Limited, a company registered in Guernsey. The smallest and largest groups consolidating the results of the Company are Markerstudy Group Holdings Limited and Venus Topco Limited respectively. The registered office of Markerstudy Group Holdings Limited is Markerstudy House, 45 Westerham Road, Bessels Green, Sevenoaks, Kent, United Kingdom, TN13 2QB. The registered office of Venus Topco Limited is PO Box 656, East Wing Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3PP.

The ultimate controlling parties are PSC IV LP (registered in Guernsey), PSC IV (B) LP (registered in Guernsey) and PSC IV (C) SCSp (registered in Luxembourg), being funds managed by Pollen Street Capital Limited (a subsidiary of Pollen Street Plc, a UK listed asset manager).

11. Events after the end of the reporting period
There were no events between the end of the reporting period and the date of approval of the financial statements that have had a material impact on the business and operations of the Company.